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**KIRIN GROUP HOLDINGS LIMITED**  
**麒麟集團控股有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 8109)**

**(I) SUBSCRIPTIONS OF NEW SHARES  
UNDER SPECIFIC MANDATE;  
(II) SUBSCRIPTION OF CONVERTIBLE NOTES  
UNDER SPECIFIC MANDATE; AND  
(III) PLACING OF NEW SHARES UNDER SPECIFIC MANDATE**

**Placing Agent**  
**Wings Securities (HK) Limited**

**(I) THE SHARES SUBSCRIPTIONS**

**The First Shares Subscription Agreement**

The Board is pleased to announce that on 8 December 2021 (after trading hours of the Stock Exchange), the Company and the First Shares Subscriber entered into the First Shares Subscription Agreement, pursuant to which the Company has conditionally agreed to allot and issue, and the First Shares Subscriber has conditionally agreed to subscribe for, in aggregate of 20,880,000 First Subscription Shares at the Subscription Price of HK\$0.22 per First Subscription Share.

## **The Second Shares Subscription Agreement**

The Board is pleased to announce that on 8 December 2021 (after trading hours of the Stock Exchange), the Company and the Second Shares Subscriber entered into the Second Shares Subscription Agreement, pursuant to which the Company has conditionally agreed to allot and issue, and the Second Shares Subscriber has conditionally agreed to subscribe for, in aggregate of 6,735,000 Second Subscription Shares at the Subscription Price of HK\$0.22 per Second Subscription Share.

## **The Third Shares Subscription Agreement**

The Board is pleased to announce that on 8 December 2021 (after trading hours of the Stock Exchange), the Company and the Third Shares Subscriber entered into the Third Shares Subscription Agreement, pursuant to which the Company has conditionally agreed to allot and issue, and the Third Shares Subscriber has conditionally agreed to subscribe for, in aggregate of 10,200,000 Third Subscription Shares at the Subscription Price of HK\$0.22 per Third Subscription Share.

The aggregate number of 37,815,000 Subscription Shares represent (i) approximately 7.52% of the issued share capital of the Company as at the date of this announcement; (ii) approximately 7.00% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares; and (iii) approximately 5.93% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, the Conversion Shares and the Placing Shares.

## **(II) THE NOTES SUBSCRIPTION**

### **The Notes Subscription Agreement**

The Board is pleased to announce that on 8 December 2021 (after trading hours of the Stock Exchange), the Company and the Notes Subscriber entered into the Notes Subscription Agreement, pursuant to which the Company has conditionally agreed to issue, and the Notes Subscriber has conditionally agreed to subscribe for the Notes in the aggregate principal amount of HK\$11,348,700.

Under the terms and conditions of the Notes, the Notes shall bear coupon interest at the rate of 2% per annum. The Notes are convertible into Conversion Shares at the initial Conversion Price of HK\$0.22 per Conversion Share (subject to adjustments). The maturity of the Notes shall be the date falling on the first anniversary of the date of issue of the Notes.

The aggregate number of 51,585,000 Conversion Shares represent (i) approximately 10.26% of the issued share capital of the Company as at the date of this announcement; (ii) approximately 9.31% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares; and (iii) approximately 8.10% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, the Conversion Shares and the Placing Shares.

As at the date of this announcement, the Company is indebted to (i) the First Shares Subscriber the First Shares Debt in the sum of HK\$4,593,600, which had been overdue; (ii) the Second Shares Subscriber the Second Shares Debt in the sum of HK\$1,481,700, which had been overdue; (iii) the Third Shares Subscriber the Third Shares Debt in the sum of HK\$2,244,000, which had been overdue; and (iv) the Notes Subscriber the Notes Debt in the sum of HK\$11,348,700, which had been overdue.

The First Shares Subscription Price, the Second Shares Subscription Price, the Third Shares Subscription Price and the Notes Subscription Price shall be used to set off against the equivalent amount of the First Shares Debt, the Second Shares Debt, the Third Shares Debt and the Notes Debt on a dollar-for-dollar basis, respectively. There will not be any proceeds from the Share Subscriptions and the Notes Subscription.

### **(III) THE PLACING**

The Board is pleased to announce that on 8 December 2021 (after trading hours of the Stock Exchange), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Company is desirous of appointing the Placing Agent on sole and exclusive basis to place and procure subscriptions for the Placing Shares on a best effort basis subject to the terms and conditions set out in the Placing Agreement. The Placing Agent shall procure not less than six Placees to subscribe for up to 45,000,000 Placing Shares at the Placing Price of HK\$0.22 per Placing Share during the Placing Period on terms and conditions set out in the Placing Agreement on a best effort basis.

The maximum number of 45,000,000 Placing Shares represents (i) approximately 8.95% of the issued share capital of the Company as at the date of this announcement; (ii) approximately 8.21% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares; and (iii) approximately 7.06% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, the Conversion Shares and the Placing Shares.

Assuming the maximum number of the Placing Shares is fully placed by the Placing Agent, the gross proceeds from the Placing will be HK\$9.9 million, and the net proceeds from the Placing, after deducting the placing commission and other expenses incurred in the Placing, are estimated to be approximately HK\$9.5 million. Such net proceeds are intended to be used as to (i) approximately HK\$7.6 million for repayment of debts of the Company; and (ii) approximately HK\$1.9 million for general working capital.

The aggregate number of the Subscription Shares, the Conversion Shares and the maximum number of the Placing Shares represent (i) approximately 26.73% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 21.09% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, the Conversion Shares and the Placing Shares.

The First Shares Subscription Agreement, the Second Shares Subscription Agreement, the Third Shares Subscription Agreement, the Notes Subscription Agreement and the Placing Agreement are not inter-conditional upon each other.

The Company will apply to the GEM Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares, the Conversion Shares and the Placing Shares. No listing of the Notes will be sought on the Stock Exchange or any other stock exchanges.

## **GENERAL**

The Subscription Shares, the Conversion Shares and the Placing Shares will be allotted and issued under the Shares Specific Mandates, the Notes Specific Mandate and the Placing Specific Mandate respectively which are subject to the Shareholders' approval at the SGM. The SGM will be convened and held for the purposes of considering and, if thought fit, approving the Shares Subscription Agreements, the Notes Subscription Agreement, the Placing Agreement and the transactions contemplated thereunder, including the grant of the Shares Specific Mandates, the Notes Specific Mandate and the Placing Specific Mandate for the allotment and issue of the Subscription Shares, the Conversion Shares and the Placing Shares respectively.

A circular containing, among other things, (i) further details of the Shares Subscriptions; (ii) further details of the Notes Subscription; (iii) further details of the Placing; and (iv) a notice convening the SGM, is expected to be despatched to the Shareholders as soon as practicable in accordance with the GEM Listing Rules.

**Completion of the Shares Subscriptions, the Notes Subscription and the Placing are subject to the satisfaction of the conditions precedent in the respective Shares Subscription Agreements, the Notes Subscription Agreement and the Placing Agreement. As the Shares Subscriptions, the Notes Subscription and the Placing may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**

## **(I) THE SHARES SUBSCRIPTIONS**

### **(A) The First Shares Subscription Agreement**

The Board is pleased to announce that on 8 December 2021 (after trading hours of the Stock Exchange), the Company and the First Shares Subscriber entered into the First Shares Subscription Agreement in relation to the First Shares Subscription.

