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KOALA Financial Group Limited **樹熊金融集團有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8226)

PROPOSED RIGHTS ISSUE ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY ONE (1) EXISTING SHARE HELD ON THE RECORD DATE

Underwriter to the Rights Issue



Supreme China Securities Limited
智華證券有限公司

PROPOSED RIGHTS ISSUE

The Company proposes to implement the Rights Issue on the basis of two (2) Rights Shares for every one (1) existing Share held on the Record Date at the Subscription Price of HK\$0.3 per Rights Share, to raise gross proceeds of approximately HK\$83.5 million before expenses (assuming no change in the number of Shares in issue on or before the Record Date), by way of the Rights Issue of up to 278,335,994 Rights Shares to the Qualifying Shareholders.

The Company will provisionally allot to the Qualifying Shareholders two Rights Shares in nil-paid form for every one existing Share in issue and held on the Record Date. The Rights Issue will not be available to the Non-Qualifying Shareholders.

The estimated net proceeds from the Rights Issue after deducting all necessary expenses will be approximately HK\$80.1 million (assuming no change in the number of Shares in issue on or before the Record Date), which are intended to be applied in following manners: (i) approximately HK\$72.0 million (or approximately 90% of the total net proceeds) for the expansion of the Group's margin financing business; and (ii) the remaining balance of approximately HK\$8.1 million (or approximately 10% of the total net proceeds) for general working capital of the Group.

In the event that there is an under-subscription of the Rights Issue, the net proceeds of the Rights Issue will be utilised in proportion to the above uses.

THE UNDERWRITING AGREEMENT

On 12 May 2022 (after trading hours), the Company entered into the Underwriting Agreement with the Underwriter, pursuant to which the Underwriter has conditionally agreed to underwrite, on a best effort basis, the Underwritten Shares up to 278,335,994 (assuming no change in the number of Shares in issue on or before the Record Date), subject to the terms and conditions set out in the Underwriting Agreement, in particular the fulfilment of the conditions precedent contained therein. Details of the major terms and conditions precedent of the Underwriting Agreement are set out in the section headed "THE UNDERWRITING AGREEMENT" in this announcement.

The Rights Issue is only underwritten on a best effort basis. Pursuant to the Company's constitutional documents, the Companies Act of the Cayman Islands, the Companies (WUMP) Ordinance and the GEM Listing Rules, there are no requirements for minimum levels of subscription in respect of the Rights Issue. Subject to fulfillment of the conditions precedent of the Rights Issue, the Rights Issue will proceed regardless of the ultimate subscription level.

In the event the Rights Issue is undersubscribed, any Rights Shares not taken up by the Qualifying Shareholders whether under PAL(s) or EAF(s), or transferees of nil-paid Rights Shares, or otherwise subscribed by the Underwriter or other subscribers procured by it pursuant to the Underwriting Agreement will not be issued by the Company, and hence, the size of the Rights Issue will be reduced accordingly. Investors are advised to exercise caution when dealing in the Shares.

THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising all the independent non-executive Directors has been established to provide recommendations to the Independent Shareholders in connection with the Rights Issue (including the Underwriting Agreement). The Independent Financial Adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the Rights Issue (including the Underwriting Agreement), and as to voting. An announcement will be made by the Company following the appointment of the Independent Financial Adviser.

GEM LISTING RULES IMPLICATIONS

Since the proposed Rights Issue will increase the issued share capital or the market capitalisation of the Company by more than 50%, in accordance with Rule 10.29(1) of the GEM Listing Rules, the proposed Rights Issue must be made conditional on approval by the Independent Shareholders in general meeting by a resolution on which any controlling Shareholders and their associates or, where there are no controlling Shareholders, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the proposed Rights Issue. The Rights Issue does not result in a theoretical dilution effect of 25% or more on its own. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 10.44A of the GEM Listing Rules.

As at the date of this announcement, the Company has no controlling Shareholder as defined under the GEM Listing Rules and none of the Directors and the chief executive of the Company and their respective associates holds any Share. Accordingly, no Shareholder shall abstain from voting in favour of the proposed resolution approving the Rights Issue at the EGM and no Director shall abstain from voting in favour of the Rights Issue at the meeting of the Board.

GENERAL

A circular containing, among other things, (i) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Rights Issue; (ii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders on the Rights Issue; and (iii) a notice convening the EGM, is expected to be despatched to the Shareholders on or before Friday, 10 June 2022.

The Company will despatch the Prospectus Documents containing, among other matters, details of the Rights Issue, to the Qualifying Shareholders. The Company will despatch the Prospectus (without the PAL(s) and EAF(s)) to the Non-Qualifying Shareholders for their information only.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE NIL-PAID RIGHTS SHARES

Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon, among others, the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof (a summary of which is set out in the section headed “Termination of the Underwriting Agreement” in this announcement). Accordingly, the Rights Issue may or may not proceed.

