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KINGBO STRIKE LIMITED

工蓋有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1421)

RESULTS OF THE RIGHTS ISSUE AND ADJUSTMENTS TO THE OUTSTANDING SHARE OPTIONS UNDER THE 2017 SHARE OPTION SCHEME

Reference is made to the prospectus (the “**Prospectus**”) of Kingbo Strike Limited (the “**Company**”) dated 11 April 2024 in relation to the Rights Issue on the basis of one (1) Rights Share for every two (2) Shares held on the Record Date. Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Prospectus.

RESULTS OF THE RIGHTS ISSUE

The Board announces that as at 4:00 p.m. on Friday, 3 May 2024, being the latest time of placing of the Unsubscribed Rights Shares by the Placing Agent, all 22,699,034 Unsubscribed Rights Shares were placed by the Placing Agent to eight independent placees at the price of HK\$0.4 per Share. To the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, all the placees (or their ultimate beneficial owners) are Independent Third Parties and no placee has become a substantial shareholder of the Company (as defined under the Listing Rules) immediately following the Compensatory Arrangements. Since the placing price is equal to the Subscription Price, no Net Gain will be distributed to the No Action Shareholders.

As all the conditions with respect to the Rights Issue have been fulfilled, the Rights Issue has become unconditional. Based on the acceptance results of the Rights Issue and the placing results of the Compensatory Arrangements, 41,708,400 Rights Shares, representing 100% of the total number of Rights Shares under the Rights Issue, will be allotted and issued. The gross and net proceeds raised from the Rights Issue (including the Compensatory Arrangements) are approximately HK\$16.7 million and HK\$16.0 million, respectively. The Company intends to use the net proceeds from the Rights Issue as to approximately 70% (approximately HK\$11.2 million) for developing solar power and electrical distribution system business and 30% (approximately HK\$4.8 million) as general working capital of the Group as disclosed in the Prospectus.

SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets out the shareholding structure of the Company immediately before and after completion of the Rights Issue:

Shareholder	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
Mr. Liu Yancheng (<i>Note 2</i>)	380,000	0.46	570,000	0.46
Mr. Yao Runxiong (<i>Note 2</i>)	602,500	0.72	3,040,250	2.43
Public Shareholders				
Independent placees (<i>Note 3</i>)	–	–	22,699,034	18.14
Other public Shareholders	<u>82,434,300</u>	<u>98.82</u>	<u>98,815,916</u>	<u>78.97</u>
Total	<u>83,416,800</u>	<u>100.00</u>	<u>125,125,200</u>	<u>100.00</u>

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. Each of Mr. Liu Yancheng and Mr. Yao Runxiong is an executive Director.
3. The placees are Independent Third Parties and they are public Shareholders after completion of the Rights Issue.

DESPATCH OF SHARE CERTIFICATES

It is expected that the share certificates for the Rights Shares, in their fully-paid form, will be posted to the allottees and/or the placees by ordinary post at their own risks on Thursday, 9 May 2024.

COMMENCEMENT OF DEALINGS IN THE RIGHTS SHARES

Dealings in the Rights Shares, in their fully-paid form, are expected to commence on the Stock Exchange at 9:00 a.m. on Friday, 10 May 2024.

ADJUSTMENTS TO THE OUTSTANDING SHARE OPTIONS UNDER THE 2017 SHARE OPTION SCHEME

Immediately before completion of the Rights Issue, there were 1,659,440 outstanding Options granted under the share option scheme adopted by the Company on 20 October 2017 (the “**2017 Share Option Scheme**”).

Pursuant to the terms of the 2017 Share Option Scheme, the subscription prices on the exercise of the Options and/or number of Shares related to the Options under the 2017 Share Option Scheme may be adjusted in accordance with the 2017 Share Option Scheme upon the Rights Issue becoming unconditional.

As a result of the Rights Issue, adjustments to the exercise prices and the number of Shares to be issued upon exercise of the outstanding Options, pursuant to the terms and conditions of the 2017 Share Option Scheme, Rule 17.03(13) of the Listing Rules in relation to the adjustment to the terms of the 2017 Share Option Scheme, the Supplementary Guidance on the Listing Rule 17.03(13) and the Note Immediately After the Rule (the “**Stock Exchange Supplementary Guidance**”) attached to the Frequently Asked Question No. 072-2020 issued by the Stock Exchange on 6 November 2020 and updated in January 2023, are as follows and will become effective from Thursday, 9 May 2024 upon the allotment and issue of the Rights Shares pursuant to the Rights Issue:

Date of grant	Immediately prior to the completion of the Rights Issue		Immediately after the adjustments as a result of completion of the Rights Issue	
	Number of Shares falling to be issued upon exercise of the outstanding Options	Exercise price per Share (HK\$)	Adjusted number of Shares falling to be issued upon exercise of the outstanding Options	Adjusted exercise price per Share (HK\$)
20 December 2022	1,659,440	0.84	1,663,568	0.838

Save for the above adjustments, all other terms and conditions of the outstanding Options remain unchanged. Moore CPA Limited, the auditor of the Company, has issued a report of factual findings addressed to the Board on agreed-upon procedures performed on the calculation in respect of the adjustments to the exercise price and the number of outstanding Options, stating the aforesaid calculation is mathematically accurate and in compliance with (i) the terms of the 2017 Share Option Scheme; (ii) the requirements set out in Rule 17.03(13) of the Listing Rules; and (iii) the Stock Exchange Supplementary Guidance.

By order of the Board
Kingbo Strike Limited
Liu Yancheng
Chairman

Hong Kong, 8 May 2024

As at the date of this announcement, the Directors are:

Executive Directors

Mr. Liu Yancheng (*Chairman*)
Mr. Yao Runxiong

Independent Non-executive Directors

Dr. Luo Xiaodong
Mr. Chen Yeung Tak
Mr. Wang Haoyuan
Ms. Ye Jieting

* *For identification purposes only*