Set out below are the principal terms of the First Shares Subscription Agreement:

#### **Date:**

8 December 2021 (after trading hours of the Stock Exchange)

#### **Parties:**

Issuer:                      The Company

Subscriber:                 The First Shares Subscriber

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the First Shares Subscriber holds 11,040,000 Shares, representing approximately 2.20% of the issued share capital of the Company as at the date of this announcement. In addition, the Company is indebted to the First Shares Subscriber the First Shares Debt as at the date of this announcement. Save as disclosed, the First Shares Subscriber is not a connected person of the Company and its subsidiaries.

#### ***First Shares Subscription***

Pursuant to the First Shares Subscription Agreement, the Company has conditionally agreed to allot and issue, and the First Shares Subscriber has conditionally agreed to subscribe for, the First Subscription Shares. The First Subscription Shares shall be issued free from all encumbrances at the Subscription Price of HK\$0.22 per First Subscription Share.

Subject to the terms of the First Shares Subscription Agreement, the Company and the First Shares Subscriber shall sign the First Shares Deed of Off-Setting at the completion of the First Shares Subscription, and the equivalent amount of the Company's debt repayment will set off against the First Shares Subscription Price.

### ***Number of the First Subscription Shares***

As at the date of this announcement, the Company has 502,781,042 Shares in issue. The aggregate number of 20,880,000 First Subscription Shares represent (i) approximately 4.15% of the issued share capital of the Company as at the date of this announcement; (ii) approximately 3.99% of the issued share capital of the Company as enlarged by the allotment and issue of the First Subscription Shares; and (iii) approximately 3.28% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, the Conversion Shares and the Placing Shares. The aggregate nominal value of the First Subscription Shares will be HK\$104,400.

### ***Conditions of the First Shares Subscription Agreement***

Completion of the First Shares Subscription is conditional upon the fulfillment of the following conditions:

- (i) the Shareholders having passed necessary resolution to approve the First Shares Subscription Agreement and the transactions contemplated thereunder at the SGM, including the grant of the First Shares Specific Mandate to allot and issue the First Subscription Shares;
- (ii) the GEM Listing Committee of the Stock Exchange granting or agreeing to grant for the listing of, and permission to deal in, the First Subscription Shares, and such permission not having been subsequently revoked or withdrawn;
- (iii) all necessary consents and approvals required to be obtained on the part of the Company in respect of the First Shares Subscription having been obtained and remaining in full force and effect; and
- (iv) all necessary consents and approvals required to be obtained on the part of the First Shares Subscriber in respect of the First Shares Subscription having been obtained and remaining in full force and effect.

In the event that the conditions of the First Shares Subscription Agreement above are not fulfilled and/or satisfied on or before 28 February 2022 (or such other date and time to be agreed by the parties to the First Shares Subscription Agreement in writing), all obligations and liabilities of the parties to the First Shares Subscription Agreement shall cease (except certain terms as set out in the First Shares Subscription Agreement) and neither any party to the First Shares Subscription Agreement shall have any claim against the other party, save for any antecedent breaches of the terms under the First Shares Subscription Agreement.

### ***Completion of the First Shares Subscription***

Completion of the First Shares Subscription shall take place on the third Business Day after the conditions of the First Shares Subscription Agreement are fulfilled (or such other date and time to be agreed by the parties to the First Shares Subscription Agreement in writing).

The First Shares Subscription Agreement, the Second Shares Subscription Agreement, the Third Shares Subscription Agreement, the Notes Subscription Agreement and the Placing Agreement are not inter-conditional upon each other.

### **(B) The Second Shares Subscription Agreement**

The Board is pleased to announce that on 8 December 2021 (after trading hours of the Stock Exchange), the Company and the Second Shares Subscriber entered into the Second Shares Subscription Agreement in relation to the Second Shares Subscription.

Set out below are the principal terms of the Second Shares Subscription Agreement:

#### **Date:**

8 December 2021 (after trading hours of the Stock Exchange)

#### **Parties:**

Issuer:                   The Company

Subscriber:             The Second Shares Subscriber

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Second Shares Subscriber holds 15,360,000 Shares, representing 3.06% of the issued share capital of the Company as at the date of this announcement. In addition, the Company is indebted to the Second Shares Subscriber the Second Shares Debt as at the date of this announcement. Save as disclosed, the Second Shares Subscriber is not a connected person of the Company and its subsidiaries.

### ***Second Shares Subscription***

Pursuant to the Second Shares Subscription Agreement, the Company has conditionally agreed to allot and issue, and the Second Shares Subscriber has conditionally agreed to subscribe for, the Second Subscription Shares. The Second Subscription Shares shall be issued free from all encumbrances at the Subscription Price of HK\$0.22 per Second Subscription Share.

Subject to the terms of the Second Shares Subscription Agreement, the Company and the Second Shares Subscriber shall sign the Second Shares Deed of Off-Setting at the completion of the Second Shares Subscription, and the equivalent amount of the Company's debt repayment will set off against the Second Shares Subscription Price.

### ***Number of the Second Subscription Shares***

As at the date of this announcement, the Company has 502,781,042 Shares in issue. The aggregate number of 6,735,000 Second Subscription Shares represent (i) approximately 1.34% of the issued share capital of the Company as at the date of this announcement; (ii) approximately 1.32% of the issued share capital of the Company as enlarged by the allotment and issue of the Second Subscription Shares; and (iii) approximately 1.06% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, the Conversion Shares and the Placing Shares. The aggregate nominal value of the Second Subscription Shares will be HK\$33,675.

### ***Conditions of the Second Shares Subscription Agreement***

Completion of the Second Shares Subscription is conditional upon the fulfillment of the following conditions:

- (i) the Shareholders having passed necessary resolution to approve the Second Shares Subscription Agreement and the transactions contemplated thereunder at the SGM, including the grant of the Second Shares Specific Mandate to allot and issue the Second Subscription Shares;
- (ii) the GEM Listing Committee of the Stock Exchange granting or agreeing to grant for the listing of, and permission to deal in, the Second Subscription Shares, and such permission not having been subsequently revoked or withdrawn;
- (iii) all necessary consents and approvals required to be obtained on the part of the Company in respect of the Second Shares Subscription having been obtained and remaining in full force and effect; and
- (iv) all necessary consents and approvals required to be obtained on the part of the Second Shares Subscriber in respect of the Second Shares Subscription having been obtained and remaining in full force and effect.

In the event that the conditions of the Second Shares Subscription Agreement above are not fulfilled and/or satisfied on or before 28 February 2022 (or such other date and time to be agreed by the parties to the Second Shares Subscription Agreement in writing), all obligations and liabilities of the parties to the Second Shares Subscription Agreement shall cease (except certain terms as set out in the Second Shares Subscription Agreement) and neither any party to the Second Shares Subscription Agreement shall have any claim against the other party, save for any antecedent breaches of the terms under the Second Shares Subscription Agreement.