Any Shareholder or other person dealing in the Shares and/or the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue are fulfilled (and the date on which the Underwriter's right of termination of the Underwriting Agreement ceases) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares. Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

PROPOSED RIGHTS ISSUE

The Board proposes to implement the Rights Issue with the terms set out as follows:

Issue statistics

Basis of the Rights Issue	:	Two (2) Rights Shares for every one (1) existing Share held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price	:	HK\$0.3 per Rights Share
Net price per Rights Share (i.e. Subscription Price less cost and expenses incurred in the Rights Issue)	:	Approximately HK\$0.29 per Rights Share
Number of Shares in issue at the date of this announcement	:	139,167,997 Shares
Number of Rights Shares to be issued pursuant to the Rights Issue	:	Up to 278,335,994 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date)
		The aggregate nominal value of the Rights Shares will be HK\$55,667,198.8.
Total number of Shares in issue upon completion of the Rights Issue	:	Up to 417,503,991 Shares (assuming no change in the number of Shares in issue on or before the Record Date)

- Gross proceeds from the Rights Issue : Up to approximately HK\$83.5 million before expenses (assuming no change in the number of Shares in issue on or before the Record Date)
- Right of excess applications : Qualifying Shareholders may apply for Rights Shares in excess of their provisional allotment

The Company has no outstanding convertible bonds, options, derivatives, warrants, conversion rights or other similar rights entitling holders thereof to subscribe for or convert into or exchange for new Shares as at the date of this announcement.

Assuming no further issue or repurchase of Shares on or before the Record Date, the maximum number of 278,335,994 Rights Shares to be issued and allotted pursuant to the terms of the Rights Issue represent 200% of the total number of issued Shares and approximately 66.67% of the total number of issued Shares as enlarged by the allotment and issuance of the Rights Shares.

Undertakings

The Company has undertaken in the Underwriting Agreement that the Company shall not issue new Shares and shall not grant new share options under the share option scheme from the date of the Underwriting Agreement up to and including the Record Date (both days inclusive).

As at the date of this announcement, the Company has not received any information or irrevocable undertaking from any substantial Shareholder of their intention in relation to the Rights Shares to be provisionally allotted to them under the Rights Issue.

The Subscription Price

The Subscription Price of HK\$0.3 per Rights Share is payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of the Rights Shares under the Rights Issue, upon an application of excess Rights Shares, or when a transferee of the nil-paid Rights Shares subscribes for the Rights Shares.

The Subscription Price represents:

- (a) a discount of approximately 4.76% to the closing price of HK\$0.315 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 7.12% to the average closing price of HK\$0.323 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day;

- (c) a discount of approximately 7.12% to the average closing price of approximately HK\$0.323 per Share as quoted on the Stock Exchange for the ten (10) consecutive trading days up to and including the Last Trading Day; and
- (d) a discount of approximately 1.64% to the theoretical ex-rights price of approximately HK\$0.305 per Share based on the closing price of HK\$0.315 per Share as quoted on the Stock Exchange on the Last Trading Day.

The Rights Issue would result in a theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) of approximately 4.7%, based on the theoretical diluted price of HK\$0.307 per Share and the benchmarked price (as defined under Rule 10.44A of the GEM Listing Rules) of HK\$0.322 per Share.

The Subscription Price was determined after arm's length negotiation between the Company and the Underwriter with reference to, among others, (i) the market price of the Shares under the prevailing market conditions; (ii) the latest business performance and financial position of the Group; and (iii) the reasons for and benefits of proposed Rights Issue as discussed in the section headed "REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS" in this announcement.

The Board (excluding the members of the Independent Board Committee whose opinion will be set forth in the circular) consider that the terms of the Rights Issue, including the Subscription Price which has been set a discount to the recent closing prices of the Share with an objective to encourage existing Shareholders to take up their entitlements so as to participate in the potential growth of the Company, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Status of the Rights Shares

The Rights Shares (when allotted, fully-paid or credited as fully-paid and issued) will rank pari passu in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Rights Shares. Holders of the fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment and issue of the fully paid Rights Shares. Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company as at the close of business on the Record Date and not be a Non-Qualifying Shareholder. In order to be registered as members of the Company prior to the close of business on the Record Date, all transfers of the Shares (together with the relevant share certificate(s)) must be lodged with the Registrar at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, for registration no later than 4:00 p.m. (Hong Kong time) on Wednesday, 6 July 2022.

It is expected that the last day of dealings in the Shares on a cum-rights basis is Monday, 4 July 2022, and the Shares will be dealt with on an ex-rights basis from Tuesday, 5 July 2022.

Subject to the passing of the resolution to approve the Rights Issue by the Independent Shareholders at the EGM and the registration of the Prospectus Documents in accordance with the applicable laws and regulations, the Company will despatch the Prospectus Documents to the Qualifying Shareholders on the Prospectus Posting Date and will despatch the Prospectus (without the PAL(s) and the EAF(s)) to the Non-Qualifying Shareholders for their information only.

Closure of register of members

The register of members of the Company will be closed from Thursday, 7 July 2022 to Wednesday, 13 July 2022 (both days inclusive) for determining the entitlements to the Rights Issue. No transfer of the Shares will be registered during the above book closure period.

Basis of provisional allotments

The Rights Shares will be allotted on the basis of two (2) Rights Shares for every one (1) existing Share held by the Qualifying Shareholders as at the close of business on the Record Date.

