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## **GUDOU HOLDINGS LIMITED**

### **古兜控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(stock code: 8308)**

## **ISSUE OF CONVERTIBLE BONDS UNDER GENERAL MANDATE**

### **ISSUE OF CONVERTIBLE BONDS**

The Board announces that on 17 February 2023 (after trading hours), the Company entered into a Subscription Agreement with the Subscriber in relation to the issue of Convertible Bonds.

The gross proceeds from the issue of the Convertible Bonds will be approximately HK\$25,300,000 and the net proceeds from the issue of the Convertible Bonds will be approximately HK\$25,174,000 (after deducting the related expenses and professional fees). The net proceeds will be applied for (i) repayment of bank loan and (ii) general working capital and payment of payables and expenses of the Company.

**Shareholders and potential investors should note that the issue of the Convertible Bonds is subject to fulfilment of conditions under the Subscription Agreement. As the Subscription Agreements may or may not complete, holders of securities of the Company and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

## INTRODUCTION

On 17 February 2023 (after trading hours), the Company and the Subscriber entered into the Subscription Agreement, pursuant to which the Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to issue to the Subscriber the Convertible Bonds in an aggregate principal amount of HK\$25,300,000.

Details of the Subscription Agreement are set out below:

## THE SUBSCRIPTION AGREEMENT

**Date:** 17 February 2023

**Parties:** (1) The Company (as Issuer); and  
(2) Li Song Foundation Company Limited (as Subscriber)

The Subscriber is a company incorporated in Hong Kong with limited liability and is principally engaged in investment holding. The Subscriber is owned as to 50% by Mr. Li Chao Wang and 50% by Ms. Song Min. Mr. Li Chao Wang is indirectly beneficially interested in 32,500,000 Shares (representing approximately 3.27% of the issued share capital of the Company as at the date of this announcement), and Ms. Song Min is the spouse of Mr. Li Chao Wang. For more details, please refer to Note 7 to the section headed “Effect on the Shareholding Structure” of this announcement.

Save as disclosed above, and to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries with the Subscriber, the Subscriber and its ultimate beneficial owner(s) are Independent Third Parties.

### Principal terms of the Convertible Bonds are set out below:

**Issuer:** The Company

**Principal amount:** HK\$25,300,000

**Conversion price:** The initial conversion price is HK\$0.20 per Conversion Share, subject to adjustments on the occurrence of certain events including share consolidation, share sub-division, capitalisation issue, capital distribution, rights issue and issue of other securities (as further described in “Adjustments to Conversion Price” below).

**Maturity Date:** The date of the first anniversary after the first issue of the Convertible Bonds (or, if that is not a Business Day, the first Business Day thereafter) (the “**Maturity Date**”).

Redemption on Maturity Date:	Unless previously converted or purchased and cancelled as provided in the Convertible Bond Certificate, the Company shall redeem the Convertible Bond which remains outstanding by 4:00 p.m. on the Maturity Date at 100% of the principal amount of such Convertible Bond, together with any accrued but unpaid interest.
Interest rate:	2.34262% per annum on the outstanding aggregate principal amount of the Convertible Bonds, which will be payable monthly on the last day of each calendar month, the Maturity Date and the Redemption Due Date (as applicable).
Denomination:	The Convertible Bonds shall be issued in the specified denomination of HK\$1,000,000 each.
Ranking of the Convertible Bonds:	The Convertible Bonds constitute direct, unconditional, unsubordinated and unsecured obligations of the Company and shall at all times rank <i>pari passu</i> and without any preference among themselves. The payment obligations of the Company under the Convertible Bonds shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.
Conversion Right:	The Convertible Bondholder has the right to convert all or part of the then outstanding principal amount of the Convertible Bonds into Shares (the “ <b>Conversion Right</b> ”) at any time during the Conversion Period (as defined below).
Conversion Period:	The Conversion Right attaching to the Convertible Bond may be exercised, at the option of the Convertible Bondholder thereof, at any time from the date of the issue of the Convertible Bond to the close of business of the Maturity Date (both days inclusive) (the “ <b>Conversion Period</b> ”).
Conversion Restrictions:	If the allotment of any portion of the Shares through conversion of the Convertible Bonds will (i) result in the Convertible Bondholder and/or its affiliates together directly holding 30% or more of the total shares outstanding of the Company or (ii) result in a change of control or trigger mandatory general offer under the Takeovers Code or (iii) result in the public float of the Shares being less than 25% (or any given percentage as required by the GEM Listing Rules for the minimum percentage of Shares being held by the public) of the issued Shares of the Company, the Convertible Bondholder shall not request to convert and the Company and the Convertible Bondholder shall use their best endeavours to negotiate for alternative arrangements.

