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Kinergy Corporation Ltd.

光控精技有限公司*

(Incorporated in Singapore with limited liability)

(Stock Code: 3302)

**(1) SUBSCRIPTION OF NEW SHARES UNDER SPECIFIC MANDATE;
AND
(2) CONNECTED TRANSACTIONS INVOLVING SUBSCRIPTION OF
NEW SHARES UNDER SPECIFIC MANDATE**

Financial Adviser



SUBSCRIPTION OF NEW SHARES UNDER SPECIFIC MANDATE

On 15 December 2020 (after trading hours), the Company entered into a Subscription Agreement with each of the First Subscriber, the Second Subscriber and the Third Subscriber, pursuant to which the First Subscriber, the Second Subscriber and the Third Subscriber have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 62,974,000 Subscription Shares (the First Subscriber, the Second Subscriber and the Third Subscriber would subscribe for 38,754,000, 9,688,000 and 14,532,000 Subscription Shares, respectively) at the Subscription Price of HK\$0.60 per Subscription Share for a total cash consideration of approximately HK\$37,784,400.

The Subscription Shares for which the First Subscriber, the Second Subscriber and the Third Subscriber have conditionally agreed to subscribe, in aggregate, represent (i) approximately 7.34% of the existing number of the issued Shares as at the date of this announcement; (ii) approximately 6.84% of the number of the issued Shares as enlarged by the allotment and issue of the Subscription Shares (excluding the Connected Subscription Shares and assuming there is no change to the number of the issued Shares between the date of the Subscription Agreements and the Completion Date); and (iii) approximately 6.50% of the number of the issued Shares as enlarged by the allotment and issue of the Subscription Shares (assuming there is no change to the number of the issued Shares between the date of the Subscription Agreements and the Completion Date).

CONNECTED TRANSACTIONS INVOLVING SUBSCRIPTION OF NEW SHARES UNDER SPECIFIC MANDATE

On 15 December 2020 (after trading hours), the Company entered into five Connected Subscription Agreements with the Connected Subscribers, pursuant to which the Connected Subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 48,442,070 Subscription Shares (Mr. Leslie Lim, Mr. Lim KM, Sino Expo, Mr. Tay and Future China Investment would subscribe for 14,532,774, 4,844,000, 4,844,296, 4,844,000 and 19,377,000 Subscription Shares, respectively) at the Subscription Price of HK\$0.60 per Subscription Share for a total cash consideration of approximately HK\$29,065,200.

The Connected Subscription Shares in aggregate, represent (i) approximately 5.65% of the existing number of the issued Shares as at the date of this announcement; (ii) approximately 5.35% of the number of the issued Shares as enlarged by the allotment and issue of the Connected Subscription Shares (assuming there is no change to the number of the issued Shares between the date of the Subscription Agreements and the Completion Date of the Subscriptions); and (iii) approximately 5.00% of the number of the issued Shares as enlarged by the allotment and issue of the Subscription Shares (assuming there is no change to the number of the issued Shares between the date of the Subscription Agreements and the Completion Date).

THE SUBSCRIPTIONS

The Subscription Shares, in aggregate, represent (i) approximately 12.99% of the existing issued share capital of the Company; and (ii) approximately 11.50% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares (assuming there is no change to the number of the issued Shares between the date of the Subscription Agreements and the Completion Date).

The Subscription Shares will be issued under the Specific Mandate, and the Subscription Shares will rank equally in all respects among themselves and with the Shares in issue on the respective date of issue of the Subscription Shares.

The Subscription Price of HK\$0.60 per Subscription Share (i) represents a discount of approximately 17.8% to the closing price of HK\$0.73 per Share as quoted on the Stock Exchange on the Last Trading Day; (ii) represents a discount of approximately 19.8% to the average closing price of approximately HK\$0.748 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the Last Trading Day; (iii) represents a discount of approximately 18.4% to the average closing price of approximately HK\$0.735 per Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days up to and including the Last Trading Day; and (iv) is equivalent to the unaudited net assets attributable to owners of the Company per Share of approximately HK\$0.60 (equivalent to approximately S\$0.104) as at 30 June 2020.

The gross proceeds of the Subscriptions are expected of approximately HK\$66.8 million. The net proceeds are expected of approximately HK\$66.5 million. The Directors will apply (i) approximately 43% of the proceeds for developing the business of manufacturing smart-cards issuance systems with the Group's production facilities in Nantong, the PRC to further utilize the Group's expertise in the semiconductor process equipment manufacturing industry; and (ii) approximately 57% of the proceeds for meeting the Group's other funding and liquidity requirements, including the future funding needs of new private equity fund(s) that Shanghai CEL Puyan may establish from time to time and working capital to strength the capital base and liquidity position of the Group.

Application(s) will be made to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares on the Stock Exchange. Completion of the Subscription Agreements is not inter-conditional with each other, and it is intended that the Completion of all the Subscription Agreements will take place simultaneously.

Since the Completion of each of the Subscriptions is subject to the fulfilment of the Conditions as set out in the respective Subscription Agreements, the Subscriptions may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

LISTING RULES IMPLICATIONS

Each of the Connected Subscribers is a connected person of the Company. Accordingly, the Connected Subscriptions are connected transactions on the part of the Company under the Listing Rules and are subject to the announcement, reporting and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. The Company will seek the Independent Shareholders' approval, *inter alia*, for the Subscription Agreements entered into with the Connected Subscribers and the granting of the Specific Mandate at the EGM.

The Independent Board Committee comprising all the independent non-executive Directors will be formed to advise the Independent Shareholders on the Connected Subscription Agreements and the transactions contemplated thereunder. An independent financial adviser will be appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in this regard.

EGM AND DESPATCH OF CIRCULAR

The EGM will be convened to obtain the Independent Shareholders' approval for the Subscription Agreements and the transactions contemplated thereunder, including the grant of the Specific Mandate to the Directors for the allotment and issue of the Subscription Shares to the Subscribers.