Acceptance for all or any part of a Qualifying Shareholder's provisional allotment should be made only by lodging a duly completed PAL with a remittance for the Rights Shares being accepted with the Registrar by the Latest Time for Acceptance.

Rights of Overseas Shareholders (if any)

The Prospectus Documents to be issued in connection with the Rights Issue will not be registered or filed under the securities law of any jurisdiction other than Hong Kong. Overseas Shareholders may not be eligible to take part in the Rights Issue as explained below.

The Board will comply with Rule 17.41(1) of the GEM Listing Rules and make necessary enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholders (if any) under the laws of the relevant overseas jurisdictions and the requirements of the relevant regulatory bodies or stock exchanges. If, based on legal advice, the Board is of the opinion that it would be necessary or expedient not to offer the Rights Shares to any Overseas Shareholders on account either of the legal restrictions under the laws of relevant place(s) or the requirements of the relevant overseas regulatory body or stock exchange, no provisional allotment of the nil-paid Rights Shares or allotment of fully-paid Rights Shares will be made to such Overseas Shareholders. In such circumstances, the Rights Issue will not be extended to the Non-Qualifying Shareholders. The basis for excluding the Non-Qualifying Shareholders, if any, from the Rights Issue will be set out in the Prospectus to be issued.

Arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders, to be sold in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, will be paid pro rata (but rounded down to the nearest cent) to the Non-Qualifying Shareholders in Hong Kong dollars, except that the Company will retain individual amounts of less than HK\$100 for its own benefit. Any unsold entitlements of the Non-Qualifying Shareholders will be made available for excess application by the Qualifying Shareholders.

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue, subject to the results of enquiries made by the Directors pursuant to Rule 17.41(1) of the GEM Listing Rules. Accordingly, Overseas Shareholders should exercise caution when dealing in the Shares.

Application for the excess Rights Shares

Qualifying Shareholders shall be entitled to apply, by way of excess application, for (a) the Rights Shares representing the entitlement of the Non-Qualifying Shareholders and which cannot be sold at a net premium; and (b) any Rights Shares provisionally allotted but not validly accepted by the Qualifying Shareholders or transferees of nil-paid Rights Shares. Applications for the excess Rights Shares may be made by duly completing the EAF and lodging the same with a separate remittance for the excess Rights Shares being applied for with the Registrar by the Latest Time for Acceptance.

The Board will allocate the excess Rights Shares at its discretion, but on a fair and equitable basis as far as practicable on the following principles:

- (a) no preference will be given to applications for topping-up odd-lot holdings to whole-lot holdings as the giving of such preference may potentially be abused by certain investors by splitting their Shares and thereby receiving more Rights Shares than they would receive if such preference is not given, which is an unintended and undesirable result; and
- (b) the excess Rights Shares will be allocated to the applicants on a pro rata basis based on the number of excess Rights Shares applied for by them. No reference will be made to Rights Shares subscribed through PALs, or the number of Shares held by the Qualifying Shareholders.

Beneficial owners of the Shares whose Shares are held by a nominee company (including HKSCC Nominees Limited) should note that for the purpose of the Rights Issue, the Board will regard the nominee company as a single Shareholder according to the register of members of the Company. Accordingly, the beneficial owners of the Shares whose Shares are registered in name of nominee companies should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to beneficial owners individually and are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

For those beneficial owners of the Shares whose Shares are held by their nominee(s) (including HKSCC Nominees Limited) and who would like to have their names registered on the register of members of the Company, they must lodge all necessary documents with the Registrar at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong, for completion of the relevant registration not later than 4:00 p.m. (Hong Kong time) on Wednesday, 6 July 2022.

Certificates of the Rights Shares and refund cheques for the Rights Issue

Subject to fulfilment of the conditions of the Rights Issue, share certificates for the fully-paid Rights Shares are expected to be sent on or before Friday, 5 August 2022 to those entitled thereto by ordinary post, at their own risk, to their registered addresses. If the Underwriting Agreement is terminated or not becoming unconditional, refund cheques will be despatched on or before Friday, 5 August 2022 by ordinary post, at the respective Shareholders’ own risk, to their registered addresses. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on or before Friday, 5 August 2022, by ordinary post to the applicants, at their own risk, to their registered addresses.

Fractional entitlement to the Rights Shares

On the basis of provisional allotment of two (2) Rights Shares for every one (1) existing Share held by the Qualifying Shareholders on the Record Date, no fractional entitlement to the Rights Shares will arise under the proposed Rights Issue.

Taxation

Shareholders are advised to consult their professional advisers if they are in any doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the Rights Shares and, regarding the Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sale of the nil-paid Rights Shares on their behalf.

Application for listing of the Rights Shares

The Company will apply to the GEM Listing Committee for the listing of, and the permission to deal in, the Rights Shares (in both nil-paid and fully-paid forms) to be issued and allotted pursuant to the Rights Issue. No part of the securities of the Company is listed or dealt in, and no listing of or permission to deal in any such securities is being or is proposed to be sought, on any other stock exchanges.

The nil-paid Rights Shares shall have the same board lot size as the existing Shares (i.e. 5,000 Shares in one board lot).

