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**ORIENT SECURITIES INTERNATIONAL HOLDINGS LIMITED**  
**東方滙財證券國際控股有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*  
(Stock Code: 8001)

**PLACING OF NEW SHARES UNDER GENERAL MANDATE**

**Placing Agent**



**Gransing Securities Co., Limited**

**Financial Adviser to the Company**



**Diligent Capital Limited**

**THE PLACING**

The Board announces that after trading hours on 1 November 2022, the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Company agreed to place through the Placing Agent up to a maximum of 20,736,000 Placing Shares to not less than six Placees at the Placing Price of HK\$0.22 per Placing Share on a best effort basis.

The Placing Shares will be allotted and issued by the Company to the Placee(s) under the General Mandate.

*\* For identification purpose only*

As at the date of this announcement, the Company has 103,680,000 Shares in issue. Assuming that there will be no other change in the total issued share capital of the Company between the date of this announcement and the Completion Date and all the 20,736,000 Placing Shares are successfully placed, the Placing Shares represent (i) 20.00% of the total issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the total issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares immediately after the Completion.

Completion is conditional upon the fulfilment of all the Conditions Precedent. If any of the Conditions Precedent is not fulfilled on or prior to the Long Stop Date, the Placing Agreement shall be terminated and none of the parties to the Placing Agreement shall have any claim against the other for any costs or losses (save for any prior breaches of the Placing Agreement).

Assuming all the 20,736,000 Placing Shares are successfully placed, the gross proceeds from the Placing amount to HK4.56 million, while the net proceeds from the Placing are estimated to be approximately HK\$4.25 million after deducting the estimated expenses for the Placing. The Company intends to apply the net proceeds for the repayment of part of the Group's current liabilities, where to the extent that any part of the net proceeds is not applied for such purpose, such proceeds are intended to be applied for general working capital of the Group and/or any investment opportunities as identified by the Group from time to time.

## **GENERAL**

An application will be made by the Company to the Stock Exchange for the grant of listing of, and permission to deal in, the Placing Shares.

**As Completion is conditional upon fulfilment of the Conditions Precedent as set out in the paragraphs headed "Conditions Precedent" in this announcement, the Placing may or may not proceed. The Shareholders and potential investors should exercise caution when dealing in the Shares.**

## **THE PLACING**

The Board announces that, on 1 November 2022, the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Company agreed to place through the Placing Agent up to a maximum of 20,736,000 Placing Shares to not less than six Placees at the Placing Price of HK\$0.22 per Placing Share on a best effort basis.

## **The Placing Agreement**

Principal terms and conditions of the Placing Agreement are summarised as follows:

- Date:** 1 November 2022
- Parties:** (i) the Company; and
- (ii) the Placing Agent.

### **Placing Agent**

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Placing Agent and their respective ultimate beneficial owner(s) is an Independent Third Party.

### **Placees**

Pursuant to the terms of the Placing Agreement, the Company shall appoint the Placing Agent as its agent to procure on a best effort basis, severally (and not jointly nor jointly and severally), not less than six independent institutional, corporate or individual investors to subscribe for the Placing Shares on and subject to the terms of the Placing Agreement. For the avoidance of doubt, the Placing Agent shall have no obligation to take up any Placing Shares in case it fails to procure any Placees to subscribe for the Placing Shares.

Subject to the terms set out in the Placing Agreement, the Placing Agent shall place, or procure the placing of, the Placing Shares on a best effort basis at the Placing Price (together with the Stock Exchange trading fee, SFC transaction levy, investor compensation levy, CCASS stock settlement fee, brokerage and such other fee and levy as may be payable by the Placees) in the capacity as the Company's agent.

The Placing Agent shall, severally (and not jointly nor jointly and severally), use their best endeavours to ensure that (i) each of the Placees and/or their respective ultimate beneficial owner(s) is a third party independent of and not connected with, and is not acting in concert with the Company and its connected persons; and (ii) immediately after the Placing, none of the Placees will become a substantial shareholder of the Company.