The Directors confirm that, to the best of their knowledge, information and belief after having made all reasonable enquiries, save for (i) Mr. Leslie Lim and his associates (i.e. Ms. Foo and Mr. Lim KM), no Shareholder has a material interest in the First Connected Subscription and Second Connected Subscription, respectively; (ii) Mr. Du, Sino Expo, CEL and its associates (i.e. CE Venture and Diamond Wealth), no Shareholder has a material interest in the Third Connected Subscription and the Fifth Connected Subscription; and (iii) Mr. Tay, no Shareholder has a material interest in the Forth Connected Subscription. As such, no Shareholder other than (i) Mr. Leslie Lim and his associates (i.e. Ms. Foo and Mr. Lim KM) shall abstain from voting on the resolution(s) for approving First Connected Subscription and Second Connected Subscription to be proposed at the EGM; (ii) Mr. Du, Sino Expo, CEL and its associates (i.e. CE Venture and Diamond Wealth) shall abstain from voting on the resolution(s) for approving the Third Connected Subscription and the Fifth Connected Subscription to be proposed at the EGM; and (iii) Mr. Tay shall abstain from voting on the resolution(s) for approving the Forth Connected Subscription to be proposed at the EGM.

A circular containing, among other things, (i) further details of the Subscription Agreements and the transactions contemplated thereunder (including the grant of the Specific Mandate to the Directors for the allotment and issue of the Subscription Shares to the Subscribers); (ii) a letter of advice from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Connected Subscription Agreements and the transactions contemplated thereunder; and (iv) a notice convening the EGM, is expected to be despatched by the Company to the Shareholders in compliance with the requirements of the Listing Rules on or before 7 January 2021.

Since the Completion of each of the Subscriptions is subject to the fulfilment of the Conditions as set out in the respective Subscription Agreements, the Subscriptions may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

SUBSCRIPTION OF NEW SHARES UNDER SPECIFIC MANDATE

On 15 December 2020 (after trading hours), the Company entered into a Subscription Agreement with each of the First Subscriber, the Second Subscriber and the Third Subscriber, pursuant to which the First Subscriber, the Second Subscriber and the Third Subscriber have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 62,974,000 Subscription Shares (the First Subscriber, the Second Subscriber and the Third Subscriber would subscribe for 38,754,000, 9,688,000 and 14,532,000 Subscription Shares, respectively) at the Subscription Price of HK\$0.60 per Subscription Share for a total cash consideration of approximately HK\$37,784,400.

CONNECTED TRANSACTIONS INVOLVING SUBSCRIPTION OF NEW SHARES UNDER SPECIFIC MANDATE

On 15 December 2020 (after trading hours), the Company entered into five Connected Subscription Agreements with the Connected Subscribers, pursuant to which the Connected Subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 48,442,070 Subscription Shares (Mr. Leslie Lim, Mr. Lim KM, Sino Expo, Mr. Tay and Future China Investment would subscribe for 14,532,774, 4,844,000, 4,844,296, 4,844,000 and 19,377,000 Subscription Shares, respectively) at the Subscription Price of HK\$0.60 per Subscription Share for a total cash consideration of approximately HK\$29,065,200.

PRINCIPAL TERMS OF THE SUBSCRIPTION AGREEMENTS

Save as the number of the Subscription Shares, the subscription amounts being the subject matters of the relevant Subscription Agreements and the lock-up undertaking pursuant to the Connected Subscription Agreements, the terms and conditions of the Subscription Agreements are identical, including the Subscription Price per Subscription Share.

(A) First Subscription Agreement

Date: 15 December 2020
Issuer: the Company
Subscriber: the First Subscriber

The First Subscriber is an investment holding company incorporated in the BVI and is wholly-owned by Mr. Wang He. Mr. Wang He is experienced in investments and the finance industry. He is currently the director and general manager of an investment company in the PRC mainly focusing on investing in high-end manufacturing, precision electronics and other fields. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the

First Subscriber and its ultimate beneficial owner (i) were not interested in any Shares as at the date of this announcement; and (ii) are third parties independent of the Company and its connected persons.

Subject matter

Pursuant to the terms of the First Subscription Agreement, the First Subscriber will subscribe for 38,754,000 Subscription Shares at the Subscription Price.

(B) Second Subscription Agreement

Date: 15 December 2020
Issuer: the Company
Subscriber: the Second Subscriber

The Second Subscriber is an investment holding company incorporated in Hong Kong and is wholly-owned by Mr. Zhang Yu. Mr. Zhang Yu is the managing director of Walden International, an investment company focusing on cross border investments. Prior to joining Walden International, Mr. Zhang was the executive director of the private equity branch of CCB Trust Co. Ltd., heading TMT investments and overseas M&A. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Second Subscriber and its ultimate beneficial owner (i) were not interested in any Shares as at the date of this announcement; and (ii) are third parties independent of the Company and its connected persons.

Subject matter

Pursuant to the terms of the Second Subscription Agreement, the Second Subscriber will subscribe for 9,688,000 Subscription Shares at the Subscription Price.

(C) Third Subscription Agreement

Date: 15 December 2020
Issuer: the Company
Subscriber: the Third Subscriber

The Third Subscriber is an investment holding company incorporated in the BVI and is wholly-owned by Ms. Wu Wendy Chuwan. Ms. Wu Wendy Chuwan is an individual investor who is experienced in investments, including investments in high-tech and new economic companies. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Third Subscriber and its ultimate beneficial owner (i) were not interested in any Shares as at the date of this announcement; and (ii) are third parties independent of the Company and its connected persons.

Subject matter

Pursuant to the terms of the Third Subscription Agreement, the Third Subscriber will subscribe for 14,532,000 Subscription Shares at the Subscription Price.