Subject to the granting of the listing of, and the permission to deal in, the Rights Shares (in both their nil-paid and fully-paid forms) on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares (in both their nil-paid and fully-paid forms) will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in their nil-paid and fully-paid forms on the Stock Exchange, or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

THE UNDERWRITING ARRANGEMENT

On 12 May 2022 (after trading hours), the Company entered into the Underwriting Agreement with the Underwriter. Further details of the Underwriting Agreement are set out below.

Underwriting Agreement

Date : 12 May 2022 (after trading hours)

Issuer : The Company

Underwriter : Supreme China Securities Limited

The Underwriter is a licensed corporation carrying out Type 1 (dealing in securities) regulated activity under the SFO and its ordinary course of business includes underwriting of securities.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the Underwriter and its associates do not hold any Shares, and the Underwriter and its ultimate beneficial owners are Independent Third Parties.

- Number of Rights Shares to be underwritten by the Underwriter : Up to 278,335,994 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date) underwritten by the Underwriter on a best effort basis pursuant to the terms and conditions of the Underwriting Agreement.
- Underwriting Commission : 3% of the aggregate Subscription Price in respect of the Rights Shares actually subscribed for through the Underwriter and/or its sub-underwriters

The terms of the Underwriting Agreement (including the commission rate) were determined after arm's length negotiation between the Company and the Underwriter by reference to the financial position of the Group, the size of the Rights Issue, the current and expected market condition and the prevailing market rate. The Directors consider the terms of the Underwriting Agreement (including the underwriting commission) are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

Save for the Underwriting Agreement, the Company has not entered into any agreement, arrangement, understanding or undertaking in regard of the Rights Issue with the Underwriter or any of its connected persons and their respective associates.

Termination of the Underwriting Agreement

If at any time on or before the Latest Time for Termination:

- (a) it has come to the notice of the Underwriter:
- (i) that any of the representations, warranties and undertakings in the Underwriting Agreement was untrue, inaccurate, misleading or breached, and in each case the same is (in the reasonable opinion of the Underwriter) material in the context of the Rights Issue; or
 - (ii) that any statement, considered reasonably by the Underwriter to be material, contained in the Prospectus Documents was when the Prospectus Documents were issued, or has become untrue, incorrect or misleading in any material respect; or

- (iii) any adverse change after the signing of the Underwriting Agreement in the business or in the financial or trading position of any member of the Group which is material in the context of the Rights Issue; or
 - (iv) that any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the Prospectus Posting Date, constitute an omission therefrom reasonably considered by the Underwriter to be material; or
 - (v) after signing of the Underwriting Agreement, there occurs or comes into effect the imposition of any moratorium, suspension or material restriction on trading in the Shares generally on the Stock Exchange whether due to exceptional financial circumstances or otherwise; or
 - (vi) any event, act or omission which in the reasonable opinion of the Underwriter gives or are likely to give rise to any material liability of the Company pursuant to the terms of the Underwriting Agreement;
- (b) in the sole opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:
- (i) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may materially and adversely affect the business or the financial or trading position or prospects of the Group after the signing of the Underwriting Agreement; or
 - (ii) the occurrence of any local, national or international event or change of a political, military, financial, economic or other nature or in the nature of any local outbreak or escalation of hostilities or armed conflict, or adversely affecting local securities markets which materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially or adversely prejudice the success of the Rights Issue or otherwise makes inexpedient or inadvisable to proceed with the Rights Issue; or
- (c) any change in market conditions (including without limitation suspension or material restriction or trading in securities) occurs which is likely to materially or adversely affect the success of the Rights Issue or otherwise makes it expedient or inadvisable to proceed with the Rights Issue; or

- (d) any change in the circumstances of the Company or any members of the Group which will materially or adversely affect the prospect of the Company.

then the Underwriter may, by notice in writing given to the Company on or before the Latest Time for Termination, terminate the Underwriting Agreement.

If the Underwriter terminates the Underwriting Agreement, the Rights Issue will not proceed. A further announcement would be made by the Company if the Underwriting Agreement is terminated by the Underwriter.

Conditions of the Underwriting Agreement

The obligations of the Underwriter under the Underwriting Agreement are conditional on the fulfilment (or waiver, if applicable, by the Underwriter) of the following conditions:

- (a) the passing of necessary resolution(s) at the EGM to approve the Rights Issue (including, but not limited to the exclusion of the offer of the Right Issue to the Non-Qualifying Shareholders) and the Underwriting Agreement by the Shareholders (where applicable, the Independent Shareholders) and the transactions contemplated thereunder by no later than the Prospectus Posting Date;
- (b) the GEM Listing Committee granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of, and permission to deal in, the Rights Shares (in their nil-paid and fully-paid forms) by no later than the first day of their dealings;
- (c) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one duly certified copy of each of the Prospectus Documents (and all other documents required to be attached thereto) as having been approved by resolution of the Board not later than the Prospectus Posting Date and otherwise in compliance with the GEM Listing Rules and the Companies (WUMP) Ordinance;
- (d) the posting of the Prospectus Documents to the Qualifying Shareholders and the Prospectus to the Non-Qualifying Shareholders by no later than the Prospectus Posting Date;
- (e) the obligations of the Underwriter becoming unconditional and that the Underwriting Agreement is not terminated in accordance with the terms thereof; and

- (f) compliance with and performance of all undertakings and obligations of the Company under the Underwriting Agreement and the representations and warranties given by the Company under the Underwriting Agreement remaining true, correct and not misleading in all material respects.