## **Number of the Placing Shares**

Assuming that there will be no other change in the total issued share capital of the Company between the date of this announcement and the Completion Date and all the 20,736,000 Placing Shares are successfully placed, the Placing Shares represent (i) 20.00% of the total issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the total issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares immediately after the Completion.

The aggregate nominal value of all the Placing Shares will be HK\$1,036,800.

## **General Mandate to issue the Placing Shares**

The Placing Shares will be allotted and issued by the Company to the Placee(s) under the General Mandate, pursuant to which the Directors are authorised to allot, issue and otherwise deal with up to 20,736,000 Shares, representing 20% of the total number of issued Shares as at the annual general meeting of the Company held on 6 June 2022 approving, among other matters, the granting of the General Mandate. As at the date of this announcement, no part of the General Mandate has been utilised by the Company. Accordingly, the Placing is not subject to the approval of the Shareholders.

## **Ranking of the Placing Shares**

The Placing Shares under the Placing will rank, upon issue, equally in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Placing Shares.

## **Placing Price**

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

- (a) a discount of approximately 13.73% to the closing price of HK\$0.255 per Share quoted on the Stock Exchange on the date of the Placing Agreements; and
- (b) a discount of approximately 17.17% to the average closing price of HK\$0.2656 per Share as quoted on the Stock Exchange for the five trading days immediately preceding the date of the Placing Agreement.

The Placing Price was determined after arm's length negotiations between the Company and the Placing Agent with reference to, among other things, the prevailing market price and the recent trading volume of the Shares.

Taking into account the estimated expenses for the Placing of approximately HK\$310,000, comprising fees, costs, charges and expenses of the Placing and assuming that all the 20,736,000 Placing Shares could be placed successfully, the net price of each Placing Share amounts to approximately HK\$0.205 per Placing Share.

### **Commission**

In consideration of the services of the Placing Agent in relation to the Placing, the Placing Agent is entitled to a commission equivalent to 3.5% of the aggregate gross proceeds from the actual number of the Placing Shares placed by the Placing Agent at the Placing Price (such amount to be deducted from the payment to be made by the Placing Agent to the Company pursuant to the Placing Agreement upon Completion when the subscription monies for the Placing Shares are to be received). The Placing Agent may deduct the full amount of the relevant placing commission, and all reasonable costs and expenses incurred by it and its sub-agent(s) in connection with or arising out of the Placing from the amount of any subscription monies paid by the Placees. Assuming all the 20,736,000 Placing Shares have been placed, the maximum commission payable by the Company to the Placing Agent shall be HK\$159,667.

The placing commission under the Placing Agreement was determined after arm's length negotiations between the Company and the Placing Agent with reference to the prevailing market conditions.

### **Conditions Precedent**

The Completion is conditional upon the fulfilment of the following conditions:

- (a) the GEM Listing Committee having granted the approval for the listing of, and permission to deal in, the Placing Shares;
- (b) any other all necessary consents, approvals and/or waiver(s) to be obtained on the part of the Placing Agent and the Company in respect of this Agreement and the transactions contemplated hereunder having been obtained; and
- (c) the Placing Agreement not having been terminated in accordance with its terms.

If any of the foregoing conditions is not fulfilled on or prior to the Long Stop Date, the Placing Agreement shall be terminated and none of the parties to the Placing Agreement shall have any claim against the other for any costs or losses (save for any prior breaches of the Placing Agreement).

## **Completion**

Subject to the fulfilment of all the Conditions Precedent, Completion shall take place on a date falling within four Business Days after the fulfilment of all the Conditions Precedent or such other date as the Company and the Placing Agent may agree in writing.

## **Rescission**

If any of the following events occurs at any time prior to 10:00 a.m. on the Completion Date, the Placing Agent may, severally, by giving a written notice to the Company, at any time prior to 10:30 a.m. on the Completion Date rescind the Placing Agreement without liability to the Company or any thereof (save and except for certain clauses in relation to confidentiality, notice and governing law in the Placing Agreement which survive termination and shall continue to have full force and effect), the Placing Agreement shall thereupon cease to have effect and none of the parties to the Placing Agreement shall have any rights or claims by reason thereof, save for any antecedent breaches:

- (a) in the reasonable opinion of the Placing Agent, there shall have been since the date of the Placing Agreement such a change in national or international financial, political or economic conditions or taxation or exchange controls, which would have a material adverse effect on the Placing;
- (b) the introduction of any new law, rule or regulation or any change in existing law, rule or regulation (or the judicial interpretation thereof) or other occurrence of any matter whatsoever, which may materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole;
- (c) any material breach of any of the representations and warranties set out in the Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to 10:00 a.m. on the Completion Date which if it had occurred or arisen before the date hereof would have rendered any of such representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of the Placing Agreement; or
- (d) there is any adverse change in the business or in the financial or trading position of the Company taken as a whole, which being unaware of by the Placing Agent, which is in the reasonable opinion of the Placing Agent material in the context of the Placing.

## **INFORMATION ON THE COMPANY AND THE GROUP**

The Company is an investment holding company. The Group is principally engaged in the provision of (i) brokerage services and relevant service income; (ii) underwriting and placing services; (iii) securities, initial public offering financing services; and (iv) money lending services.

## **INFORMATION ON THE PLACING AGENT**

The Placing Agent is a company incorporated in Hong Kong with limited liability and is a licensed corporation to carry out business in Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO.

## **REASONS FOR THE PLACING AND USE OF PROCEEDS**

Assuming all the 20,736,000 Placing Shares are successfully placed, the gross proceeds from the Placing amount to HK\$4.56 million, while the net proceeds from the Placing are estimated to be approximately HK\$4.25 million after deducting the estimated expenses for the Placing. The Company intends to apply the net proceeds for the repayment of part of the Group's current liabilities, where to the extent that any part of the net proceeds is not applied for such purpose, such proceeds are intended to be applied for general working capital of the Group and/or any investment opportunities as identified by the Group from time to time.

As disclosed in the interim report of the Company for the period ended 30 June 2022 (the “**Interim Report**”), the unaudited bank balances and cash of the Group as at 30 June 2022 were approximately HK\$8,340,000. As further disclosed in the Interim Report, the Group had unaudited current liabilities of approximately HK\$33,916,000.

Having considered that the aforesaid cash balance of the Group, the current liabilities of the Group and the adverse impact on the Group's business and operations brought by the prolonged effect of the COVID-19 pandemic, the Directors are of the view that despite the existing cash resources held by the Group, it would be desirable for the Group to raise and reserve sufficient cash for the repayment of part of the current debts of the Group in a timely manner with view to strengthening the financial position of the Group and for its general working capital so as to accommodate the operating cashflow needs. Therefore, the Directors considered that the Placing represents a good opportunity for the Group to achieve the aforesaid purposes.

Having taken into account of (i) the funding need of the Company as stated above to meet the expenditure of the Group in the future should they arise; and (ii) the benefits of increasing the working capital and strengthening the financial position of the Group without increasing its financing costs and the possibility of lowering the net liabilities of the Group; the Directors consider that the potential dilution impact was justified and accordingly, in the interests of the Company and the Shareholders as a whole.

Having considered the above, the Directors concluded that the Placing is fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

## EFFECTS OF SHAREHOLDING STRUCTURE

As at the date of this announcement, the Company has 103,680,000 Shares in issue. The table below sets out, for the purpose of illustration only, the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after Completion (assuming that there will be no other change to the total issued share capital of the Company between the date of this announcement and the Completion Date):

	<b>(i) As at the date of this announcement</b>		<b>(ii) Immediately after the Completion</b>	
	<i>Approximate Number of Shares</i>	<i>Approximate shareholding percentage</i>	<i>Approximate Number of Shares</i>	<i>Approximate shareholding percentage</i>
<b>Shareholders</b>				
Wealthbase Global Limited ("Wealthbase Global") (Note)	10,280,000	9.92%	10,280,000	8.26%
The Placees	—	—	20,736,000	16.67%
Other public Shareholders	93,400,000	90.08%	93,400,000	75.07%
<b>Total</b>	<b>103,680,000</b>	<b>100.00%</b>	<b>124,416,000</b>	<b>100%</b>

*Note:*

As at the date of this announcement, these 10,280,000 Shares were held by Wealthbase Global, which was in turn wholly owned by Mr. Shiu Shu Ming ("Mr. Shiu"), an executive Director. Accordingly, Mr. Shiu was deemed to be interested in such 10,280,000 Shares held by Wealthbase Global pursuant to Part XV of the SFO.