### ***Completion of the Second Shares Subscription***

Completion of the Second Shares Subscription shall take place on the third Business Day after the conditions of the Second Shares Subscription Agreement are fulfilled (or such other date and time to be agreed by the parties to the Second Shares Subscription Agreement in writing).

The First Shares Subscription Agreement, the Second Shares Subscription Agreement, the Third Shares Subscription Agreement, the Notes Subscription Agreement and the Placing Agreement are not inter-conditional upon each other.

### **(C) The Third Shares Subscription Agreement**

The Board is pleased to announce that on 8 December 2021 (after trading hours of the Stock Exchange), the Company and the Third Shares Subscriber entered into the Third Shares Subscription Agreement in relation to the Third Shares Subscription.

Set out below are the principal terms of the Third Shares Subscription Agreement:

#### **Date:**

8 December 2021 (after trading hours of the Stock Exchange)

#### **Parties:**

Issuer:                   The Company

Subscriber:             The Third Shares Subscriber

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Third Shares Subscriber holds 6,330,000 Shares, representing approximately 1.26% of the issued share capital of the Company as at the date of this announcement. In addition, the Company is indebted to the Third Shares Subscriber the Third Shares Debt as at the date of this announcement. Save as disclosed, the Third Shares Subscriber is not a connected person of the Company and its subsidiaries.

### ***Third Shares Subscription***

Pursuant to the Third Shares Subscription Agreement, the Company has conditionally agreed to allot and issue, and the Third Shares Subscriber has conditionally agreed to subscribe for, the Third Subscription Shares. The Third Subscription Shares shall be issued free from all encumbrances at the Subscription Price of HK\$0.22 per Third Subscription Share.

Subject to the terms of the Third Shares Subscription Agreement, the Company and the Third Shares Subscriber shall sign the Third Shares Deed of Off-Setting at the completion of the Third Shares Subscription, and the equivalent amount of the Company's debt repayment will set off against the Third Shares Subscription Price.

### ***Number of the Third Subscription Shares***

As at the date of this announcement, the Company has 502,781,042 Shares in issue. The aggregate number of 10,200,000 Third Subscription Shares represent (i) approximately 2.03% of the issued share capital of the Company as at the date of this announcement; (ii) approximately 1.99% of the issued share capital of the Company as enlarged by the allotment and issue of the Third Subscription Shares; and (iii) approximately 1.60% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, the Conversion Shares and the Placing Shares. The aggregate nominal value of the Third Subscription Shares will be HK\$51,000.

### ***Conditions of the Third Shares Subscription Agreement***

Completion of the Third Shares Subscription is conditional upon the fulfillment of the following conditions:

- (i) the Shareholders having passed necessary resolution to approve the Third Shares Subscription Agreement and the transactions contemplated thereunder at the SGM, including the grant of the Third Shares Specific Mandate to allot and issue the Third Subscription Shares;
- (ii) the GEM Listing Committee of the Stock Exchange granting or agreeing to grant for the listing of, and permission to deal in, the Third Subscription Shares, and such permission not having been subsequently revoked or withdrawn;
- (iii) all necessary consents and approvals required to be obtained on the part of the Company in respect of the Third Shares Subscription having been obtained and remaining in full force and effect; and
- (iv) all necessary consents and approvals required to be obtained on the part of the Third Shares Subscriber in respect of the Third Shares Subscription having been obtained and remaining in full force and effect.

In the event that the conditions of the Third Shares Subscription Agreement above are not fulfilled and/or satisfied on or before 28 February 2022 (or such other date and time to be agreed by the parties to the Third Shares Subscription Agreement in writing), all obligations and liabilities of the parties to the Third Shares Subscription Agreement shall cease (except certain terms as set out in the Third Shares Subscription Agreement) and neither any party to the Third Shares Subscription Agreement shall have any claim against the other party, save for any antecedent breaches of the terms under the Third Shares Subscription Agreement.

### ***Completion of the Third Shares Subscription***

Completion of the Third Shares Subscription shall take place on the third Business Day after the conditions of the Third Shares Subscription Agreement are fulfilled (or such other date and time to be agreed by the parties to the Third Shares Subscription Agreement in writing).

The First Shares Subscription Agreement, the Second Shares Subscription Agreement, the Third Shares Subscription Agreement, the Notes Subscription Agreement and the Placing Agreement are not inter-conditional upon each other.

### **SUBSCRIPTION SHARES**

#### **Number of the Subscription Shares**

As at the date of this announcement, the Company has 502,781,042 Shares in issue. The aggregate number of 37,815,000 Subscription Shares represent (i) approximately 7.52% of the issued share capital of the Company as at the date of this announcement; (ii) approximately 7.00% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares; and (iii) approximately 5.93% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, the Conversion Shares and the Placing Shares. The aggregate nominal value of the Subscription Shares will be HK\$189,075.

#### **Subscription Price**

The Subscription Price of HK\$0.22 per Subscription Share represents:

- (i) a premium of 10.00% over the closing price of HK\$0.2000 per Share as quoted on the Stock Exchange on the date of the Shares Subscription Agreements; and
- (ii) a premium of approximately 10.11% over the average closing price of HK\$0.1998 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Shares Subscription Agreements.

The Subscription Price was determined after arm's length negotiations between the Company and the Shares Subscribers with reference to, among other things, the prevailing market price of the Shares. The Directors consider that the Subscription Price is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

#### **Ranking of the Subscription Shares**

The Subscription Shares when allotted and issued, will rank *pari passu* in all respects among themselves and with the Shares then in issue on the date of allotment and issue of the Subscription Shares.

## **(II) THE NOTES SUBSCRIPTION**

### **The Notes Subscription Agreement**

The Board is pleased to announce that on 8 December 2021 (after trading hours of the Stock Exchange), the Company and the Notes Subscriber entered into the Notes Subscription Agreement in relation to the Notes Subscription.

Set out below are the principal terms of the Notes Subscription Agreement:

#### **Date:**

8 December 2021 (after trading hours of the Stock Exchange)

#### **Parties:**

Issuer:                   The Company

Subscriber:             The Notes Subscriber

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the date of this announcement, the Notes Subscriber does not hold any Shares. The Company is indebted to the Notes Subscriber the Notes Debt as at the date of this announcement. Save as disclosed, the Notes Subscriber is an Independent Third Party.

#### ***Notes Subscription***

Pursuant to the Notes Subscription Agreement, the Company has conditionally agreed to issue, and the Notes Subscriber has conditionally agreed to subscribe for the Notes in the aggregate principal amount of HK\$11,348,700, which may be converted into not more than 51,585,000 Conversion Shares based on the initial Conversion Price of HK\$0.22 upon full conversion.

The Notes Subscriber shall sign the Notes Deed of Off-Setting with the Company at the completion of the Notes Subscription, and the Notes Subscription Price of HK\$11,348,700 shall set off against the equivalent amount of the Company's debt repayment obligation.

