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WEALTH GLORY HOLDINGS LIMITED

富譽控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8269)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



中國保盛證券有限公司
CHINA PROSPECT SECURITIES LIMITED

PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 16 September 2022 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Placing Agent agreed to place, on a best endeavour basis, to not less than six independent Placees for up to 143,803,800 new Shares at a price of HK\$0.1 per Placing Share.

The Placing is conditional upon (i) the Listing Committee of the Stock Exchange granting approval for the listing of and permission to deal in the Placing Shares; and (ii) the Placing Agreement is not having been terminated in accordance with the terms thereof on or before the Long Stop Date. If such condition is not fulfilled, the Placing will not proceed.

The maximum number of 143,803,800 Placing Shares represents approximately 19.3% of the entire issued share capital of the Company of 746,919,000 Shares as at the date of this announcement and approximately 16.1% of the Company's entire issued share capital as enlarged by the Placing Shares. The maximum net proceeds from the Placing will be approximately HK\$14.4 million (assuming the Placing Shares are fully placed and after all relevant expenses) which is intended to be used as the general working capital of the Company.

As the Placing Agreement may or may not be completed, the Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

THE PLACING AGREEMENT

Date

16 September 2022 (after trading hours)

Parties

- (a) the Company; and
- (b) the Placing Agent

To the best of the Board's knowledge, information and belief and having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

Placees

The Placing Shares will be placed to not less than six Placees (which will be independent individual, corporate and/or institutional investors) and their ultimate beneficial owners will be Independent Third Parties.

Number of Placing Shares

Up to 143,803,800 new Shares, to be placed by the Placing Agent on a best endeavour basis, assuming the Placing Shares are fully placed, the Placing Shares represents approximately 19.3% of the entire issued share capital of the Company of 746,919,000 Shares as at the date of this announcement and approximately 16.1% of the Company's entire issued share capital as enlarged by the Placing Shares. The aggregate nominal value of the Placing Shares is HK\$3,451,291.

Placing Price

The Placing Price is HK\$0.1 per Placing Share represents:

- (i) a premium of approximately 8.7% to the closing price of HK\$0.092 per Share as quoted on the Stock Exchange on 16 September 2022, being the date of the Placing Agreement; and
- (ii) a premium of approximately 14.7% to the average closing price of approximately HK\$0.0872 per Share as quoted on the Stock Exchange for the last five full trading days of the Shares immediately prior to the date of the Placing Agreement.

The Placing Price was determined after arm's length negotiations between the Company and the Subscriber with reference to the recent trading prices of the Shares. The Directors consider that the terms and conditions of the Placing Agreement (including the Placing Price) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Placing Commission

The Placing Agent will receive a placing commission of 2.5% on the gross proceeds of the Placing. Such placing commission was negotiated on arm's length basis between the Company and the Placing Agent and determined with reference to, amongst other things, the prevailing market conditions. The Board considers that the placing commission is fair and reasonable based on the current market conditions.

General Mandate

The Placing Shares will be issued pursuant to the General Mandate. As at the date of this announcement, no Share has been issued pursuant to the General Mandate.

Ranking of Placing Shares

The Placing Shares, when issued and fully paid, will rank pari passu among themselves and with Shares in issue at the time of issue and allotment of the Placing Shares.

Condition of the Placing

Completion of the Placing Agreement is conditional upon (i) the Listing Committee of the Stock Exchange granting approval for the listing of and permission to deal in the Placing Shares; and (ii) the Placing Agreement is not having been terminated in accordance with the terms thereof on or before the Long Stop Date.

If the above condition is not satisfied on or before the Long Stop Date, all obligations of the Placing Agent and of the Company hereunder shall cease and determine and none of the parties hereto shall have any claim against the other in relation thereto.

Application will be made to the Stock Exchange for approval for the listing of and permission to deal in the Placing Shares. The Placing is not subject to the Shareholders' approval as the Placing Shares will be issued under the General Mandate.

Completion of the Placing

Completion shall take place on the third Business Day after the fulfillment of the conditions set out in the Placing Agreement (or such other date as the parties hereto may agree in writing).

As completion of the Placing is subject to the satisfaction of the condition under the Placing Agreement, the Placing may or may not proceed. Shareholders and the public are reminded to exercise caution when dealing in the Shares.