The conditions precedent, save and except paragraph (f) above which can only be waived by the Underwriter, are incapable of being waived.

The Company shall use all reasonable endeavours to procure the fulfilment of the conditions precedent set out in paragraphs (a) to (d) and (f) above by the Latest Time for Termination. If the conditions precedent set out in the above paragraphs are not satisfied (or, if applicable, waived by the Underwriter) in whole or in part on or before the Latest Time for Termination and/or the condition set out in paragraph (f) above does not remain fulfilled (unless waived by the Underwriter under the terms of the Underwriting Agreement) up to the Latest Time for Termination or the Underwriting Agreement shall be rescinded by the Underwriter pursuant to the terms thereof, the Underwriting Agreement shall terminate (save in respect of the surviving provisions in relation to fees and expenses, indemnity, notices and governing law), all obligation and liabilities of the parties to the Underwriting Agreement will cease and determine and no party thereto will have any claim against any other party for costs, damages, compensation or otherwise save for any antecedent breaches, and the Rights Issue will not proceed.

The Rights Issue is only underwritten on a best effort basis. Pursuant to the Company's constitutional documents, the Companies Act of the Cayman Islands, the Companies (WUMP) Ordinance and the GEM Listing Rules, there are no requirements for minimum levels of subscription in respect of the Rights Issue. Subject to fulfillment of the conditions precedent of the Rights Issue, the Rights Issue will proceed regardless of the ultimate subscription level.

In the event the Rights Issue is undersubscribed, any Rights Shares not taken up by the Qualifying Shareholders whether under PAL(s) or EAF(s), or transferees of nil-paid Rights Shares, or otherwise subscribed by the Underwriter or other subscribers procured by it pursuant to the Underwriting Agreement will not be issued by the Company, and hence, the size of the Rights Issue will be reduced accordingly. Investors are advised to exercise caution when dealing in the Shares.

REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS

The Group is principally engaged in (i) provision of securities brokerage, margin financing, share placements and underwriting services (the “**Securities Brokerage Business**”); (ii) money lending; (iii) securities investment; (iv) provision of assets management services; and (v) leasing of investment properties.

As disclosed in the annual report of the Company for the year ended 31 December 2021, the Group recorded revenue of approximately HK\$19.2 million from the Securities Brokerage Business for the year, representing approximately 55% growth from approximately HK\$12.4 million in the previous year. The Board expects that the Securities Brokerage Business will become one of the major growth drivers to the Group. With a view to further improving the revenue from the Securities Brokerage Business, the Group plans to continue to reserve additional funds for the expansion of margin financing services.

The Group carries out the Securities Brokerage Business through its subsidiary, namely KOALA Securities Limited (“**KOALA Securities**”), a licensed corporation carrying out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO. As advised by the senior management of the Company, they received requests from clients and other securities firms for the granting of margin financing for stock trading activities, including but not limited to, margin and short-term initial public offering (“**IPO**”) loans. However, the Board expects that, without further capital injection, the size of margin financing will be limited by the existing scale of KOALA Securities capital base as governed by the Financial Resources Rules. Pursuant to the Financial Resources Rules, liquid capital is the amount by which a licensed corporation’s liquid assets exceeds its ranking liabilities where (i) liquid assets are the amount of assets held by the licensed corporation, adjusted for such factors to take into account liquidity of certain assets as well as credit risks; and (ii) ranking liabilities are the sum of liabilities on the balance sheet of the licensed, adjusted for such factors to take into account market risks and contingency.

As at 31 December 2021, the cash and cash equivalents of the Group was approximately HK\$123.5 million, of which (i) approximately HK\$56.6 million was allocated for the Securities Brokerage Business; (ii) approximately HK\$32.7 million for securities investment; (iii) approximately HK\$25.7 million was allocated for money lending business; and (iv) the remaining balance of approximately HK\$8.5 million was reserved for general working capital. The Board observes the increasing demand from the new economy enterprises seeking to have listings in Hong Kong over the past two years. It also anticipates that the return listings of China concept stocks will further drive the growth of the IPO market in Hong Kong, leading to the growing appetite for margin financing in the second half of 2022. Based on the existing capital reserve of the Securities Brokerage Business, the Board expects that KOALA Securities will not be able to meet the demand for margin financing credit from margin clients. Therefore, the Board considers it necessary to strengthen the capital base of KOALA Securities by way of the Rights Issue in order to reap the market opportunities.

The Board is of the view that the Rights Issue will enable the Group to strengthen its capital base for the margin financing business and enhance its working capital position. Furthermore, the Rights Issue will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company and participate in the growth and development of the Group.