#### ***Number of the Conversion Shares***

The aggregate of 51,585,000 Conversion Shares represent (i) approximately 10.26% of the issued share capital of the Company as at the date of this announcement; (ii) approximately 9.31% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares; and (iii) approximately 8.10% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, the Conversion Shares and the Placing Shares. The aggregate nominal value of the Conversion Shares will be HK\$257,925.

### ***Ranking of the Conversion Shares***

The Conversion Shares when allotted and issued, will rank *pari passu* in all respects among themselves and with the Shares then in issue.

### ***Conditions of the Notes Subscription Agreement***

- (i) the Shareholders having passed necessary resolution to approve the Notes Subscription Agreement and the transactions contemplated thereunder at the SGM, including the grant of the Notes Specific Mandate to allot and issue the Conversion Shares;
- (ii) the GEM Listing Committee of the Stock Exchange granting or agreeing to grant for the listing of, and permission to deal in, the Conversion Shares, and such permission not having been subsequently revoked or withdrawn;
- (iii) the Company having obtained necessary consents and approvals in relation to the Notes Subscription; and
- (iv) the Notes Subscriber having obtained necessary consents and approvals in relation to the Notes Subscription.

The Company shall use its best endeavours to procure the conditions (i) to (iii) above to be fulfilled as soon as practicable. The Notes Subscriber shall use its best endeavours to procure the condition (iv) above to be fulfilled as soon as practicable.

If the conditions have not been satisfied (or being waived) on or before 28 February 2022 (or such other date and time to be agreed by the parties to the Notes Subscription Agreement in writing), the Notes Subscription Agreement shall cease and terminate. Neither the Company nor the Notes Subscriber shall have any claim against the others under the Notes Subscription Agreement, save for any antecedent breaches of the terms under the Notes Subscription Agreement.

### ***Completion of the Notes Subscription***

Completion of the Notes Subscription shall take place on the third Business Day after the conditions of the Notes Subscription Agreement are fulfilled (or being waived) (or such other date and time to be agreed by the parties to the Notes Subscription Agreement).

The First Shares Subscription Agreement, the Second Shares Subscription Agreement, the Third Shares Subscription Agreement, the Notes Subscription Agreement and the Placing Agreement are not inter-conditional upon each other.

## TERMS OF THE NOTES

The principal terms of the Notes are summarised below:

Issuer:	The Company
Principal amount:	HK\$11,348,700
Conversion Price:	An initial Conversion Price of HK\$0.22 per Conversion Share (subject to adjustment) at which the holders of the Notes may subscribe for the new Shares(s).

The Conversion Price represents:

- (i) a premium of 10.00% over the closing price of HK\$0.2000 per Share as quoted on the Stock Exchange on the date of the Notes Subscription Agreement; and
- (ii) a premium of approximately 10.11% over the average of the closing prices of HK\$0.1998 per Conversion Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Notes Subscription Agreement.

The Conversion Price was determined after arm's length negotiations between the Company and the Notes Subscriber with reference to, among other things, the prevailing market price of the Shares. The Directors consider that the Conversion Price is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

Conversion Period:	The period commencing on the date of issue of the Notes and expiring on the date falling on the maturity date.
Maturity date:	The first anniversary of the date of issue of the Notes (if that is not a Business Day, the first Business Day thereafter).
Interest rate:	The Notes shall carry coupon interest at the rate of 2% per annum payable annually in arrears.

Transferability:	Subject to the conditions, approvals (if any) or any other requirements of the Stock Exchange relating to the conversion of Conversion Shares, the holder of the Notes may transfer the Notes to its holding company, any subsidiaries (as defined in the Companies Ordinance (Chapter 622 of the laws of Hong Kong)) of its holding company or any transferee upon obtaining the prior written consent of the Company.
Early redemption:	The Company shall be entitled at its sole discretion, by giving not less than ten days' prior written notice to the holder of the Notes, to redeem the outstanding Notes (in whole or in part) at 100% of the principal amount of such outstanding Notes (together with all outstanding interest accrued upon the date of redemption) at any time before the maturity date.  The Noteholder may not request to redeem the outstanding Notes prior to the maturity date.
Status:	The obligations of the Company arising under the Notes constitute general, unsecured and unsubordinated obligations of the Company and rank equally among themselves and <i>pari passu</i> with all other present and future unsecured and unsubordinated obligations of the Company except for obligations accorded preference by mandatory provisions of applicable law.
Adjustments to the Conversion Price:	The Conversion Price shall be adjusted upon occurrence of, among others, any of the following events: (i) consolidation or subdivision; (ii) capitalisation of profits or reserves; (iii) capital distributions; (iv) issue of Shares to the Shareholders or options to subscribe for shares; (v) issue of other securities to the Shareholders; (vi) issue of Shares or issue of rights or options or warrants for Shares at less than 80% of the market price; (vii) issues of other securities at less than 80% of the market price; or (viii) amendment of conversion rights, exchange rights or subscription rights.

## **VOTING RIGHTS**

The Noteholders shall not be entitled to attend or vote at any general meetings of the Company by reason only it being the Noteholders.

### **(III) THE PLACING**

The Board is pleased to announce that on 8 December 2021 (after trading hours of the Stock Exchange), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Company is desirous of appointing the Placing Agent on sole and exclusive basis to place and procure subscriptions for the Placing Shares on a best effort basis subject to the terms and conditions set out in the Placing Agreement. The Placing Agent shall procure not less than six Placees to subscribe for up to 45,000,000 Placing Shares at the Placing Price of HK\$0.22 per Placing Share during the Placing Period on terms and conditions set out in the Placing Agreement on a best effort basis.

#### **The Placing Agreement**

**Date:**

8 December 2021 (after trading hours of the Stock Exchange)

**Parties:**

Issuer:                      The Company

Placing Agent:            Wings Securities (HK) Limited

(each a “**Placing Party**” and collectively, the “**Placing Parties**”)

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties. As at the date of this announcement, the Placing Agent is not interested in any Shares.



### ***Placees***

The Placing Agent shall procure not less than six Placees to subscribe for the Placing Shares at the Placing Price during the Placing Period on terms and conditions set out in the Placing Agreement on a best effort basis. The Placee(s) shall be any investor who is an individual, institutional or professional investor selected and/or procured by or on behalf of the Placing Agent as contemplated by the Placing Agreement and is (i) an Independent Third Party, and (ii) independent of and not parties acting in concert with any persons, other Placee(s) or Shareholders to the effect that any Placing to such investor shall not trigger any mandatory offer obligation under Rule 26.1 of the Takeovers Code, procured by the Placing Agent to subscribe for the Placing Shares pursuant to the Placing Agent's obligations under the Placing Agreement. The Placing Agent shall also use its best endeavours to ensure that no Placee shall become a substantial shareholder (as defined in the GEM Listing Rules) of the Company forthwith upon the Placing Completion.

### ***Placing Shares***

As at the date of this announcement, the Company has 502,781,042 Shares in issue. The maximum number of 45,000,000 Placing Shares represents (i) approximately 8.95% of the issued share capital of the Company as at the date of this announcement; (ii) approximately 8.21% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares; and (iii) approximately 7.06% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, the Conversion Shares and the Placing Shares.