Adjustments to  
Conversion Price:

The Conversion Price shall from time to time be adjusted in accordance with the terms and conditions of the Convertible Bonds upon occurrence of the following events:

- (i) if and whenever there shall be an alteration to the nominal amount of each of the Shares by reason of any consolidation or sub-division and no prior written consent of the Convertible Bondholder has been obtained with respect to such consolidation or sub-division, the Conversion Price in force immediately prior to such consolidation or sub-division shall be adjusted by multiplying it by the following fraction:

$$\frac{A}{B}$$

where:

A = the nominal amount of one Share immediately after such alteration; and

B = the nominal amount of one Share immediately before such alteration.

Each such adjustment shall be effective from the close of business on the Business Day immediately preceding the date on which the relevant consolidation or sub-division becomes effective;

- (ii) if and whenever the Company shall issue (other than pursuant to a scrip dividend scheme in lieu of a cash dividend) to all Shareholders any Shares credited as fully paid by way of capitalisation of profits or reserves (including any share premium account fund or capital redemption reserve fund) and no prior written consent of the Convertible Bondholder has been obtained with respect to such capitalisation of profits or reserves, the Conversion Price in force immediately prior to such issue shall be adjusted by multiplying it by the following fraction:

$$\frac{C}{C + D}$$

where:

C = the aggregate nominal amount of the Shares in issue immediately before such issue; and

D = the aggregate nominal amount of the Shares issued in connection with and as a result of such capitalisation.

Each such adjustment shall be effective (if appropriate retroactively) from the commencement of the day next following the record date for such issue;

- (iii) if and whenever the Company shall make any capital distribution (as defined in the Convertible Bond Certificate) to holders (in their capacity as such) of Shares (whether on a reduction of capital or otherwise) or shall grant to such holders rights to acquire for cash assets of the Company or any of its subsidiaries, the Conversion Price in force immediately prior to such distribution or grant shall be adjusted by multiplying it by the following fraction:

$$\frac{A - B}{A}$$

where:

A = the market price on the date on which the capital distribution or, as the case may be, the grant is publicly announced or (failing any such announcement) next preceding day of the capital distribution or, as the case may be, of the grant; and

B = the fair market value on the day of such announcement or (as the case may require) the next preceding day, as determined in good faith by the auditors, of the portion of the capital distribution or of such rights which is attributable to one Share. For avoidance of doubt, if the capital distribution is distributions in cash, the fair market value shall be the cash value and determination by the auditors is not required.

Provided that:

- (aa) if in the opinion of the auditors, the use of the fair market value as aforesaid produces a result which is significantly inequitable, it may instead determine (and in such event the above formula shall be construed as if B meant) the amount of the said market price which should properly be attributed to the value of the capital distribution or rights; and
- (bb) the provisions of paragraph (iii) shall not apply in relation to the issue of Shares paid out of profits or reserves and issued in lieu of a cash dividend.

Each such adjustment shall be effective (if appropriate retroactively) from the commencement of the day next following the record date for the capital distribution or grant.

- (iv) if and whenever the Company shall offer to the Shareholders new Shares for subscription by way of rights, or shall grant to the Shareholders any options or warrants to subscribe for new Shares, at a price per new Share which is less than the market price on the date the offer or grant is announced (whether or not such offer or grant is subject to the approval of the holders of Shares or other persons), and no prior written consent of the Convertible Bondholder has been obtained with respect to such rights issue or options/warrants, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such offer or grant by the following fraction:

$$\frac{G + H}{G + I}$$

where:

G = the aggregate number of Shares in issue immediately before the date such offer or grant is made or, as the case may be, announced;

H = the number of Shares which the aggregate of the two following amounts would purchase at such market price:

- (a) the total amount (if any) payable for the rights, options or warrants being offered or granted by the Company; and
- (b) the total amount payable for all of the new Shares being offered for subscription by way of rights or comprised in the options or warrants being granted; and

I = the aggregate number of Shares being offered for subscription or comprised in the options or warrants being granted.