(D) First Connected Subscription Agreement

Date: 15 December 2020
Issuer: the Company
Subscriber: Mr. Leslie Lim

Mr. Leslie Lim is a Controlling Shareholder, an executive Director and the chief executive officer of the Company. As at the date of this announcement, Mr. Leslie Lim, held 250,472,472 Shares as beneficial owner, representing approximately 29.21% of the existing number of issued Shares. Ms. Foo is Mr. Lim's spouse and Mr. Lim KM is the son of Mr. Leslie Lim and Ms. Foo. Mr. Leslie Lim, Ms. Foo and Mr. Lim KM, being parties acting in concert and considered as a group of Controlling Shareholders, are interested in 287,768,472 Shares, representing approximately 33.56% of the existing number of issued Shares as at the date of this announcement.

Mr. Leslie Lim is a connected person of the Company under the Listing Rules. As such, the First Connected Subscription constitutes a connected transaction for the Company and is subject to the announcement, reporting and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Subject matter

Pursuant to the terms of the First Connected Subscription Agreement, Mr. Leslie Lim will subscribe for 14,532,774 Connected Subscription Shares at the Subscription Price.

(E) Second Connected Subscription Agreement

Date: 15 December 2020
Issuer: the Company
Subscriber: Mr. Lim KM

Mr. Lim KM is an executive Director. As at the date of this announcement, Mr. Lim KM held 19,148,000 Shares as beneficial owner, representing approximately 2.23% of the existing number of issued Shares. Mr. Lim KM is the son of Mr. Leslie Lim and Ms. Foo. Mr. Leslie Lim, Ms. Foo and Mr. Lim KM, being parties acting in concert and considered as a group of Controlling Shareholders, were interested in 287,768,472 Shares, representing approximately 33.56% of the existing number of issued Shares as at the date of this announcement.

Mr. Lim KM is a connected person of the Company under the Listing Rules. As such, the Second Connected Subscription constitutes a connected transaction for the Company and is subject to the announcement, reporting and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Subject matter

Pursuant to the terms of the Second Connected Subscription Agreement, Mr. Lim KM will subscribe for 4,844,000 Connected Subscription Shares at the Subscription Price.

(F) Third Connected Subscription Agreement

Date: 15 December 2020
Issuer: the Company
Subscriber: Sino Expo

Sino Expo is an investment holding company incorporated in the BVI and is wholly owned by Mr. Du. Mr. Du is an executive Director and a Controlling Shareholder. As at the date of this announcement, (i) Mr. Du held 88,000 Shares as beneficial owner, representing approximately 0.01% of the existing number of issued Shares; and (ii) Sino Expo held 8,105,704 Shares as beneficial owner, representing approximately 0.95% of the existing number of issued Shares. Mr. Du, Sino Expo and their parties acting in concert (i.e. Mr. Yang, Future China Investment, Diamond Wealth, CE Venture and CEL) were beneficially interested in 271,100,084 Shares, which represent approximately 31.62% of the existing number of issued Shares as at the date of this announcement.

Sino Expo is an associate of Mr. Du and a connected person of the Company under the Listing Rules. As such, the Third Connected Subscription constitutes a connected transaction for the Company and is subject to the announcement, reporting and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Subject matter

Pursuant to the terms of the Third Connected Subscription Agreement, Sino Expo will subscribe for 4,844,296 Connected Subscription Shares at the Subscription Price.

(G) Forth Connected Subscription Agreement

Date: 15 December 2020

Issuer: the Company

Subscriber: Mr. Tay

Mr. Tay is an executive Director and the chief financial officer of the Company. As at the date of this announcement, Mr. Tay held 1,700,000 Shares as beneficial owner, representing approximately 0.20% of the existing number of issued Shares.

Mr. Tay is a connected person of the Company under the Listing Rules. As such, the Forth Connected Subscription constitutes a connected transaction for the Company and is subject to the announcement, reporting and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Subject matter

Pursuant to the terms of the Forth Connected Subscription Agreement, Mr. Tay will subscribe for 4,844,000 Connected Subscription Shares at the Subscription Price.

(H) Fifth Connected Subscription Agreement

Date: 15 December 2020

Issuer: the Company

Subscriber: Future China Investment

Mr. Yang is a non-executive Director and the chairman of the Board. Future China Investment is an investment holding company incorporated in the BVI and is wholly-owned by Mr. Yang. As at the date of this announcement, Future China Investment and Mr. Yang were not interested in any Shares.

Future China Investment is an associate of Mr. Yang and a connected person of the Company under the Listing Rules. As such, the Fifth Connected Subscription constitutes a connected transaction for the Company and is subject to the announcement, reporting and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. Mr. Yang, Future China Investment and their parties acting in concert (i.e. Mr. Du, Sino Expo, Diamond Wealth, CE Venture and CEL) were beneficially interested in 271,100,084 Shares, which represent approximately 31.62% of the existing number of issued Shares as at the date of this announcement.

Subject matter

Pursuant to the terms of the Fifth Connected Subscription Agreement, Future China Investment will subscribe for 19,377,000 Connected Subscription Shares at the Subscription Price.

Subscription Shares

The First Subscriber, the Second Subscriber and the Third Subscriber will subscribe in aggregate 62,974,000 Subscription Shares, representing (i) approximately 7.34% of the existing number of issued Shares as at the date of this announcement; (ii) approximately 6.84% of the number of issued Shares as enlarged by the allotment and issue of the Subscription Shares (excluding the Connected Subscription Shares and assuming there is no change to the number of issued Shares between the date of the Subscription Agreements and the Completion Date); and (iii) approximately 6.50% of the number of issued Shares as enlarged by the allotment and issue of the Subscription Shares (assuming there is no change to the number of issued Shares between the date of the Subscription Agreements and the Completion Date).

The Connected Subscribers will subscribe for 48,442,070 Connected Subscription Shares, representing (i) approximately 5.65% of the existing number of issued Shares as at the date of this announcement; (ii) approximately 5.35% of the number of issued Shares as enlarged by the allotment and issue of the Connected Subscription Shares (assuming there is no change to the number of issued Shares between the date of the Subscription Agreements and the Completion Date); and (iii) approximately 5.00% of the number of issued Shares as enlarged by the allotment and issue of the Subscription Shares (assuming there is no change to the number of issued Shares between the date of the Subscription Agreements and the Completion Date).

