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Min Fu International Holding Limited **民富國際控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8511)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



Yuet Sheung International Securities Limited

On 30 November 2022 (after trading hours of the Stock Exchange), the Placing Agent and the Company entered into the Placing Agreement pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, up to 80,000,000 Placing Shares at the Placing Price of HK\$0.069 per Placing Share to not less than six Placees who and whose ultimate beneficial owners are Independent Third Parties. The Placing Shares will be allotted and issued pursuant to the General Mandate granted to the Directors at the AGM held on 26 August 2022.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Placing, the maximum number of Placing Shares under the Placing represent (i) approximately 20% of the existing issued share capital of the Company of 400,000,000 Shares as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares. The aggregate nominal value of the maximum number of Placing Shares under the Placing will be USD8,000.

The Placing Price of HK\$0.069 per Placing Share represents a discount of approximately 18.82% to the benchmarked price of the Shares, which is the higher of (i) the closing price of HK\$0.075 as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) the average closing price of HK\$0.085 in the last five trading days prior to the date of the Placing Agreement. Subject to completion of the Placing, it is expected that the maximum gross proceeds and net proceeds from the Placing will be approximately HK\$5,520,000 and HK\$5,299,200 respectively. On such basis, the net issue price will be approximately HK\$0.066 per Placing Share.

Since completion of the Placing is subject to the fulfilment of the condition as set out in the Placing Agreement, the Placing may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

THE PLACING AGREEMENT

Date

30 November 2022 (after trading hours)

Issuer

The Company

Placing Agent

Yuet Sheung International Securities Limited

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, as at the date of this announcement, 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 professional, institutional, and/or other investors, and who and whose ultimate beneficial owners are Independent Third Parties. Upon Completion, it is expected that none of the Placees will become a substantial Shareholder (as defined in the GEM Listing Rules) immediately after the Completion.

Placing Shares

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and Completion, the Placing Agent shall place, on a best efforts basis, the maximum Placing Shares of up to 80,000,000 Shares representing approximately 20% of the existing issued share capital of the Company as at the date of this announcement and approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares. The aggregate nominal value of the Placing Shares will be USD8,000.

Placing Price

The Placing Price of HK\$0.069 per Placing Share represents (i) a discount of approximately 8.00% to the closing price of HK\$0.075 per Share as quoted on the Stock Exchange on the Last Trading Day; and (ii) a discount of approximately 18.82% to the average of the closing prices per Share of approximately HK\$0.085 as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Placing Agreement.

The Placing Price was determined and negotiated on an arm's length basis between the Company and the Placing Agent with reference to the prevailing market conditions, prevailing market prices and liquidity 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.

Ranking of Placing Shares

The Placing Shares, when issued and fully paid, will rank pari passu in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Placing Shares.

Placing commission

The Placing Agent will receive a placing commission calculated as 4.0% of the amount equal to the Placing Price multiplied by the number of the Placing Shares successfully placed in accordance with the Placing Agreement. Such placing commission was arrived at after arm's length negotiation between the Company and the Placing Agent by reference to the size of the Placing and the prevailing market condition.

General Mandate to issue the Placing Shares

The Placing Shares will be issued under the General Mandate to allot, issue and deal with shares granted to the Directors by resolution of the Shareholders passed on 26 August 2022 subject to the limit up to 20% of the then issued share capital of the Company as on 26 August 2022.

Under the General Mandate, the Company is authorized to issue up to 80,000,000 Shares. Up to the date of this announcement, no Share has been issued under the General Mandate. The maximum of 80,000,000 Placing Shares to be allotted and issued will fall within the limit of the General Mandate. Accordingly, the issue of the Placing Shares is not subject to the approval of the Shareholders.

Conditions of the Placing

The Placing is conditional upon the Stock Exchange granting or agreeing to grant the approval for the listing of, and permission to deal in, the Placing Shares.

If the above conditions are not fulfilled by 19 December 2022, or such later date as the Company and the Placing Agent may agree in writing, the Placing Agreement shall terminate and all rights, obligations and liabilities of the parties hereunder in relation to the Placing shall cease and determine and that both parties shall be released from all their respective obligations pursuant to the Placing Agreement and neither party shall have any claim against the other party in respect of the Placing save for any antecedent breach.

Termination

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:

- (1) 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
- (2) there is any breach of the warranties, representations and undertakings given by the Company in this Agreement and such breach is considered by the Placing Agent on reasonable grounds to be material in the context of the Placing; or
- (3) 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
- (4) any statement contained in the Previous Announcements 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 the giving of notice to the Company pursuant to the Placing Agreement, all obligations of each of the parties under the Placing Agreement shall cease and determine and no party shall have any claim against any other party in respect of any matter arising out of or in connection with the Placing Agreement except for any antecedent breach of any obligation under the Placing Agreement.