## EQUITY FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST 12 MONTHS

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

<b>Date of announcements</b>	<b>Fund raising activity</b>	<b>Net proceeds (approximate)</b>	<b>Intended use of proceeds as announced</b>	<b>Actual use of proceeds as at the date of this announcement</b>
16 May 2022, 27 May 2022 and 30 May 2022	Subscription of new Shares under general mandate	HK\$6.6 million	<p>(i) 45.46% for the potential change of location of the Company's registered office;</p> <p>(ii) 15.15% for recruiting new staffs; and</p> <p>(iii) 39.39% for daily office general and administrative purposes.</p>	<p>(i) approximately HK\$570,000 has been applied as intended, with the remaining to be used as intended;</p> <p>(ii) approximately HK\$770,000 has been applied as intended, with the remaining to be used as intended; and</p> <p>(iii) approximately HK\$2,510,000 has been applied as intended, with the remaining to be used as intended.</p>

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

## GENERAL

An application will be made by the Company to the Stock Exchange for the grant of listing of, and permission to deal in, the Placing Shares.

**As Completion is conditional upon fulfilment of the Conditions Precedent as set out in the paragraphs headed “Conditions Precedent” in this announcement, the Placing may or may not proceed. The Shareholders and potential investors should exercise caution when dealing in the Shares.**

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and phrases shall have the following meanings:

“acting in concert”	has the meaning ascribed to it under the Takeovers Codes
“Board”	the board of Director(s)
“Business Day(s)”	any day(s) on which banks in Hong Kong are generally open for business (other than a Saturday, Sunday, public holiday or any day on which a tropical cyclone warning No.8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon)
“Company”	Oriental Securities International Holdings Limited (東方滙財證券國際控股有限公司), a company incorporated in the Cayman Islands with limited liability, whose shares are listed on GEM (with stock code: 8001)
“Completion”	actual completion of the Placing in accordance with the Placing Agreement
“Completion Date”	a date falling within four Business Days after the fulfilment of all the Conditions Precedent or such other date as the Company and the Placing Agent may agree in writing

“Conditions Precedent”	condition(s) precedent to Completion as set out in the Placing Agreement
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	director(s) of the Company
“GEM”	GEM of the Stock Exchange
“GEM Listing Committee”	has the meaning ascribed to it under the GEM Listing Rules
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Mandate”	the general mandate granted to the Directors to allot, issue and otherwise deal with up to 20,736,000 Shares, representing 20% of the total number of the issued Shares as at the annual general meeting of the Company held on 6 June 2022
“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 PRC
“Independent Third Party(ies)”	person(s) or entity(ies) who is/are third party(ies) independent of, and not connected with the Company and any of their respective connected persons
“Long Stop Date”	18 November 2022 (or such other date as the Company and the Placing Agent may mutually agree in writing)
“Placee(s)”	independent institutional, corporate or individual investor(s) which the Placing Agent will procure on a best effort basis to purchase the Placing Shares pursuant to the Placing Agreement
“Placing”	placing of the Placing Shares by the Placing Agent in accordance with the terms of the Placing Agreement

“Placing Agent”	Grancing Securities Co., Limited
“Placing Agreement”	placing agreement dated 1 November 2022 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	HK\$0.22 per Placing Share (exclusive of any brokerage fee, SFC transaction levy, Stock Exchange trading fee and such other fee and levy as may be payable by the Placee(s) in respect of the subscription of the Placing Shares)
“Placing Share(s)”	a maximum of 20,736,000 Shares to be issued and allocated to the Placees by the Company through the Placing
“PRC”	the People’s Republic of China, which shall, for the purpose of this announcement, exclude Hong Kong, Taiwan and the Macau Special Administrative Region of the PRC
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as may be amended from time to time
“Share(s)”	ordinary share(s) of nominal or par value of HK\$0.05 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it in the GEM Listing Rules