The Subscribers will subscribe in aggregate 111,416,070 Subscription Shares, representing approximately 12.99% of the existing number of issued Shares as at the date of this announcement and approximately 11.50% of the number of issued Shares as enlarged by the allotment and issue of the Subscription Shares (assuming there is no change to the number of issued Shares between the date of the Subscription Agreements and the Completion Date).

The Subscription Shares have no nominal value. The market value of the Subscription Shares is approximately HK\$83.6 million, based on the closing price of HK\$0.75 per Share on the date of this announcement.

Subscription Price

The Subscription Price is HK\$0.60 per Subscription Share. The Subscription Price:

- (i) represents a discount of approximately 17.8% to the closing price of HK\$0.73 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) represents a discount of approximately 19.8% to the average closing price of approximately HK\$0.748 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the Last Trading Day;
- (iii) represents a discount of approximately 18.4% to the average closing price of approximately HK\$0.735 per Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days up to and including the Last Trading Day; and
- (iv) is equivalent to the unaudited net assets attributable to owners of the Company per Share of approximately HK\$0.60 (equivalent to approximately S\$0.104) as at 30 June 2020.

The Subscription Price was arrived at after arm's length negotiations between the Company and the Subscribers, with reference to the prevailing market price, the historical price trend and liquidity of the Shares, the unaudited net asset attributable to owners of the Company per Share as at 30 June 2020, the current capital market conditions, and the existing financial and operation prospects of the Group's business.

The aggregate Subscription Price shall be payable by the Subscribers in cash upon Completion.

Ranking of the Subscription Shares

The Subscription Shares, when fully paid and issued, will rank equally in all respects among themselves and with the Shares in issue on the respective date of issue of the Subscription Shares.

Conditions precedent to the Completion

Completion of the Subscriptions under the Subscription Agreements is conditional upon:

- (a) the Company obtaining such approval(s) from the Board and the Shareholders in connection with the relevant Subscription Agreement and the transactions contemplated therein as may be necessary, including but not limited to:
 - (i) the Specific Mandate;
 - (ii) the allotment and issue of Subscription Shares to the Subscribers under the Specific Mandate;
 - (iii) the issue of new share certificate(s) in respect of the Subscription Shares to be allotted and issued to the Subscribers; and
 - (iv) the lodgement of the required statutory returns with the relevant regulatory authority,and such approval(s) not having been amended or revoked before the Completion Date;
- (b) if the Subscriber is a connected person, the Company obtaining such approval(s) from the Independent Shareholders in connection with the relevant Subscription Agreement and the transactions contemplated herein as may be necessary, including but not limited to the allotment and issue of Subscription Shares to the relevant Subscriber under the Specific Mandate, and such approval(s) remaining in force and not having been amended or revoked before the Completion Date;
- (c) the Company obtaining such approval(s) from the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares, and such approval(s) not having been amended or revoked before the Completion Date, and if such approval(s) are subject to conditions, such conditions being fulfilled on or before the Completion Date;
- (d) the Company and the relevant Subscriber complying with the applicable requirements under the Companies Act (Chapter 50 of the laws of Singapore), the Securities and Futures Act (Chapter 289 of the laws of Singapore), the Companies Ordinance, the SFO, the Listing Rules and the Takeovers Code;

- (e) each of the representations, warranties and undertakings remaining true and accurate in all material respects as at the Completion Date (by reference to the facts and circumstances then subsisting) with the same force and effect as if repeated on the Completion Date;
- (f) no order or judgment of any court, or statutory, governmental or regulatory body, having been issued or made prior to completion of the relevant Subscription (and no legal or regulatory requirements remaining to be satisfied) which has the effect of making the relevant Subscription unlawful or otherwise prohibiting the relevant Subscription;
- (g) there having been no occurrence of a material adverse change on or before the Completion Date; and
- (h) all necessary consents, approvals and waivers where required for the transactions contemplated therein (including third party, statutory, governmental and regulatory consents, approvals and waivers) having been obtained by the Company and the relevant Subscriber, and such consents, approvals and waivers not having been amended or revoked before the Completion Date, and if any such consents, approvals or waivers are subject to conditions, such conditions being fulfilled on or before the Completion Date.

Each of the parties to the Subscription Agreements shall use its/his best endeavours to procure the satisfaction of the Conditions as regards itself/himself. The Company may, at its discretion and upon such terms as it thinks fit, waive the compliance with the whole or any part of Conditions (e) and (g). Conditions (a), (b), (c), (d), (f) and (h) are not capable of being waived by the relevant parties.

If the Conditions have not been satisfied (or, if applicable, waived) at or before 14 March 2021 (or such other later date as the Company and the Subscribers may agree in writing), the relevant Subscription Agreement shall cease and terminate (save and except for provisions in relation to confidentiality, notices, governing law and other general provisions which shall continue to have full force and effect) save for any antecedent breach by any party.

Lock-up

Each of the Connected Subscribers has irrevocably undertaken to the Company that from the date of completion of the his/its respective Subscriptions and until the date falling 12 months from the Completion Date (both days inclusive), save with the prior written consent of the Company, each of the Connected Subscribers (or, where

applicable, its beneficial owner) shall not either directly or indirectly, conditionally or unconditionally:

- (a) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, hypothecate, grant security over, encumber or otherwise transfer or dispose of, any of their respective Subscription Shares, whether any such transaction described above is to be settled by delivery of their respective Subscription Shares or such other securities, in cash or otherwise;
- (b) enter into swap, hedge or other transaction or arrangement (including a derivative transaction) that transfers to another, in whole or in part, any of the economic consequences of ownership of their respective Subscription Shares, whether any such transaction described above is to be settled by delivery of their respective Subscription Shares or such other securities, in cash or otherwise;
- (c) deposit any of their respective Subscription Shares in any depository receipt facilities;
- (d) enter into any transaction which is designed or which may reasonably be expected to result in any of the above; or
- (e) announce or publicly disclose any intention to do any of the above.