The Placing Shares have an aggregate nominal value of HK\$225,000 based on the nominal value of HK\$0.005 per Share.

### ***Placing Price***

The Placing Price of HK\$0.22 per Placing Share represents:

- (i) a premium of 10.00% over the closing price of HK\$0.2000 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and
- (ii) a premium of approximately 10.11% over the average closing price of HK\$0.1998 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

The net Placing Price, after deducting placing commission and other expenses, is expected to be approximately HK\$0.21 per Placing Share.

The Placing Price was determined after arm's length negotiations between the Placing Parties with reference to, among other things, the prevailing market price of the Shares. The Directors consider that the Placing Price is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

### ***Placing commission***

Subject to the Placing Completion having taken place, the Company shall pay to the Placing Agent a placing commission in Hong Kong dollars which shall be equivalent to 1% of the gross proceeds of the Placing (being such an amount in aggregate in Hong Kong dollars equivalent to the Placing Price multiplied by the actual number of Placing Shares placed by the Placing Agent (whether by itself direct or through any of its sub-agent(s))).

### ***Ranking of the Placing Shares***

The Placing Shares shall rank *pari passu* in all respects with the Shares then in issue, including the right to receive all dividends and/or distributions declared, made or paid on or after the Placing Completion.

### ***Conditions precedent***

The Placing Completion shall be conditional upon the satisfaction or fulfilment of such conditions precedent as set out hereunder:

- (a) the Placing Specific Mandate having been granted;
- (b) the GEM Listing Committee having granted approval for the listing of, and permission to deal in, the Placing Shares, and such approval not having been revoked, suspended, withdrawn or cancelled, or threatened with any revocation, suspension, withdrawal or cancellation at any time prior to the Placing Closing Date;
- (c) the Shares remaining listed on the GEM of the Stock Exchange, and that the listing status of the Shares not being subject to or threatened with any revocation, suspension, withdrawal or cancellation by the Placing Closing Date;
- (d) no order for the winding-up of the Company having been made on the Petition;
- (e) the Validation Order being, and remaining to be, valid, binding and effective;
- (f) (if required) the Company having obtained the necessary consent, approval, authorisation, permission, or confirmation from any third party to which the Company have entered into any agreement or arrangement; and
- (g) the Company's representations and warranties made pursuant to the Placing Agreement being true and accurate and not misleading up to the Placing Completion.

The conditions precedent (a) to (f) above cannot be waived by any Placing Party. The Placing Agent may at any time prior to the Placing Closing Date unilaterally waive the condition precedent (g) above by notifying the Company in writing. As soon as practicable after the execution of the Placing Agreement and in any event, by the Placing Closing Date, the

Company shall use its best endeavours to procure the satisfaction of such conditions precedent as set out in (a) to (f) above, as well as condition precedent (g) above (in case the condition precedent (g) above has not been waived by the Placing Agent).

If any one or more of the conditions precedent above shall not have been satisfied or fulfilled by the Placing Closing Date or any of the force majeure event set out in section headed “*Force Majeure*” below shall have occurred, subject to the terms in relation to failure to complete or lapse or termination of the Placing as set out in the Placing Agreement, all obligations and responsibilities of the Placing Agent and those of the Company under the Placing Agreement shall cease and determine forthwith and no Placing Party shall have any claim whatsoever against the other Placing Party in relation thereto save for any antecedent breach of the Placing Agreement and without prejudice to the accrued rights and liabilities of each Placing Party.

### *Force Majeure*

If at any time between the execution of the Placing Agreement and on the Business Day immediately prior to the Placing Completion Date, there occurs:

- (a) the introduction of any new law or regulation or any change in existing laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Company;
- (b) the occurrence of any local, national or international event or change occurring after the date of the Placing Agreement of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Company or adversely prejudices the success of the Placing (such success being the completion of the placing of the Placing Shares to potential investor(s)) or otherwise makes it inexpedient or inadvisable for the Company or the Placing Agent to proceed with the Placing;
- (c) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction on trading in securities) occurs after the date of the Placing Agreement which materially and adversely affects the success of the Placing (such success being the completion of the placing of the Placing Shares to potential investor(s)) or otherwise in the reasonable opinion of the Placing Agent make it inexpedient or inadvisable or inappropriate for the Company or the Placing Agent to proceed with the Placing;

- (d) the Company commits any material breach of or omits or fails to observe any of its obligations or undertakings under the Placing Agreement; or
- (e) any of the representations or warranties contained in the Placing Agreement was, when given or deemed to be repeated under the Placing Agreement, untrue or inaccurate in any material respect or would in any material respect be untrue or inaccurate, or if repeated the Placing Agent shall determine in its reasonable opinion that any such untrue representation or warranty represents or is likely to represent a material adverse change in the financial or trading position or prospects of the Company or will otherwise likely to have a material prejudicial effect on the Placing,

then the Placing Agent may upon giving notice to the Company terminate the Placing Agreement with immediate effect. If the Placing Agreement shall be terminated pursuant to the force majeure as set out in the Placing Agreement, the obligations of the Placing Agent shall cease and determine, and the Company shall not be liable to pay any commission under certain provisions of the Placing Agreement, and all other provisions of the Placing Agreement (other than certain provisions as set out in the Placing Agreement and all other provisions necessary for the interpretation or enforcement of such provisions and without prejudice to the accrued rights and liabilities of the Placing Parties) shall forthwith cease and determine and no Placing Party shall, save as provided in the force majeure as set out in the Placing Agreement, have any claim against the other Party for compensation, costs, damages or otherwise.

### ***Placing Completion***

Subject to the fulfilment of the conditions precedent of the Placing Agreement, the Placing Completion shall take place on the Placing Completion Date.

The First Shares Subscription Agreement, the Second Shares Subscription Agreement, the Third Shares Subscription Agreement, the Notes Subscription Agreement and the Placing Agreement are not inter-conditional upon each other.

### **SPECIFIC MANDATES TO ISSUE THE SUBSCRIPTION SHARES, THE CONVERSION SHARES AND THE PLACING SHARES**

The Subscription Shares, the Conversion Shares and the Placing Shares will be allotted and issued under the Shares Specific Mandates, the Notes Specific Mandate and the Placing Specific Mandate respectively which are subject to the Shareholders' approval at the SGM.

The aggregate number of the Subscription Shares, the Conversion Shares and the maximum number of the Placing Shares represent (i) approximately 26.73% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 21.09% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, the Conversion Shares and the Placing Shares.

## **APPLICATION FOR LISTING**

The Company will apply to the GEM Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares, the Conversion Shares and the Placing Shares. No listing of the Notes will be sought on the Stock Exchange or any other stock exchanges.

## **REASONS FOR AND BENEFITS OF THE SHARES SUBSCRIPTIONS, THE NOTES SUBSCRIPTION AND THE PLACING AND USE OF PROCEEDS**

The Company acts as an investment holding company and the Group is principally engaged in the provision of insurance brokerage and related services, assets management and securities brokerage services, money lending services in Hong Kong and multi-channel network entertainment services.

