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**KangLi International Holdings Limited**  
**康利國際控股有限公司**  
(Incorporated in the Cayman Islands with limited liability)  
(Stock Code: 6890)

**PARTIAL EXERCISE OF OVER-ALLOTMENT OPTION,  
STABILIZATION ACTIONS AND  
END OF STABILIZATION PERIOD**

**PARTIAL EXERCISE OF OVER-ALLOTMENT OPTION**

The Company announces that the Over-allotment Option described in the Prospectus was partially exercised by the Sole Global Coordinator on behalf of the International Underwriters on 7 December 2018 in respect of an aggregate of 6,252,000 Shares (the “**Over-allotment Shares**”) (representing approximately 4.168% of the total number of Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option), to facilitate the return of part of the 22,500,000 Shares borrowed by the Stabilizing Manager from Newrich BVI under the Stock Borrowing Agreement, which were used to cover over-allocations in the International Placing. The Over-allotment Shares will be allotted and issued by the Company at HK\$1.02 per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%), being the Offer Price per Share under the Global Offering.

The portion of the Over-allotment Option which has not been exercised by the Sole Global Coordinator on behalf of the International Underwriters lapses after 8 December 2018.

## **STABILIZATION ACTIONS AND END OF STABILIZATION PERIOD**

The Company further announces that, pursuant to Section 9(2) of the Securities and Futures (Price Stabilizing) Rule (Chapter 571W of the Laws of Hong Kong), the stabilization period in connection with the Global Offering ended on 8 December 2018 being the 30th day after the last day for lodging of applications under the Public Offer.

The stabilization actions undertaken by the Stabilizing Manager during the stabilization period involved:

- (1) over-allocations of an aggregate of 22,500,000 Shares in the International Placing, representing approximately 15% of the Offer Shares initially offered under the Global Offering before any exercise of the Over-allotment Option;
- (2) the borrowing of an aggregate of 22,500,000 Shares from Newrich BVI pursuant to the Stock Borrowing Agreement to facilitate the delivery of securities in connection with the over-allocations in the International Placing;
- (3) the purchases of an aggregate of 16,248,000 Shares at a price in the range of HK\$1.0 to HK\$1.02 per Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) during the stabilization period, representing approximately 10.832% of the Offer Shares initially offered under the Global Offering before any exercise of the Over-allotment Option; and
- (4) the partial exercise of the Over-allotment Option by the Sole Global Coordinator on behalf of the International Underwriters, on 7 December 2018, in respect of an aggregate of 6,252,000 Shares, representing approximately 4.168% of the total number of Offer Shares initially available under the Global Offering, to facilitate the return of part of the 22,500,000 Shares borrowed by the Stabilizing Manager from Newrich BVI under the Stock Borrowing Agreement, which were used to cover the over-allocations in the International Placing.

## **PARTIAL EXERCISE OF OVER-ALLOTMENT OPTION**

The Company announces that the Over-allotment Option described in the Prospectus was partially exercised by the Sole Global Coordinator on behalf of the International Underwriters, on 7 December 2018 in respect of an aggregate of 6,252,000 Shares (representing approximately 4.168% of the total number of Offer Shares initially available under the Global Offering), to cover over-allocations in the International Placing. The portion of the Over-allotment Option which has not been exercised by the Sole Global Coordinator on behalf of the International Underwriters lapses after 8 December 2018.

Pursuant to the Stock Borrowing Agreement entered between the Stabilizing Manager and Newrich BVI, the Stabilizing Manager has borrowed 22,500,000 Shares from Newrich BVI to cover over-allocations in the International Placing. The Over-allotment Shares will be used to facilitate the return in full to Newrich BVI of the 22,500,000 Shares borrowed by the Stabilizing Manager.

The Over-allotment Shares will be allotted and issued by the Company at HK\$1.02 per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%), being the Offer Price per Share under the Global Offering.

Approval for the listing of and permission to deal in the Over-allotment Shares has already been granted by the Listing Committee of the Stock Exchange. Listing of and dealing in such Over-allotment Shares are expected to commence on the Main Board of the Stock Exchange at or around 9:30 a.m. on 12 December 2018.

The Directors confirm that immediately after the completion of the allotment and issue by the Company of the relevant Over-allotment Shares, approximately 29.48% of the then enlarged issued share capital of the Company will be held by the public, which will satisfy the public float requirements under Rules 8.08(1)(a) of the Listing Rules.

The shareholding structure of the Company immediately before and immediately after the completion of the allotment and issue by the Company of the relevant Over-allotment Shares is as follows:

	Immediately before the allotment and issue of the Over-allotment Shares		Immediately after the allotment and issue of the Over-allotment Shares	
	Number of Shares	Approximate percentage of the Company's issued share capital	Number of Shares	Approximate percentage of the Company's issued share capital
Newrich BVI	342,000,000	57.00%	342,000,000	56.41%
Star Century	85,500,000	14.25%	85,500,000	14.10%
Public:				
West Capital	22,500,000	3.75%	22,500,000	3.71%
DONGFANG (HONGKONG) LIMITED	59,000,000	9.83%	59,000,000	9.73%
Other public shareholders	91,000,000	15.17%	97,252,000	16.04%
<b>Total</b>	<b>600,000,000</b>	<b>100%</b>	<b>606,252,000</b>	<b>100%</b>

The additional net proceeds of approximately HK\$6.2 million, after deducting the underwriting fees and commissions, transaction levy and trading fee, from the issue of the Over-allotment Shares will be used on a pro rata basis for the same purposes as set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

## STABILIZATION ACTIONS AND END OF STABILIZATION PERIOD

The Company further announces that, pursuant to Section 9(2) of the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong), the stabilization period in connection with the Global Offering ended on 8 December 2018, being the 30th day after the last day for lodging of applications under the Public Offer.

The stabilization actions undertaken by the Stabilizing Manager during the stabilization period involved:

- (1) over-allocations of an aggregate of 22,500,000 Shares in the International Placing, representing approximately 15% of the Offer Shares initially offered under the Global Offering before any exercise of the Over-allotment Option;
- (2) the borrowing of an aggregate of 22,500,000 Shares from Newrich BVI pursuant to the Stock Borrowing Agreement to facilitate the delivery of securities in connection with the over-allocations in the International Placing;
- (3) the purchases of an aggregate of 16,248,000 Shares at a price in the range of HK\$1.0 to HK\$1.02 per Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) during the stabilization period, representing approximately 10.832% of the Offer Shares initially offered under the Global Offering before any exercise of the Over-allotment Option; and
- (4) the partial exercise of the Over-allotment Option by the Sole Global Coordinator on behalf of the International Underwriters, on 7 December 2018, in respect of an aggregate of 6,252,000 Shares, representing approximately 4.168% of the total number of Offer Shares initially available under the Global Offering, to facilitate the return of part of the 22,500,000 Shares borrowed by the Stabilizing Manager from Newrich BVI under the Stock Borrowing Agreement, which were used to cover the over-allocations in the International Placing.

The last purchase made by the Stabilizing Manager on the market during the course of the stabilization period was on 7 December 2018 at the price of HK\$1.02 per Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).

On behalf of the Board  
**KangLi International Holdings Limited**  
**Mr. Mei Zefeng**  
*Executive Director*

Hong Kong, 11 December 2018

*As at the date of this announcement, the board of Directors of the Company comprises Mr. Mei Zefeng, Ms. Liu Ping, Mr. Zhang Zhihong, Mr. Xu Chao and Ms. Lu Xiaoyu as executive Directors; and Mr. Li Yuen Fai Roger, Mr. Cao Baozhong and Mr. Yang Guang as independent non-executive Directors.*