Completion of the Subscriptions

Completion of the Subscriptions will take place on the Completion Date. The allotment and issue of the Subscription Shares are subject to the Independent Shareholders' approval.

Completion of each of the Subscription Agreements is not inter-conditional with each other, but it is intended that the Completion of all the Subscription Agreements will take place simultaneously.

Specific Mandate

The Subscription Shares will be issued under the Specific Mandate to be proposed for voting by the Independent Shareholders at the EGM.

Application for listing

The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares on the Stock Exchange.

EQUITY FUNDRAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company had not conducted any equity fundraising activity in the past 12 months immediately preceding the date of this announcement.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY FOLLOWING THE COMPLETION OF THE SUBSCRIPTIONS

As at the date of this announcement, the Company has a total of 857,419,324 Shares in issue. For illustration purposes, the changes of the shareholding structures of the Company as a result of the Subscriptions are as follows:

Shareholders	(i) As at the date of this announcement and immediately before the Completion of the Subscriptions		(ii) Immediately after the Completion of the First Subscription, the Second Subscription and the Third Subscription only		(iii) Immediately after the Completion of the First Connected Subscription and the Second Connected Subscription only		(iv) Immediately after the Completion of the Third Connected Subscription and the Fifth Connected Subscription only		(v) Immediately after the Completion of the Forth Connected Subscription only		(vi) Immediately after the Completion of the Connected Subscriptions only		(vii) Immediately after the Completion of all Subscriptions	
	Number of Approximate Shares	%	Number of Approximate Shares	%	Number of Approximate Shares	%	Number of Approximate Shares	%	Number of Approximate Shares	%	Number of Approximate Shares	%	Number of Approximate Shares	%
First Subscriber	—	—	38,754,000	4.21%	—	—	—	—	—	—	—	—	38,754,000	4.00%
Second Subscriber	—	—	9,688,000	1.05%	—	—	—	—	—	—	—	—	9,688,000	1.00%
Third Subscriber	—	—	14,532,000	1.58%	—	—	—	—	—	—	—	—	14,532,000	1.50%
Lim's Party (Note 1)														
Mr. Leslie Lim	250,472,472	29.21%	250,472,472	27.22%	265,005,246	30.22%	250,472,472	28.41%	250,472,472	29.05%	265,005,246	29.25%	265,005,246	27.35%
Ms. Foo	18,148,000	2.12%	18,148,000	1.97%	18,148,000	2.07%	18,148,000	2.06%	18,148,000	2.10%	18,148,000	2.00%	18,148,000	1.87%
Mr. Lim KM	19,148,000	2.23%	19,148,000	2.08%	23,992,000	2.74%	19,148,000	2.17%	19,148,000	2.22%	23,992,000	2.65%	23,992,000	2.48%
Sub-total	287,768,472	33.56%	287,768,472	31.27%	307,145,246	35.03%	287,768,472	32.64%	287,768,472	33.37%	307,145,246	33.91%	307,145,246	31.70%
CEL Party (Note 2)														
Diamond Wealth	262,906,380	30.66%	262,906,380	28.58%	262,906,380	29.98%	262,906,380	29.82%	262,906,380	30.49%	262,906,380	29.02%	262,906,380	27.14%
Mr. Du/Sino Expo (Note 3)	8,193,704	0.96%	8,193,704	0.89%	8,193,704	0.93%	13,038,000	1.48%	8,193,704	0.95%	13,038,000	1.44%	13,038,000	1.35%
Mr. Yang/Future China Investment (Note 4)	—	—	—	—	—	—	19,377,000	2.20%	—	—	19,377,000	2.14%	19,377,000	2.00%
Sub-total	271,100,084	31.62%	271,100,084	29.45%	271,100,084	30.91%	295,321,380	33.50%	271,100,084	31.44%	295,321,380	32.60%	295,321,380	30.49%
Mr. Tay	1,700,000	0.20%	1,700,000	0.18%	1,700,000	0.19%	1,700,000	0.19%	6,544,000	0.76%	6,544,000	0.72%	6,544,000	0.68%
Other public Shareholders	296,850,768	34.62%	296,850,768	32.24%	296,850,768	33.87%	296,850,768	33.67%	296,850,768	34.43%	296,850,768	32.77%	296,850,768	30.63%
Total	857,419,324	100%	920,393,324	100%	876,796,098	100%	881,640,620	100%	862,263,324	100%	905,861,394	100%	968,835,394	100%

Notes:

1. Mr. Leslie Lim is a Controlling Shareholder, an executive Director and the chief executive officer of the Company. Ms. Foo is Mr. Lim's spouse and Mr. Lim KM is the son of Mr. Lim and Ms. Foo. Mr. Leslie Lim, Ms. Foo and Mr. Lim KM, being parties acting in concert under the Takeovers Code, are interested in 287,768,472 Shares, representing approximately 33.56% of the existing number of issued Shares as at the date of this announcement.
2. Future China Investment intends to finance the Fifth Connected Subscription by a facility to be obtained by Mr. Yang from the CEL Group. Furthermore, Mr. Yang holds several directorships in the subsidiaries of CEL Group. As such, Mr. Yang and Future China Investment are parties acting in concert with Diamond Wealth and its holding companies. Mr. Du and Sino Expo are parties acting in concert with Diamond Wealth and its holding companies. Accordingly, Mr. Du, Sino Expo, Mr. Yang, Future China Investment, CEL, CE Venture and Diamond Wealth, being parties acting in concert under the Takeovers Code, are interested in 271,100,084 Shares, representing approximately 31.62% of the existing number of issued Shares as at the date of this announcement.
3. Sino Expo is wholly-owned by Mr. Du. As at the date of this announcement, Sino Expo and Mr. Du held 8,105,704 and 88,000 Shares as beneficial owner respectively, representing approximately 0.95% and 0.01% of the existing number of issued Shares.
4. Future China Investment is wholly-owned by Mr. Yang. As at the date of this announcement, Future China Investment and Mr. Yang were not interested in any Shares.
5. Each of the First Subscriber, the Second Subscriber and the Third Subscriber is expected to form part of the public float after Completion, and the Company is expected to maintain a sufficient amount of public float of at least 25% of the total number of the Shares in issue after Completion.
6. The above calculations were based on percentages rounded up to the nearest 2 decimal places. As such, the rounding difference may cause a slight change in the actual shareholding.