As at the date of this announcement, the Company is indebted to (i) the First Shares Subscriber the First Shares Debt in the sum of HK\$4,593,600, which had been overdue; (ii) the Second Shares Subscriber the Second Shares Debt in the sum of HK\$1,481,700, which had been overdue; (iii) the Third Shares Subscriber the Third Shares Debt in the sum of HK\$2,244,000, which had been overdue; and (iv) the Notes Subscriber the Notes Debt in the sum of HK\$11,348,700, which had been overdue.

The First Shares Subscription Price, the Second Shares Subscription Price, the Third Shares Subscription Price and the Notes Subscription Price shall be used to set off against the equivalent amount of the First Shares Debt, the Second Shares Debt, the Third Shares Debt and the Notes Debt on a dollar-for-dollar basis, respectively. There will not be any proceeds from the Share Subscriptions and the Notes Subscription.

Assuming the maximum number of the Placing Shares is fully placed by the Placing Agent, the gross proceeds from the Placing will be HK\$9.9 million, and the net proceeds from the Placing, after deducting the placing commission and other expenses incurred in the Placing, are estimated to be approximately HK\$9.5 million. Such net proceeds are intended to be used as to (i) approximately HK\$7.6 million for repayment of debts of the Company; and (ii) approximately HK\$1.9 million for general working capital.

As at the date of this announcement, the Debts were overdue and the Company is not capable of repaying all the overdue Debts using its internal resources. Taking into consideration of the financial position of the Group and given the size of the Debts, the Directors consider it impracticable to secure third party financing on terms favourable to the Company to settle the Debts. As such, upon negotiations among the Company, the Shares Subscribers and the Notes Subscriber, the Shares Subscribers and the Notes Subscriber agreed to subscribe for the Subscription Shares and the Notes respectively so as to set off against the amount due by the Company under the Debts. The Directors are of the view that the Company can expand the shareholders base of the Company through the Shares Subscriptions and upon exercising the conversion rights attached to the Notes under the Notes Subscription, as well as reduce cash outflows for repayment of the Debts to the Shares Subscribers and the Notes Subscriber.

In addition, the Directors consider that the Placing represents a great opportunity for the Company to improve the financial position of the Group and to enhance the Group's business development. The Directors are of the view that the Placing will also broaden the shareholders' base and the capital base of the Company.

In light of the above, the Directors consider that the Shares Subscription Agreements, the Notes Subscription Agreement and the Placing Agreement (including the Subscription Price, the Conversion Price, placing commission and the Placing Price) are entered into upon normal commercial terms, fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

## EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after the allotment and issue of the Subscription Shares and the Placing Shares but before full conversion of the Notes into the Conversion Shares (assuming the Placing Shares are placed in full); and (iii) immediately after the allotment and issue of the Subscription Shares and the Placing Shares and after the full conversion of the Notes into the Conversion Shares (assuming the Placing Shares are placed in full) are set out below:

Name of Shareholder	(i) As at the date of this announcement		(ii) Immediately after the allotment and issue of the Subscription Shares and the Placing Shares but before full conversion of the Notes into the Conversion Shares (assuming the Placing Shares are placed in full)		(iii) Immediately after the allotment and issue of the Subscription Shares and the Placing Shares and after the full conversion of the Notes into the Conversion Shares (assuming the Placing Shares are placed in full)	
	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %
<b>Directors</b>						
Mr. Wang Hongtao (Note 1)	1,305,000	0.26%	1,305,000	0.22%	1,305,000	0.20%
Mr. Zhou Wenjun (Note 2)	9,320,000	1.85%	9,320,000	1.59%	9,320,000	1.46%
<b>Public Shareholders</b>						
The First Shares Subscriber (Note 3)	11,040,000	2.20%	31,920,000	5.45%	31,920,000	5.01%
The Second Shares Subscriber (Note 4)	15,360,000	3.06%	22,095,000	3.77%	22,095,000	3.47%
The Third Shares Subscriber (Note 5)	6,330,000	1.26%	16,530,000	2.82%	16,530,000	2.59%
The Notes Subscriber	–	–	–	–	51,585,000	8.10%
The Placees (Note 6)	–	–	45,000,000	7.68%	45,000,000	7.06%
Other Shareholders	459,426,042	91.37%	459,426,042	78.47%	459,426,042	72.11%
<b>Total</b>	<b>502,781,042</b>	<b>100.00%</b>	<b>585,596,042</b>	<b>100.00%</b>	<b>637,181,042</b>	<b>100.00%</b>

*Notes:*

1. These 1,305,000 Shares are beneficially owned by Mr. Wang Hongtao, being an executive Director.
2. These 9,320,000 Shares are beneficially owned by Ms. Wang Guo Feng, being the spouse of Mr. Zhou Wenjun, who is an executive Director. Mr. Zhou Wenjun is deemed to be interested in 9,320,000 Shares held by Ms. Wang Guo Feng under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).
3. Reference is made to the circular of the Company dated 11 February 2021 in relation to, among other things, the subscription of new Shares under specific mandate. The Company issued 6,945,000 Shares to the First Shares Subscriber to set off the debt due by the Company to the First Shares Subscriber.
4. Reference is made to the announcement of the Company dated 26 April 2021 in relation to, among other things, the subscription of convertible notes under general mandate. The Company issued the convertible notes in the aggregate principle amount of HK\$3,116,050, which had been fully converted into 10,051,774 Shares, to the Second Shares Subscriber to set off the debt due by the Company to the Second Shares Subscriber.
5. Reference is made to the circular of the Company dated 11 February 2021 in relation to, among other things, the subscription of new Shares under specific mandate. The Company issued 12,690,000 Shares to the Third Shares Subscriber to set off the debt due by the Company to the Third Shares Subscriber.
6. For illustration purposes only, according to the Placing Agreement, no Placee shall become a substantial shareholder (as defined in the GEM Listing Rules) of the Company forthwith upon the Placing Completion, and the Placee(s) shall be independent of and not parties acting in concert with any persons, other Placee(s) or Shareholders to the effect that any Placing to such investor shall not trigger any mandatory offer obligation under Rule 26.1 of the Takeovers Code.

## **FUND RAISING ACTIVITY OF THE COMPANY IN THE PAST 12 MONTHS**

The Company has conducted the following equity fund raising activities during the 12 months immediately preceding the date of this announcement:

<b>Date of initial announcement</b>	<b>Event</b>	<b>Net proceeds raised (approximate)</b>	<b>Intended use of proceeds</b>	<b>Actual use of proceeds</b>
17 June 2021	Subscriptions of convertible notes in the aggregate principal amount of HK\$16,924,800 under general mandate	HK\$16,924,800 ( <i>Note</i> )	To set off against the equivalent amount of debts on dollar-for-dollar basis ( <i>Note</i> )	To set off against the equivalent amount of debts on dollar-for-dollar basis ( <i>Note</i> )

<b>Date of initial announcement</b>	<b>Event</b>	<b>Net proceeds raised (approximate)</b>	<b>Intended use of proceeds</b>	<b>Actual use of proceeds</b>
18 May 2021	Placing of 32,000,000 Shares under general mandate	HK\$8,100,000	For repayment of outstanding indebtedness of the Group and general working capital of the Group	(i) as to approximately HK\$6,000,000 for the repayment of outstanding indebtedness of the Group  (ii) as to approximately HK\$2,100,000 as general working capital of the Group
26 April 2021	Subscriptions of convertible notes in the aggregate principal amount of HK\$14,290,173.66 under general mandate	HK\$14,290,173.66 <i>(Note)</i>	To set off against the equivalent amount of debts on dollar-for-dollar basis <i>(Note)</i>	To set off against the equivalent amount of debts on dollar-for-dollar basis <i>(Note)</i>

*Note:* There are no actual net proceeds from the subscriptions as the subscription prices under the subscriptions was set off against the amount of debts owing by the Company to the subscribers.