The Board has also considered other alternative means of fund raising before resolving to the Rights Issue, including but not limited to debt financing, placing and open offer. However, the Board considers that debt financing will result in additional interest burden and higher gearing ratio of the Group. In addition, debt financing may not be achievable on favourable terms in a timely manner. As for equity fund raising, such as placing of new Shares, it is relatively smaller in scale as compared to fund raising through rights issue and it would lead to immediate dilution in the shareholding interest of existing Shareholders without offering them the opportunity to participate in the enlarged capital base of the Company, which is not the intention of the Company. As for open offer, while it is similar to a rights issue, offering qualifying shareholders to participate, it does not allow free trading of rights entitlements in the open market.

In view of the above, the Board considers that raising funds by way of the Rights Issue is more cost effective, efficient and beneficial to the Company and the Shareholders as a whole as compared to raising fund by other means.

Assuming full subscription under the Right Issues, it is estimated that the Company will raise gross proceeds of approximately HK\$83.5 million from the Rights Issue and the relevant expenses would be approximately HK\$3.4 million, which include underwriting commission and professional fees. The estimated net proceeds from the Rights Issue will be approximately HK\$80.1 million (equivalent to a net price of approximately HK\$0.29 per Rights Share). In line with the aforesaid business objectives, the Company intends to utilise the net proceeds from the Rights Issue as follows:

- (a) approximately HK\$72.0 million (or approximately 90% of the total net proceeds) for the expansion of the Group's margin financing business; and
- (b) the remaining balance of approximately HK\$8.1 million (or approximately 10% of the total net proceeds) for general working capital of the Group.

In the event that there is an under-subscription of the Rights Issue, the net proceeds of the Rights Issue will be utilised in proportion to the above uses.

The Board (excluding the members of the Independent Board Committee whose opinion will be set forth in the circular) considered that the Rights Issue provides a good opportunity for the Group to expand its margin financing business and enhance its financial position, while at the same time the Rights Issue will enable all Qualifying Shareholders to participate in the future development of the Company on equal terms to maintain their respective pro-rata shareholdings in the Company. Hence, the Board (excluding the members of the Independent Board Committee whose opinion will be set forth in the circular) considered that it is in the interests of the Company and the Shareholders as a whole to raise capital through the Rights Issue.

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets out the shareholding structures of the Company (a) as at the date of this announcement; (b) immediately after the Rights Issue (assuming all Rights Shares are subscribed for by the Qualifying Shareholders); and (c) immediately after the Rights Issue (assuming no Qualifying Shareholders takes up any of the Rights Shares and the Underwriter takes up all Rights Shares pursuant to the Underwriting Agreement).

	As at the date of this announcement		Immediately after completion of the Rights Issue			
			Assuming all Rights Shares are subscribed for by the Qualifying Shareholders		Assuming no Qualifying Shareholders takes up any of the Rights Shares and the Underwriter takes up all Rights Shares pursuant to the Underwriting Agreement	
	<i>No. of Shares</i>	<i>Approx. % (Note 1)</i>	<i>No. of Shares</i>	<i>Approx. % (Note 1)</i>	<i>No. of Shares</i>	<i>Approx. % (Note 1)</i>
Wong Ka Man	26,533,363	19.07	79,600,089	19.07	26,533,363	6.36
Underwriter, sub-underwriter(s) and/or subscriber(s) procured by them (Notes 2&3)	-	-	-	-	278,335,994	66.67
Other public Shareholders	112,634,634	80.93	337,903,902	80.93	112,634,634	26.98
Total	139,167,997	100	417,503,991	100	417,503,991	100.00

Notes:

- (1) The percentage figures have been subject to rounding adjustments. Any discrepancies between totals and sums of amounts listed herein are due to rounding adjustments.
- (2) Pursuant to the Underwriting Agreement, the Underwriter shall confirm with the Company the actual number of Untaken Shares as at the Latest Time for Acceptance, and shall procure for subscription therefor on a best effort basis.

- (3) In any event and notwithstanding any provisions under the Underwriting Agreement, the Underwriter irrevocably undertakes to the Company that (i) each of the subscribers of the Untaken Shares procured by the Underwriter (or the Underwriter concerned, whichever shall be appropriate) shall be an Independent Third Party and are not acting in concert (within the meaning of the Takeovers Code) with the Underwriter and its associates; (ii) the Underwriter shall and shall cause the sub-underwriters to procure independent subscribers and/or placees to take up such number of Untaken Shares as necessary to ensure that the Company will comply with the public float requirement under the GEM Listing Rules upon completion of the Rights Issue; and (iii) the Underwriter or each subscriber procured by the Underwriter (together with parties acting in concert with the respective subscribers or any of the connected persons or associates of the respective subscribers) shall not hold in aggregate 30% or more of the voting rights of the Company immediately after the Rights Issue.

EQUITY FUND RAISING ACTIVITIES OF THE COMPANY FOR THE PAST TWELVE MONTHS

The Company has not conducted any rights issue, open offer and/or specific mandate placing within the 12-month period immediately preceding the date of this announcement, or prior to such 12-month period where dealing in respect of the Shares issued pursuant thereto commenced within such 12-month period, nor has it issued any bonus securities, warrants or other convertible securities as part of such rights issue, open offers and/or specific mandate placings within such 12-month period.