REASONS FOR THE SUBSCRIPTIONS AND USE OF PROCEEDS

The Group is principally engaged in contract manufacturing, design, engineering and assembly for the electronics industry, and the design, manufacture and sale of automated machines, apparatus, systems, equipment and precision moulds and dies.

The Subscriptions are being conducted by the Company to (i) raise capital for the Group's funding and liquidity requirements while broadening its shareholder base; and (ii) to pursue the opportunity in developing the business in smart-cards issuance systems to broaden the business spectrum of the Company and diversify business risks in view of the challenging operating environment during the COVID-19 pandemic.

As stated in the Company's 2019 annual report and 2020 interim report, even though the Group maintains a healthy financial position, the Group recorded a net loss of approximately S\$1.6 million for the year ended 31 December 2019 and an unaudited net profit of approximately S\$0.05 million for the six months ended 30 June 2020. The global economy is still showing unfavorable outlook resulting from the trade tension between the U.S. and China trade war that has simmered for more than two years. Furthermore, the outbreak of COVID-19 pandemic emerged since the beginning of 2020 has worsened

the situation. With the worldwide countries currently being affected and nationwide lockdown being imposed to contain the pandemic, our supply chain as well as our operation in Singapore, China and the Philippines were disrupted. Given the current uncertainties relating to the global economy amidst the U.S. and China trade war and the outbreak of COVID-19, the Board has decided to adopt a prudent approach to strengthen the Group's financial position. The Board also noted that the trading liquidity of the Company's Shares is relatively thin for a meaningful size of shares to be transacted in the market. The Subscriptions will allow the Company to increase its financial resources, and to enhance the Company's publicity in the market, which the Board considers to be in line with the interests of the Company and its Shareholders as a whole.

The Directors believe that the Subscriptions reflect the confidence and commitment from the Subscribers, the Directors and the Controlling Shareholders, towards the long-term and sustainable development of the Company, and that the continuing support from the Controlling Shareholders is crucial to ensure the business stability and long-term development of the Group.

In addition, the Directors consider that taking into account the recent market conditions, raising funds by way of allotment and issue of the Subscription Shares would enable the Company to obtain funds with lower costs, as compared to a rights issue or an open offer. The Board has considered other alternative fundraising methods such as debt financing, rights issue or open offer. The Board has considered that debt financing will inevitably incur financial costs on the Group, while rights issue or open offer will involve the issue of listing documents with other application and administrative procedures which may require relatively longer time and incur additional administrative costs as compared to the equity financing by way of allotment and issue of new Shares under the Specific Mandate.

The aggregate gross proceeds of the Subscriptions will be approximately HK\$66.8 million (equivalent to approximately S\$11.6 million) (as to approximately HK\$37.8 million (equivalent to approximately S\$6.5 million) from the First Subscription, the Second Subscription and the Third Subscription, and as to approximately HK\$29.0 million (equivalent to approximately S\$5.0 million) from the Connected Subscriptions). The aggregate net proceeds of the Subscriptions, after the deduction of related fees and expenses, will be approximately HK\$66.5 million (equivalent to approximately S\$11.5 million) (as to approximately HK\$37.6 million (equivalent to approximately S\$6.5 million) from the First Subscription, the Second Subscription and the Third Subscription, and as to approximately HK\$28.95 million (equivalent to approximately S\$5.0 million) from the Connected Subscriptions). The net price per Subscription Share is approximately HK\$0.596. The Directors will apply (i) approximately 43% of the proceeds for developing the business of manufacturing smart-cards issuance systems with the Group's production facilities in Nantong, the PRC to further utilize the Group's expertise in the semiconductor process equipment manufacturing industry; and (ii) approximately 57% of the proceeds for meeting the Group's other funding and liquidity

requirements, including the future funding needs of new private equity fund(s) that Shanghai CEL Puyan may establish from time to time and working capital to strength the capital base and liquidity position of the Group.

The Board (excluding the independent non-executive Directors whose views will be given after taking into account the advice from the independent financial adviser to be appointed) is also of the view that the terms of the Subscription Agreements (including the Subscription Price) are fair and reasonable, on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

Each of the Connected Subscribers is a connected person of the Company. Accordingly, the Connected Subscriptions are connected transactions on the part of the Company under the Listing Rules and are subject to the announcement, reporting and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. The Company will seek the Independent Shareholders' approval, *inter alia*, for the Connected Subscription Agreements and the granting of the Specific Mandate for the allotment and issue of the Connected Subscription Shares at the EGM.

The Independent Board Committee comprising all the independent non-executive Directors will be formed to advise the Independent Shareholders on the Connected Subscription Agreements and the transactions contemplated thereunder. An independent financial adviser will be appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in this regard.

EGM AND DESPATCH OF CIRCULAR

The EGM will be convened to obtain the Independent Shareholders' approval for the Subscription Agreements and the transactions contemplated thereunder, including the grant of the Specific Mandate.

The Directors confirm that, to the best of their knowledge, information and belief after having made all reasonable enquiries, save for (i) Mr. Leslie Lim and his associates (i.e. Ms. Foo and Mr. Lim KM), no Shareholder has a material interest in the First Connected Subscription and Second Connected Subscription; (ii) Mr. Du, Sino Expo, CEL and its associates (i.e. CE Venture and Diamond Wealth), no Shareholder has a material interest in the Third Connected Subscription and the Fifth Connected Subscription; and (iii) Mr. Tay, no Shareholder has a material interest in the Forth Connected Subscription. As such, no Shareholder other than (i) Mr. Leslie Lim and his associates (i.e. Ms. Foo and Mr. Lim KM) shall abstain from voting on the resolution(s) for approving First Connected Subscription and Second Connected Subscription to be proposed at the EGM; (ii) Mr. Du, Sino Expo, CEL and its associates (i.e. CE Venture and Diamond Wealth) shall abstain from voting on the resolution(s) for approving the

Third Connected Subscription and the Fifth Connected Subscription to be proposed at the EGM; and (iii) Mr. Tay shall abstain from voting on the resolution(s) for approving the Forth Connected Subscription to be proposed at the EGM.