Save as disclosed above, the Company has not conducted any other equity fund raising activities in the past 12 months immediately prior to the date of this announcement.

## **EFFECTS OF WINDING UP PETITION**

Pursuant to the circular dated 28 December 2016 issued by Hong Kong Securities Clearing Company Limited (“**HKSCC**”) in relation to the transfer of the shares of listed issuers after a winding up petition has been presented, and in view of the restrictions and the uncertainties that may arise in relation to the transfer of shares of the Company, for participant(s) who conduct share transfers through HKSCC (the “**Participant(s)**”), HKSCC may at any time, and without notice, exercise its powers under the General Rules of Central Clearing and Settlement System (“**CCASS**”) to temporarily suspend any of its services in respect of the Shares. This may include the suspension of acceptance of deposits of share certificates of the Company into CCASS. The share certificates of the Company received by HKSCC but not yet re-registered in HKSCC Nominee Limited’s name will also be returned to the relevant Participant and HKSCC shall reserve the right to reverse any credit granted to such Participant by debiting the relevant securities from its CCASS account accordingly. These measures would generally cease to apply from the date when the winding-up petition has been struck



out, dismissed, withdrawn or permanently stayed, or the relevant Company has obtained the necessary validation order from the Court.

Reference is made to the announcement of the Company dated 20 August 2021. The Validation Order was granted by the Court on 19 August 2021 that all transfers of the issued Shares, insofar as they have been paid up or credited as fully paid up, from the date of the presentation of the winding-up petition filed on 22 June 2021 under High Court Companies (Winding-Up) Proceedings No. 229 of 2021 shall not be void by virtue of section 182 of the CWUMP Ordinance in the event of an order for the winding-up of the Company being made on the Petition.

As advised by the legal adviser of the Company, subject to no winding-up order having been made by the Court against the Company, the Company may proceed with the issue of the Subscription Shares, the Conversion Shares and the Placing Shares.

## **GENERAL**

The Subscription Shares, the Conversion Shares and the Placing Shares will be allotted and issued under the Shares Specific Mandates, the Notes Specific Mandate and the Placing Specific Mandate respectively which are subject to the Shareholders' approval at the SGM. The SGM will be convened and held for the purposes of considering and, if thought fit, approving the Shares Subscriptions Agreements, the Notes Subscriptions Agreement, the Placing Agreement and the transactions contemplated thereunder, including the grant of the Shares Specific Mandates, the Notes Specific Mandate and the Placing Specific Mandate for the allotment and issue of the Subscription Shares, the Conversion Shares and the Placing Shares respectively.

A circular containing, among other things, (i) further details of the Shares Subscriptions; (ii) further details of the Notes Subscription; (iii) further details of the Placing; and (iv) a notice convening the SGM, is expected to be despatched to the Shareholders as soon as practicable in accordance with the GEM Listing Rules.

**Completion of the Shares Subscriptions, the Notes Subscription and the Placing are subject to the satisfaction of the conditions precedent in the respective Shares Subscription Agreements, the Notes Subscription Agreement and the Placing Agreement. As the Shares Subscriptions, the Notes Subscription and the Placing may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**

## DEFINITIONS

“acting in concert”	has the meaning ascribed thereto in the Takeovers Code
“Board”	the board of Directors
“Business Day(s)”	any day (excluding Saturdays, Sundays, public holidays and days on which a tropical cyclone warning signal no. 8 or above is hoisted or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks generally are open for general banking business in Hong Kong
“Company”	Kirin Group Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on GEM (stock code: 8109)
“connected person(s)”	has the meaning ascribed thereto in the GEM Listing Rules
“Conversion Price”	the initial conversion price of the Notes when exercising the conversion rights attaching to the Notes, being HK\$0.22 (subject to adjustments) per Conversion Share
“Conversion Share(s)”	not more than 51,585,000 Shares to be issued upon the exercise of the conversion rights attaching to the Notes
“Court”	the Court of First Instance of the High Court of Hong Kong
“CWUMP Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong)
“Debts”	collectively, the First Shares Debt, the Second Shares Debt, the Third Shares Debt and the Notes Debt
“Director(s)”	the director(s) of the Company
“First Shares Debt”	the debt due by the Company to the First Shares Subscriber in the sum of HK\$4,593,600 which had been overdue as at the date of this announcement
“First Shares Deed of Off-Setting”	the deed to be entered into between the Company and the First Shares Subscriber to set off the First Shares Debt by the First Shares Subscription Price

“First Shares Specific Mandates”	the specific mandate to be granted by the Shareholders at the SGM for the Directors to allot, issue and deal with the First Subscription Shares
“First Shares Subscriber”	Mr. Yiu Kwok Wah Mexci, the subscriber of the First Subscription Shares under the First Shares Subscription Agreement
“First Shares Subscription”	the subscription of the First Subscription Shares pursuant to the terms of the First Shares Subscription Agreement
“First Shares Subscription Agreement”	the conditional shares subscription agreement entered into between the Company and the First Shares Subscriber dated 8 December 2021 in relation to the First Shares Subscription
“First Shares Subscription Price”	the subscription price of the First Shares Subscription, being HK\$4,593,600
“First Subscription Shares”	20,880,000 new Shares to be allotted and issued by the Company to the First Shares Subscriber under the First Shares Subscription
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party”	a party which is not a connected person (as defined in the GEM Listing Rules) of the Company and which is independent of (i) the Company and/or the Company’s connected persons, and (ii) the Placing Agent and/or the Placing Agent’s connected persons
“Noteholder(s)”	the person(s) who is(are) for the time being the holder(s) of the Notes
“Notes”	the 2% coupon convertible notes due 2023 in an aggregate principal amount of HK\$11,348,700 to be issued by the Company to the Notes Subscriber pursuant to the Notes Subscription Agreement