EXPECTED TIMETABLE

The expected timetable for the Rights Issue is set out below:

Event	2022
Expected date of despatch of circular and the notice of EGM	Friday, 10 June
Latest time for lodging transfers of shares to qualify for attendance and voting at the EGM	4:00 p.m. on Thursday, 23 June
Closure of register of members of the Company for transfer of the Shares to determine the right to attend and vote at the EGM (both days inclusive)	Friday, 24 June to Thursday, 30 June
Latest time for lodging proxy forms for the EGM (not less than 48 hours prior to the time of the EGM)	10:00 a.m. on Tuesday, 28 June
Record date for determining attendance and voting at EGM	Thursday, 30 June

Event	2022
Date and time of the EGM	10:00 a.m. on Thursday, 30 June
Announcement of results of the EGM	Thursday, 30 June
Last day of dealings in the Shares on a cum-rights basis of the Rights Issue	Monday, 4 July
First day of dealings in the Shares on an ex-rights basis of the Rights Issue	Tuesday, 5 July
Latest date and time for lodging transfers of Shares in order to be qualified for the Rights Issue	4:00 p.m. on Wednesday, 6 July
Register of members closes (both dates inclusive)	Thursday, 7 July to Wednesday, 13 July
Record Date for the Rights Issue	Wednesday, 13 July
Register of members re-opens	Thursday, 14 July
Despatch of the Prospectus Documents and nil-paid Rights Shares	Thursday, 14 July
First day and time of dealings in nil-paid Rights Shares	9:00 a.m. on Monday, 18 July
Latest time for splitting of PAL(s)	4:00 p.m. on Wednesday, 20 July
Last day and time of dealings in nil-paid Rights Shares	4:00 p.m. on Monday, 25 July
Latest time for acceptance and payment for the Rights Shares and application for excess Rights Shares	4:00 p.m. on Thursday, 28 July
Latest time and date for termination of Underwriting Agreement and for the Rights Issue to become unconditional	4:00 p.m. on Friday, 29 July
Announcement of results of the Rights Issue	Thursday, 4 August

Event**2022**

Despatch of share certificates for fully-paid Rights Shares	Friday, 5 August
Despatch of refund cheques for wholly or partly unsuccessful applications for excess Rights Shares or if the Rights Issue is terminated	Friday, 5 August
Commencement of dealings in the fully-paid Rights Shares	9:00 a.m. on Monday, 8 August

All times and dates stated above refer to Hong Kong local times and dates. The expected timetable for the Rights Issue set out above and all dates and deadlines specified in this announcement are indicative only and may be varied. Any changes to the expected timetable will be announced in a separate announcement by the Company as and when appropriate.

EFFECT OF BAD WEATHER AND/OR EXTREME CONDITIONS ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES AND FOR APPLICATION AND PAYMENT FOR EXCESS RIGHTS SHARES

The Latest Time for Acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares will not take place if a typhoon signal No. 8 (or above), “extreme conditions” caused by super typhoons as announced by the Government of the Hong Kong Special Administrative Region, or a “black” rainstorm warning is:

- (a) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the date of the Latest Time for Acceptance. Instead the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; or
- (b) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the date of the Latest Time for Acceptance. Instead the Latest Time for Acceptance will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on the currently scheduled date, the dates mentioned in the “EXPECTED TIMETABLE” above may be affected. Announcement will be made by the Company in such event.

THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising all the independent non-executive Directors has been established to provide recommendations to the Independent Shareholders in connection with the Rights Issue (including the Underwriting Agreement). The Independent Financial Adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the Rights Issue (including the Underwriting Agreement), and as to voting. An announcement will be made by the Company following the appointment of the Independent Financial Adviser.

GEM LISTING RULES IMPLICATIONS

Since the proposed Rights Issue will increase the issued share capital or the market capitalisation of the Company by more than 50%, in accordance with Rule 10.29(1) of the GEM Listing Rules, the proposed Rights Issue must be made conditional on approval by the Independent Shareholders in general meeting by a resolution on which any controlling Shareholders and their associates or, where there are no controlling Shareholders, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the proposed Rights Issue. The Rights Issue does not result in a theoretical dilution effect of 25% or more on its own. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 10.44A of the GEM Listing Rules.

As at the date of this announcement, the Company has no controlling Shareholder as defined under the GEM Listing Rules and none of the Directors and the chief executive of the Company and their respective associates holds any Share. Accordingly, no Shareholder shall abstain from voting in favour of the proposed resolution approving the Rights Issue at the EGM and no Director shall abstain from voting in favour of the Rights Issue at the meeting of the Board.

GENERAL

A circular containing, among other things, (i) further details of the Rights Issue, (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Rights Issue; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders on the Rights Issue; and (iv) a notice convening the EGM, is expected to be despatched to the Shareholders on or before Friday, 10 June 2022.

Subject to the fulfillment of certain conditions of the Rights Issue, the Company will despatch the Prospectus Documents containing, among other matters, details of the proposed Rights Issue, to the Qualifying Shareholders on the Prospectus Posting Date. The Company will despatch the Prospectus (without the PAL(s) and EAF(s)) to the Non-Qualifying Shareholders for their information only.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE NIL-PAID RIGHTS SHARES

Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon, among others, the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof (a summary of which is set out in the section headed “Termination of the Underwriting Agreement” in this announcement). Accordingly, the Rights Issue may or may not proceed.