A circular containing, among other things, (i) further details of the Subscription Agreements and the transactions contemplated thereunder (including the grant of the Specific Mandate); (ii) a letter of advice from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Connected Subscription Agreements and the transactions contemplated thereunder; and (iv) a notice convening the EGM, is expected to be despatched by the Company to the Shareholders in compliance with the requirements of the Listing Rules on or before 7 January 2021.

Since the Completion of each of the Subscriptions is subject to the fulfilment of the Conditions as set out in the respective Subscription Agreements, the Subscriptions may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

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

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	means a day (excluding a Saturday, Sunday or public holiday) on which commercial banks in Singapore are open for business throughout
“BVI”	the British Virgin Islands
“CE Venture”	China Everbright Venture Capital Limited, a company incorporated in BVI on 8 April 1999 and one of the Controlling Shareholders, which directly holds 100% shares in Diamond Wealth and is directly wholly-owned by CEL
“CEL”	China Everbright Limited (中國光大控股有限公司), a company incorporated in Hong Kong on 25 August 1972, whose shares are listed on the Stock Exchange (stock code: 165), and one of the Controlling Shareholders
“CEL Group”	collectively, CEL and its subsidiaries from time to time

“Chongqing CEL”	Chongqing CEL Equity Investment Management Co., Ltd.* (重慶光控股權投資管理有限公司), an investment holding company established in the PRC with limited liability on 7 June 2011 and wholly owned by CEL, one of the Controlling Shareholders, and a connected person to the Company
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Company”	Kinergy Corporation Ltd. (光控精技有限公司*), a company incorporated in Singapore with limited liability, the Shares of which are listed on the Stock Exchange (Stock Code: 3302)
“Completion”	completion of the Subscription(s) pursuant to the Subscription Agreement(s)
“Completion Date”	the fourteenth (14th) Business Day after the satisfaction of all the relevant Conditions (or such other date as may be agreed by the Company and the relevant Subscriber(s) in writing), being the date on which Completion shall take place
“Conditions”	the conditions precedent to the Completion as set out in the relevant Subscription Agreement(s)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Connected Subscribers”	collectively, Mr. Leslie Lim, Mr. Lim KM, Sino Expo, Mr. Tay and Future China Investment
“Connected Subscription(s)”	the subscriptions by the Connected Subscribers for, and the allotment and issue by the Company of, the Connected Subscription Shares subject to the terms and conditions of the Connected Subscription Agreements
“Connected Subscription Agreements”	collectively, the First Connected Subscription Agreement, the Second Connected Subscription Agreement, the Third Connected Subscription Agreement, the Forth Connected Subscription Agreement and the Fifth Connected Subscription Agreement
“Connected Subscription Shares”	48,442,070 new Shares to be allotted and issued by the Company to the Connected Subscribers

“Diamond Wealth”	Diamond Wealth Global Limited, a limited liability company incorporated in the BVI on 22 January 2016, which is wholly owned by CE Venture and is one of the Controlling Shareholders
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held for the purpose of considering and, if thought fit, approving by the Independent Shareholders the Subscription Agreements and the transactions contemplated thereunder (including the grant of the Specific Mandate for the allotment and issue of the Subscription Shares)
“Fifth Connected Subscription”	the subscription by Future China Investment for, and the allotment and issue by the Company of, 19,377,000 Connected Subscription Shares subject to the terms and conditions of the Fifth Connected Subscription Agreement
“Fifth Connected Subscription Agreement”	the share subscription agreement dated 15 December 2020 entered into between the Company and Future China Investment
“First Connected Subscription”	the subscription by Mr. Leslie Lim for, and the allotment and issue by the Company of, 14,532,774 Connected Subscription Shares subject to the terms and conditions of the First Connected Subscription Agreement
“First Connected Subscription Agreement”	the share subscription agreement dated 15 December 2020 entered into between the Company and Mr. Leslie Lim
“First Subscriber”	Rosy Height Ventures Limited (麗高創投有限公司), a company incorporated in the BVI with limited liability and wholly-owned by Mr. Wang He (王赫)
“First Subscription”	the subscription by the First Subscriber for, and the allotment and issue by the Company of, 38,754,000 Subscription Shares subject to the terms and conditions of the First Subscription Agreement
“First Subscription Agreement”	the share subscription agreement dated 15 December 2020 entered into between the Company and the First Subscriber

“Forth Connected Subscription”	the subscription by Mr. Tay for, and the allotment and issue by the Company of, 4,844,000 Connected Subscription Shares subject to the terms and conditions of the Forth Connected Subscription Agreement
“Forth Connected Subscription Agreement”	the share subscription agreement dated 15 December 2020 entered into between the Company and Mr. Tay
“Future China Investment”	Future China Investment Co., Ltd., a company incorporated in the BVI with limited liability on 17 March 2017, which is wholly owned by Mr. Yang
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“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 the independent non-executive Directors, namely Mr. Ng Tiak Soon, Dr. Senerath Wickramanayaka Mudiyansele Sunil Wickramanayaka and Professor Zhang Wei
“Independent Shareholders”	the Shareholders other than those who are required to abstain under the Listing Rules from voting at the EGM for the resolution(s) approving the Subscription Agreements and the transactions contemplated thereunder (including the grant of the Specific Mandate)
“Kinergy IME”	Kinergy Intelligent Manufacturing Equipment (Nantong) Co. Ltd.* (精技智能裝備(南通)有限公司), a limited liability company established in the PRC on 2 April 2020 and a wholly-owned subsidiary of the Company
“Last Trading Day”	14 December 2020, being the last day of trading of the Shares on the Stock Exchange immediately prior to the date of the Subscription Agreements
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Du”	Mr. Du Xiaotang (杜曉堂), an executive Director and one of the Controlling Shareholders