“Notes Debt”	the debt due by the Company to the Notes Subscriber in the sum of HK\$11,348,700 which had been overdue as at the date of this announcement
“Notes Deed of Off-Setting”	the deed to be entered into between the Company and the Notes Subscriber to set off the Notes Debt by the Notes Subscription Price
“Notes Specific Mandate”	the specific mandate to be granted by the Shareholders at the SGM for the Directors to allot, issue and deal with the Conversion Shares
“Notes Subscriber”	Ms. Li Jinning, the subscriber of the Notes under the Notes Subscription Agreement
“Notes Subscription”	the subscription of the Notes pursuant to the terms of the Notes Subscription Agreement
“Notes Subscription Agreement”	the conditional convertible notes subscription agreement entered into between the Company and the Notes Subscriber dated 8 December 2021 in relation to the Notes Subscription
“Notes Subscription Price”	the subscription price of the Notes, being HK\$11,348,700
“Petition”	the winding-up petition presented against the Company on 22 June 2021 under High Court Companies (Winding Up) Proceedings No. 229 of 2021
“Placee(s)”	any investor who is an individual, institutional or professional investor selected and/or procured by or on behalf of the Placing Agent as contemplated by the Placing Agreement and is (i) an Independent Third Party, and (ii) independent of and not parties acting in concert with any persons, other Placee(s) or Shareholders to the effect that any Placing to such investor shall not trigger any mandatory offer obligation under Rule 26.1 of the Takeovers Code, procured by the Placing Agent to subscribe for the Placing Shares pursuant to the Placing Agent’s obligations under the Placing Agreement
“Placing”	the placing of the Placing Shares under and in accordance with the Placing Agreement

“Placing Agent”	Wings Securities (HK) Limited, a licensed corporation by the SFC to carry out type 1 (dealing in securities) regulated activities under and pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	the conditional placing agreement dated 8 December 2021 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Closing Date”	any Business Day not later than 18 February 2022 or such later date as the Placing Parties may agree in writing, being the date on which all the conditions precedent of the Placing Agreement have been satisfied or fulfilled, and if such a date is not a Business Day, then the placing closing date shall be postponed to immediately following Business Day
“Placing Completion”	the overall completion of the Placing, which shall take place on the Placing Completion Date
“Placing Completion Date”	the date of the Placing Completion, which shall be any Business Day falling within ten Business Days after the Placing Closing Date
“Placing Period”	the period commencing on the Business Day immediately after the SGM and expiring at 5:00 p.m. on the twenty-first day thereafter, and if such day is not a Business Day, then on the immediately following Business Day, or such later date as the Placing Parties may agree in writing
“Placing Price”	HK\$0.22 per Placing Share
“Placing Share(s)”	up to 45,000,000 new Shares to be allotted and issued by the Company under the Placing Specific Mandate and pursuant to the Placing Agreement on the Placing Completion Date, and the Placing Shares shall rank <i>pari passu</i> in all respects with the existing Shares then in issue
“Placing Specific Mandate”	the specific mandate to be granted by the Shareholders at the SGM for the Directors to allot, issue and deal with the Placing Shares
“Second Shares Debt”	the debt due by the Company to the Second Shares Subscriber in the sum of HK\$1,481,700 which had been overdue as at the date of this announcement

“Second Shares Deed of Off-Setting”	the deed to be entered into between the Company and the Second Shares Subscriber to set off the Second Shares Debt by the Second Shares Subscription Price
“Second Shares Specific Mandate”	the specific mandate to be granted by the Shareholders at the SGM for the Directors to allot, issue and deal with the Second Subscription Shares
“Second Shares Subscriber”	Mr. Kwok Chok Yee, the subscriber of the Second Subscription Shares under the Second Shares Subscription Agreement
“Second Shares Subscription”	the subscription of the Second Subscription Shares pursuant to the terms of the Second Shares Subscription Agreement
“Second Shares Subscription Agreement”	the conditional shares subscription agreement entered into between the Company and the Second Shares Subscriber dated 8 December 2021 in relation to the Second Shares Subscription
“Second Shares Subscription Price”	the subscription price of the Second Shares Subscription, being HK\$1,481,700
“Second Subscription Shares”	6,735,000 new Shares to be allotted and issued by the Company to the Second Shares Subscriber under the Second Shares Subscription
“SFC”	the Securities and Futures Commission of Hong Kong
“SGM”	the special general meeting to be convened by the Company for the purposes of considering and, if thought fit, approving the Shares Subscription Agreements, the Notes Subscription Agreements, the Placing Agreement and the transactions contemplated thereunder, including the grant of the Subscription Specific Mandate, the Notes Specific Mandates and the Placing Specific Mandate
“Share(s)”	ordinary share(s) of HK\$0.005 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares from time to time
“Shares Specific Mandates”	collectively, the First Shares Specific Mandate, the Second Shares Specific Mandate and the Third Shares Specific Mandate

“Shares Subscribers”	collectively, the First Shares Subscriber, the Second Shares Subscriber and the Third Shares Subscriber
“Shares Subscriptions”	collectively, the First Subscription, the Second Subscription and the Third Subscription
“Shares Subscription Agreements”	collectively, the First Shares Subscription Agreement, the Second Shares Subscription Agreement and the Third Shares Subscription Agreement
“Specific Mandates”	collectively, the Shares Specific Mandates, the Notes Specific Mandate and the Placing Specific Mandate
“Subscription Share(s)”	collectively, the First Subscription Shares, the Second Subscription Shares and the Third Subscription Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of the Subscription Shares being HK\$0.22 per Subscription Share
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC
“Third Shares Debt”	the debt due by the Company to the Third Shares Subscriber in the sum of HK\$2,244,000 which had been overdue as at the date of this announcement
“Third Shares Deed of Off-Setting”	the deed to be entered into between the Company and the Third Shares Subscriber to set off the Third Shares Debt by the Third Shares Subscription Price
“Third Shares Specific Mandate”	the specific mandate to be granted by the Shareholders at the SGM for the Directors to allot, issue and deal with the Third Subscription Shares
“Third Shares Subscriber”	Ms. Leung Po Yiu, the subscriber of the Third Subscription Shares under the Third Shares Subscription Agreement
“Third Shares Subscription”	the subscription of the Third Subscription Shares pursuant to the terms of the Third Shares Subscription Agreement
“Third Shares Subscription Agreement”	the conditional shares subscription agreement entered into between the Company and the Third Shares Subscriber dated 8 December 2021 in relation to the Third Shares Subscription

“Third Shares Subscription Price”	the subscription price of the Third Shares Subscription, being HK\$2,244,000
“Third Subscription Shares”	10,200,000 new Shares to be allotted and issued by the Company to the Third Shares Subscriber under the Third Shares Subscription
“Validation Order”	the order granted by the Court on 19 August 2021 that notwithstanding the presentation of the Petition, all transfers of the issued Shares, insofar as they have been paid up or credited as fully paid up, from the date of the presentation of the Petition shall not be void by virtue of section 182 of the CWUMP Ordinance in the event of an order for the winding-up of the Company being made on the Petition
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board  
**Kirin Group Holdings Limited**  
**Wang Jinhan**  
*Chairman*

Hong Kong, 8 December 2021

*As at the date of this announcement, the Board comprises Mr. Wang Jinhan, Mr. Wang Hongtao, Mr. Zhou Wenjun, Mr. Wang Jiankun, Mr. Hung Tat Chi Alan and Mr. Zhang Yang as the executive Directors, Mr. Ng Chi Ho Dennis, Mr. Li Chun Sing and Mr. Lee Cheung Yuet Horace as the independent non-executive Directors.*

*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 GEM website at [www.hkgem.com](http://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.tricor.com.hk/websevice/08109](http://www.tricor.com.hk/websevice/08109).*