Application for listing

The Company will apply to the GEM Listing Committee of Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

Completion

The Placing shall complete on the Completion Date, being the five (5) Business Days after the fulfilment of the conditions set out above are satisfied or such other date as the Company and the Placing Agent may agree in writing.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Company is an investment holding company and the principal activities of its subsidiaries consist of i) smart manufacturing solutions business; and ii) burial business, in the People's Republic of China.

Assuming all the 80,000,000 Placing Shares are successfully placed, the gross proceeds raised from the Placing will be HK\$5,520,000. After taking into account the estimated expenses in relation to the Placing, the estimated net proceeds from the Placing will be approximately HK\$5,299,200, representing a net price of approximately HK\$0.066 per Placing Share.

The Company intends to apply the entire net proceeds from the Placing for general working capital for operation. The Directors consider that the Placing represents a good opportunity to raise additional funds through the equity market as well as to broaden the capital and shareholder base of the Company. Accordingly, the Board considers that the terms of the Placing are fair and reasonable and the Placing is in the interests of the Company and the Shareholders as a whole.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The existing shareholding structure of the Company and the effect on the shareholding structure of the Company upon completion of the Placing (subject to completion of the Placing and assuming that there is no other change in the shareholding structure of the Company before the allotment and issue of the Placing Shares under the Placing) are set out below:

	As at the date of this announcement		Immediately upon completion of the Placing	
	<i>Number of issued Shares</i>	<i>Approximate %</i>	<i>Number of issued Shares</i>	<i>Approximate %</i>
Shareholders				
Tecway Technology Limited	135,437,800	33.86%	135,437,800	28.21%
Theia Vision Capital Limited	47,503,200	11.88%	47,503,200	9.90%
IFG Swans Holding Ltd.	28,560,000	7.14%	28,560,000	5.95%
Placees	0	0.00%	80,000,000	16.67%
Other public Shareholders	188,499,000	47.12%	188,499,000	39.27%
Total	<u>400,000,000</u>	<u>100.00%</u>	<u>480,000,000</u>	<u>100.00%</u>

FUND RAISING ACTIVITY OF THE COMPANY IN THE PAST TWELVE MONTHS

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

Shareholders and potential investors should note that Completion is subject to fulfillment of the conditions under the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

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

“Board”	the board of Directors
“Business Day”	a day (other than a Saturday or Sunday or days on which a tropical cyclone warning No. 8 or above 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 banks in Hong Kong are open for general banking business
“Company”	Min Fu International Holding Limited, a company incorporated in the Cayman Islands with limited liability with its shares listed on GEM
“Completion”	completion of the placing of the Placing Shares in accordance with the terms and conditions as set out in the Placing Agreement
“Completion Date”	the date within five (5) Business Days after the date on which all the conditions set out in the Placing Agreement are satisfied or such other date as the Company and the Placing Agent may agree in writing
“connected persons”	has the meanings as ascribed thereto under the GEM Listing Rules
“Director(s)”	director(s) of the Company
“GEM”	the GEM of the Stock Exchange

“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Mandate”	the general mandate granted to the Directors at the annual general meeting of the Company held on 26 August 2022 to allot, issue or deal with up to 20% of the then issued share capital of the Company on 26 August 2022
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	party(ies) who is (are) not connected person(s) of the Company and its subsidiaries and is (are) third party(ies) independent of the Company and connected persons of the Company
“Last Trading Day”	30 November 2022, being the last trading day for the Shares prior to signing of the Placing Agreement, which took place after trading hours
“Placee(s)”	any professional, institutional or other investors, who and whose ultimate beneficial owners are Independent Third Parties, to be procured by or on behalf of the Placing Agent to subscribe for any of the Placing Shares
“Placing”	the placing, on a best efforts basis, of up to 80,000,000 Shares pursuant to the terms of the Placing Agreement
“Placing Agent”	Yuet Sheung International Securities Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), the exclusive agent of the Company to the Placing
“Placing Agreement”	the placing agreement dated 30 November 2022 and entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	HK\$0.069 per Placing Share

“Placing Shares”	up to 80,000,000 Shares to be placed under the Placing
“Share(s)”	ordinary issued share(s) of USD0.0001 each in the capital of the Company
“Shareholder(s)”	holder(s) of the 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
Min Fu International Holding Limited
Zeng Weijin
Chairman

Hong Kong, 30 November 2022

As at the date of this announcement, the executive Directors are Mr. Zeng Weijin and Ms. Ye Jialing; non-executive Director is Mr. Zhou Ruizhao; and the independent non-executive Directors are Mr. Leung Gavin L., Mr. Ning Jie and Dr. Zhou Wenming.

This announcement, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange 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 be available on the Company’s website www.minfuintl.com and will remain on the “Latest Company Announcements” page on the HKEXnews website at www.hkexnews.hk for at least 7 days from the date of its posting.