“Mr. Leslie Lim”	Mr. Lim Kuak Choi Leslie (林國財), an executive Director, the chief executive officer, one of the Controlling Shareholders, the spouse of Ms. Foo and the father of Mr. Lim KM
“Mr. Lim KM”	Mr. Lim Khin Mann (林欽銘), an executive Director, one of the Controlling Shareholders and the son of Mr. Lim and Ms. Foo
“Mr. Tay”	Mr. Tay Kim Kah (also known as Mr. Tee Kim Kah) (鄭金呷), an executive Director and the financial controller of the Group
“Mr. Yang”	Mr. Yang Ping (楊平), a non-executive Director and the chairman of the Board
“Ms. Foo”	Ms. Foo Kaw Jee (符皓玉), one of the Controlling Shareholders, the spouse of Mr. Leslie Lim and the mother of Mr. Lim KM
“Nantong Semiconductor Fund”	Nantong CEL Semiconductor Industry Investment Fund Partnership (Limited Partnership)* (南通光控半導體產業投資基金合夥企業(有限合夥)), a limited partnership established on 19 December 2018 which is managed by Shanghai CEL Puyan
“RMB”	Renminbi, the lawful currency of the PRC
“S\$”	Singapore dollar, the lawful currency of Singapore
“Second Connected Subscription”	the subscription by Mr. Lim KM for, and the allotment and issue by the Company of, 4,844,000 Connected Subscription Shares subject to the terms and conditions of the Second Connected Subscription Agreement
“Second Connected Subscription Agreement”	the share subscription agreement dated 15 December 2020 entered into between the Company and Mr. Lim KM
“Second Subscriber”	Huaxin Capital Limited (華芯資本有限公司), a company incorporated in Hong Kong with limited liability and wholly-owned by Mr. Zhang Yu (張聿)
“Second Subscription”	the subscription by the Second Subscriber for, and the allotment and issue by the Company of, 9,688,000 Subscription Shares subject to the terms and conditions of the Second Subscription Agreement
“Second Subscription Agreement”	the share subscription agreement dated 15 December 2020 entered into between the Company and the Second Subscriber

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shanghai CEL Puyan”	Shanghai CEL Puyan Equity Investment Management Limited* (上海光控浦燕股權投資管理有限公司) a limited liability company established in the PRC on 6 July 2015 which is wholly owned by Chongqing CEL as at the date of this announcement, and is expected to become a non-wholly owned subsidiary of the Group upon the completion of the proposed subscription for its new capital by Kinergy IME under the capital injection agreement dated 6 November 2020 entered into between Kinergy IME, Chongqing CEL and Shanghai CEL Puyan
“Share(s)”	the ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Singapore”	the Republic of Singapore
“Sino Expo”	Sino Expo Holdings Limited, a company incorporated in the BVI with limited liability on 28 June 2016, which is wholly owned by Mr. Du
“Specific Mandate”	the special mandate to be granted by the Independent Shareholders to the Directors at the EGM for the allotment and issue of the Subscription Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber(s)”	the First Subscriber, the Second Subscriber, the Third Subscriber, Mr. Leslie Lim, Mr. Lim KM, Sino Expo, Mr. Tay and Future China Investment
“Subscription(s)”	the First Subscription, the Second Subscription, the Third Subscription and the Connected Subscriptions
“Subscription Agreement(s)”	the First Subscription Agreement, the Second Subscription Agreement, the Third Subscription Agreement and the Connected Subscription Agreements
“Subscription Price”	HK\$0.60 per Subscription Share

“Subscription Shares”	up to 111,416,070 new Shares to be allotted and issued by the Company to the Subscribers, representing approximately 12.99% of the existing number of issued Shares as at the date of this announcement and approximately 11.50% of the enlarged number of issued Shares immediately after Completion
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong
“Third Connected Subscription”	the subscription by Sino Expo for, and the allotment and issue by the Company of, 4,844,296 Connected Subscription Shares subject to the terms and conditions of the Third Connected Subscription Agreement
“Third Connected Subscription Agreement”	the share subscription agreement dated 15 December 2020 entered into between the Company and Sino Expo
“Third Subscriber”	Redlink Group Limited (紅領集團有限公司), a company incorporated in Hong Kong with limited liability and wholly-owned by Ms. Wu Wendy Chuwan (吳楚婉)
“Third Subscription”	the subscription by the Third Subscriber for, and the allotment and issue by the Company of, 14,532,000 Subscription Shares subject to the terms and conditions of the Third Subscription Agreement
“Third Subscription Agreement”	the share subscription agreement dated 15 December 2020 entered into between the Company and the Third Subscriber
“%”	per cent

For the purpose of this announcement, unless otherwise indicated, conversion of HK\$ into S\$ is calculated at the approximate exchange rate of HK\$1.00 to S\$0.173. This exchange rate is for illustration purpose only and does not constitute a representation that any amounts have been, could have been, or may be exchanged at this or any other rate at all.

By order of the Board
Kinergy Corporation Ltd.
Lim Kuak Choi Leslie
Executive Director and Chief Executive Officer

Hong Kong, 15 December 2020

* *For identification purpose only*

As at the date of this announcement, the executive Directors are Mr. Lim Kuak Choi Leslie, Mr. Du Xiaotang, Mr. Lim Khin Mann and Mr. Tay Kim Kah; the non-executive Directors are Mr. Yang Ping (Chairman) and Mr. Tsang Sui Cheong Frederick; and the independent non-executive Directors are Mr. Ng Tiak Soon, Dr. Senerath Wickramanayaka Mudiyansele Sunil Wickramanayaka and Professor Zhang Wei.