Any Shareholder or other person dealing in the Shares and/or the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Underwriter’s right of termination of the Underwriting Agreement ceases) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares. Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

DEFINITIONS

In this announcement, the following expressions have the following meanings, unless the context requires otherwise:

“acting in concert”	has the same meaning ascribed thereto under the Takeovers Code
“associate(s)”	has the same meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day on which licensed banks in Hong Kong are generally open for business, other than a Saturday or a Sunday or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is issued in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not cancelled at or before 12:00 noon
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC

“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong
“Company”	KOALA Financial Group Limited, a company incorporated in the Cayman Islands with limited liability, whose issued shares are listed on GEM (stock code: 8226)
“connected person(s)”	has the meaning ascribed to it in the GEM Listing Rules
“controlling shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“EAF(s)”	the excess application form(s) for use by the Qualifying Shareholders who wish to apply for excess Rights Shares, in such usual form as may be agreed between the Company and the Underwriter
“EGM”	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve, among other things, the proposed Rights Issue
“Financial Resources Rule”	Securities and Futures (Financial Resources) Rules (Chapter 574N of the Laws of Hong Kong)
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Committee”	has the meaning as defined in the GEM Listing Rules
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Independent Board Committee”	the independent committee of the Board, comprising all three independent non-executive Directors, namely Mr. Hung Cho Sing, Mr. Luk Kin Ting and Mr. Ng Wah Leung, established to give a recommendation to the Independent Shareholders in respect of the Rights Issue and the Underwriting Agreement
“Independent Financial Adviser”	an independent financial adviser to be appointed by the Company with the approval of the Independent Board Committee for the purpose of advising the Independent Board Committee and the Independent Shareholders of the Company on the terms of the Rights Issue and the Underwriting Agreement
“Independent Shareholder(s)”	any Shareholder(s) other than any controlling shareholders and their associates or, where there are no controlling shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and any of its connected persons
“Last Trading Day”	12 May 2022, being the last trading day of the Shares on the Stock Exchange before the release of this announcement
“Latest Time for Acceptance”	4:00 p.m. on Thursday, 28 July 2022 or other time or date as may be agreed in writing between the Company and the Underwriter, being the latest time for acceptance of, and payment for, the Rights Shares and application and payment for excess Rights Shares
“Latest Time for Termination”	4:00 p.m. on Friday, 29 July 2022 or such other time or date as the Underwriter may agree in writing with the Company
“Non-Qualifying Shareholder(s)”	those Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary or expedient not to offer the Rights Issue to such Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place

“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose registered address(es) as shown on such register at that time is (are) in (a) place(s) outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue
“Prospectus”	the prospectus to be despatched to the Shareholders containing details of the Rights Issue
“Prospectus Documents”	the Prospectus, the PAL and the EAF
“Prospectus Posting Date”	Thursday, 14 July 2022 or such other date as may be agreed in writing between the Underwriter and the Company, being the date of despatch of the Prospectus Documents to the Qualifying Shareholders and the Prospectus for information only to the Non-Qualifying Shareholders
“Qualifying Shareholder(s)”	Shareholder(s), other than the Non-Qualifying Shareholders, whose name(s) appear(s) on the register of members of the Company on the Record Date
“Record Date”	Wednesday, 13 July 2022 or such other date as may be agreed between the Company and the Underwriter in writing for the determination of the entitlements under the Rights Issue
“Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, being Union Registrars Limited at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong
“Rights Issue”	the proposed issue of the Rights Shares on the basis of two (2) Rights Shares for every one (1) existing Share held on the Record Date at the Subscription Price on the terms and subject to the conditions in the Underwriting Agreement

“Rights Share(s)”	up to 278,335,994 Shares (assuming no change in the number of Shares in issue on or before the Record Date) to be allotted and issued pursuant to the Rights Issue
“SFO”	the Securities and Futures Ordinance (Cap 571 of the laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.2 each in the share capital of the Company
“Shareholder(s)”	holder(s) of issued Share(s)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.3 per Rights Share
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Underwriter”	Supreme China Securities Limited, a licensed corporation carrying out Type 1 (dealing in securities) regulated activity under the SFO
“Underwriting Agreement”	the underwriting agreement dated 12 May 2022 entered into between the Company and the Underwriter in respect of the Rights Issue
“Underwritten Shares”	all the Rights Shares to be underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement
“Untaken Share(s)”	any of the Underwritten Shares which have not been taken up by the Qualifying Shareholders or transferees of nil-paid Rights Shares or applicants under excess applications by the Latest Time for Acceptance

“%”

per cent.

By order of the Board
KOALA Financial Group Limited
Kwan Kar Ching
Chairlady

Hong Kong, 12 May 2022

As at the date of this announcement, the Board comprises five Directors namely Ms. Kwan Kar Ching and Ms. Hsin Yi-Chin, being the executive Directors and Mr. Hung Cho Sing, Mr. Luk Kin Ting and Mr. Ng Wah Leung, being the independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at “www.hkgem.com” on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and on the website of the Company at “www.koala8226.com.hk”.

In the case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.