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## **KK CULTURE HOLDINGS LIMITED**

### **KK 文化控股有限公司**

*(Incorporated in Cayman Islands and continued in Bermuda with limited liability)*

**(Stock code: 550)**

#### **SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2018**

Reference is made to the annual report of KK Culture Holdings Limited (the “**Company**”). Together with its subsidiaries, collectively the “**Group**”) for the year ended 31 December 2018 (the “**2018 Annual Report**”). Unless otherwise stated, capitalized terms used herein shall have the same meanings as defined in the 2018 Annual Report.

#### **PLACING OF NEW SHARES UNDER GENERAL MANDATE**

As disclosed in the 2018 Annual Report, the Company had successfully placed 74,000,000 Shares to Champion Ease Group Limited (the “**Placing**”) at the placing price of HK\$1.40 per placing share which are allotted and issued by the Company pursuant to the placing agreement dated 31 July 2018 entered into between the Company and the Placing Agent in relation to the Placing. As further stated in the 2018 Annual Report, the gross and net proceeds raised from the Placing were approximately HK\$103.6 million and HK\$103.0 million respectively where the intended use of proceeds was for general working capital and future business and investment opportunities.

Further to the 2018 Annual Report, the Board would like to provide the following supplemental information regarding the use of proceeds from the Placing as at 31 December 2018 pursuant to the Rules Governing the Listing of Securities of the Stock Exchange of Hong Kong Limited.

Set out below is the table summarising (i) the net proceeds from the Placing; (ii) the intended use of proceeds from the Placing; (iii) the actual use of proceeds from the Placing as at 31 December 2018; and (iv) the remaining net proceeds from the Placing as at 31 December 2018.

No.	Net proceeds from the Placing	Intended use of proceeds from the Placing	Actual use of proceeds from the Placing as at 31 December 2018	Remaining net proceeds from the Placing as at 31 December 2018
(i)	Approximately HK\$10 million	For general working capital in the daily operation of the Group	HK\$4.6 million was utilized by the Company for general working capital in the daily operation of the Group	Approximately HK\$5.4 million and is expected to be utilized by 2020
(ii)	Approximately HK\$93 million <hr/>	For any potential investment opportunities as identified by the Group	Not yet utilized by the Group	Approximately HK\$93 million and is expected to be utilized by 2020
<b>Total</b>	<b>Approximately HK\$103 million</b>			

As at 31 December 2018, the Group has not identified any suitable investment in line with the business strategies of the Group and it will continue to identify any further potential investment opportunities. Detailed schedule depends on the overall economic conditions, the development of the Company and market situation.

In all, the Board would like to announce that there is no material change in the intended use of proceeds from the Placing as at 31 December 2018.

This announcement does not affect other information contained in the 2018 Annual Report, all other contents of the 2018 Annual Report remain true and accurate.

By Order of the Board  
**KK Culture Holdings Limited**  
**Tsang Hing Bun**  
*Executive Director*

Hong Kong, 8 August 2019

*As at the date of this announcement, the Board comprises Mr. Tsang Hing Bun as executive Director; Mr. Yiu Yu Cheung as non-executive Director; and Mr. Chan Chiu Hung, Alex, Mr. William Keith Jacobsen and Dr. Leung Ka Kit as independent non-executive Directors.*