Termination of the Placing Agreement

The Placing Agent may, in its reasonable opinion, after consultation with the Company, terminate the Placing Agreement by notice in writing to the Company at any time up to 8:00 a.m. on the Completion Date if:

- (i) there is any change in national, international, financial, exchange control, political, economic conditions in Hong Kong which in the reasonable opinion of the Placing Agent would be materially adverse in the consummation of the Placing; or
- (ii) there is any breach of the warranties, representations and undertakings given by the Company in the Placing Agreement and such breach is considered by the Placing Agent on reasonable grounds to be material in the context of the Placing; or
- (iii) there is any material change (whether or not forming part of a series of changes) in market conditions which in the reasonable opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed; or
- (iv) any statement contained in all announcements, circulars, quarterly, interim and annual reports issued by the Company to the Stock Exchange and/or the Shareholders since the publication of the announcement of the Company relating to the annual results of the Company for the year ended 31 March 2022 has become or been discovered to be untrue, incorrect or misleading in any material respect which in the opinion of the Placing Agent would be materially adverse in the consummation of the Placing.

Upon termination of the Placing Agreement, all liabilities of the parties hereto hereunder shall cease and determine and no party hereto shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Placing Agreement save in respect of any antecedent breach of any obligation under the Placing Agreement.

The Board considers that the terms of the Placing Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

REASONS FOR ENTERING INTO THE PLACING AGREEMENT AND USE OF PROCEEDS

The principal activity of the Company is investment holding. The Group is principally engaged in the trading of natural resources and commodities; investment in coal trading business; development and promotion of brands, design, manufacture and sale of trendy fashion merchandises and other consumer products; investment in securities; and money lending business.

The gross proceeds from the Placing will be HK\$14.4 million. The Company intends to use the net proceeds from the Placing as general working capital of the Company. The net proceeds raised per Placing Share will be approximately HK\$14 million.

The Board is of the view that the Placing will enlarge the shareholder base and the capital base of the Company. In addition, the net proceeds of the Placing will strengthen the Group's financial position for future development of the Group. Accordingly, they consider that the term of Placing are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES DURING THE PAST TWELVE MONTHS

The Company does not have equity fund raising activities for the twelve months immediately before the date of this announcement.

EFFECT ON SHAREHOLDING

The shareholding structures of the Company (i) as at the date of this announcement and (ii) immediately after completion of the Placing (assuming there is no change in the share capital of the Company between the date of this announcement and completion of the Placing) are set out below for illustration purpose:

	As at the date of this announcement		Upon Completion	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
Public Shareholders	746,919,000	100.00	746,919,000	83.86
Placees	–	0.00	143,803,800	16.14
Total	<u>746,919,000</u>	<u>100.00</u>	<u>890,722,800</u>	<u>100.00</u>

DEFINITIONS

In this announcement, the following expressions shall have the following meanings, unless the context requires otherwise:

“Board”	the board of Directors
“Business Day(s)”	any day (not being a Saturday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Company”	Wealth Glory Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the GEM
“Completion Date”	the date of Completion
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company

“General Mandate”	the general mandate granted to the Directors at the extraordinary general meeting of the Company held on 27 September 2021 to allot or otherwise deal with the unissued shares of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Parties”	parties which are not connected persons of the Company (as defined in the GEM Listing Rules) and are independent of the Company and its connected persons
“Long Stop Date”	7 October 2022 (or such later date to be agreed between the Company and the Placing Agent in writing)
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rule Governing the Listing of Securities on the Stock Exchange
“Placees”	any individual, institutional or other professional investor procured by the Placing Agent to purchase any of the Placing Shares pursuant to the Placing Agreement
“Placing”	the placing of the Placing Shares by the Company, through the Placing Agent, pursuant to the Placing Agreement
“Placing Agent”	China Prospect Securities Limited, a licensed corporation to carry on business in Type 1 (dealing in securities) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	the Placing Agreement dated 16 September 2022 entered into between the Placing Agent and the Company in relation to Placing
“Placing Price”	HK\$0.1 per Placing Share
“Placing Shares”	a maximum of 143,803,800 new Shares to be placed pursuant to the Placing Agreement
“Share(s)”	ordinary share(s) of HK\$0.024 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

By Order of the Board
Wealth Glory Holdings Limited
Tse Sing Yu
Executive Director

Hong Kong, 16 September 2022

As at the date of this announcement, the Board comprises five Directors, including two executive Directors, namely, Ms. Lin Su and Mr. Tse Sing Yu; and three independent non-executive Directors, namely, Mr. Tam Chak Chi, Mr. Liu Yongsheng and Mr. Chan Ka Hung.

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 Stock Exchange’s website at www.hkexnews.hk for seven days from the date of its publication and on the website of the Company at www.wealthglory.com.