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Hephaestus Holdings Limited

客思控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8173)

GRANT OF WAIVER FROM STRICT COMPLIANCE WITH THE MINIMUM PUBLIC FLOAT REQUIREMENT

References are made to (i) the composite offer and response document (the “**Composite Document**”) jointly issued by Hong Kong Jun Tai Ting Investment Company Limited (the “**Offeror**”) and Hephaestus Holdings Limited (the “**Company**”) dated 28 December 2021 in relation to the Offer; and (ii) the announcement (the “**Joint Announcement**”) dated 18 January 2022 jointly issued by the Offeror and the Company in relation to, among others, the close of Offer. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Composite Document and the Joint Announcement.

As disclosed in the Joint Announcement, immediately after the close of the Offer, subject to the completion of the transfer to the Offeror of those Offer Shares acquired by it under the Offer (in respect of which valid acceptances were received), 52,277,887 Shares, representing approximately 24.28% of the entire issued share capital of the Company as at the date of the Joint Announcement, were held by the public (as defined under the GEM Listing Rules). Accordingly, the Company does not satisfy the minimum public float requirement under Rule 11.23(7) of the GEM Listing Rules.

The Company has made an application to the Stock Exchange for a temporary waiver from strict compliance with Rule 11.23(7) of the GEM Listing Rules for a period from 18 January 2022 to 18 February 2022 (the “**Waiver Period**”).

The Company has been informed by the Offeror that on 26 January 2022, the Offeror has entered into a placing agreement (the “**Placing Agreement**”) with a placing agent which is licensed to carry out Type 1 (dealing in securities) regulated activity under the SFO in relation to the placing (the “**Placing**”), on a best efforts basis, of up to 4,000,000 Shares (the “**Placing Share(s)**”) to independent placee(s) at the placing price of HK\$0.4644 per Placing Share (i.e. the Offer Price).

Pursuant to the terms and conditions of the Placing Agreement, completion of the Placing shall take place on or before 18 February 2022. Assuming all of the Placing Shares are placed by the placing agent, upon completion of the Placing, 56,277,887 Shares, representing approximately 26.13% of the issued Shares, will be held by the public (within the meaning of the GEM Listing Rules) and accordingly, the minimum Public Float requirement of 25% as set out in Rule 11.23(7) of the GEM Listing Rules will be satisfied.

On 31 January 2022, the Stock Exchange has granted the Company a temporary waiver from strict compliance with Rule 11.23(7) of the GEM Listing Rules during the Waiver Period, subject to the issue of this announcement. The Stock Exchange may withdraw or change the waiver if the Company's situation changes.

Further announcement(s) will be made by the Company regarding the restoration of public float when and as appropriate.

By order of the Board
Hephaestus Holdings Limited
Chan Norman Enrique
Executive Director

Hong Kong, 31 January 2022

As at the date of this announcement, the Board comprised two executive Directors, Mr. Chan Norman Enrique and Mr. Lee Alex Kam-fai and three independent non-executive Directors, Mr. Kwong U Hoi Andrew, Mr. Wong Jonathan and Mr. Chi Chi Hung Kenneth.

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 website of the GEM of The Stock Exchange of Hong Kong Limited 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.hephaestus.com.hk.