Such adjustment shall become effective (if appropriate retroactively) from the commencement of the day next following the record date for the relevant offer or grant;

- (v) (a) if and whenever the Company or any of its subsidiaries shall issue wholly for cash any securities which by their terms are convertible into or exchangeable for or carrying rights of subscription for new Shares, and the total effective consideration per new Share (as defined in the Convertible Bond Certificate) initially receivable for such securities is less than the market price on the date the issue of such securities is announced, and no prior written consent of the Convertible Bondholder has been obtained with respect to such issue, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue by the following fraction:

$$\frac{J + K}{J + L}$$

where:

J = the number of Shares in issue immediately before the date of the issue of such securities;

K = the number of Shares which the total effective consideration receivable for such securities would purchase at such market price; and

L = the maximum number of new Shares to be issued upon full conversion or exchange of, or the exercise in full of the subscription rights conferred by, such securities at their relative initial conversion or exchange rate or subscription price.

- (b) Such adjustment shall become effective (if appropriate retroactively) from the close of business on the Business Day immediately preceding the date on which the issuer of the relevant securities determines the conversion or exchange rate or subscription price for the purpose of such securities or, to the extent that the relevant issue is announced and the date of such announcement is earlier than the said date, the Business Day immediately preceding the date of such announcement.

- (c) If and whenever the rights of conversion or exchange or subscription attaching to any such securities as are mentioned in paragraph (a) above are modified so that the total effective consideration per new Share initially receivable for such securities shall be less than the market price on the date the proposal to modify such rights of conversion or exchange or subscription is announced, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such modification by the following fraction:

$$\frac{M + N}{M + O}$$

where:

M = the number of Shares in issue immediately before the date of such modification;

N = the number of Shares which the total effective consideration receivable for such securities at the modified conversion or exchange rate or subscription price would purchase at such market price; and

O = the maximum number of new Shares to be issued upon full conversion or exchange of, or the exercise in full of the subscription rights conferred by, such securities at their relative modified conversion or exchange rate or subscription price.

- (d) Such adjustment shall become effective (if appropriate retroactively) as at the date upon which such modification shall take effect. A right of conversion or exchange or subscription shall not be treated as modified for the purposes of paragraph (c) above where it is adjusted to take account of rights or capitalisation issues and other events normally giving rise to adjustments of conversion, exchange or subscription terms.



(vi) if and whenever the Company shall issue wholly for cash any Share at a price which is less than the market price on the date such issue is announced and no prior written consent of the Convertible Bondholder has been obtained with respect to such issue, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue by the following fraction:

$$\frac{P + Q}{P + R}$$

where:

P = the number of Shares in issue immediately before the date of such announcement;

Q = the number of Shares which the aggregate amount payable for the Shares allotted pursuant to such issue would purchase at such market price; and

R = the number of Shares allotted pursuant to such issue.

Such adjustment shall become effective (if appropriate retroactively) on the date of the issue of such Shares.

Voting:

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

Transferability:

The Convertible Bondholder may, at any time, transfer to any other person all or part of the Convertible Bond in the denomination of HK\$1,000,000 represented by the Convertible Bond Certificate. The Convertible Bondholder shall not, without the prior written consent of the Company, transfer or dispose of any portion of the Convertible Bond to any third party which is not an affiliate of the Convertible Bondholder.

The Convertible Bonds may not be assigned or transferred, in whole or in part, to any connected person of the Company, other than affiliates and associates of the Subscriber (as defined under the GEM Listing Rules) without prior written consent of the Company, subject to compliance with GEM Listing Rules, where applicable.

- Early redemption: The Company may redeem the Convertible Bonds (in whole or in part) at a time before the Maturity Date (the “**Early Redemption Date**”) at 100% of the total amount of such Convertible Bond together with any interest that has accrued up to the Early Redemption Date but has not been paid, provided that the Company has obtained the Convertible Bondholder’s prior written consent for such early redemption.
- No early redemption may be requested by the Convertible Bondholder but without prejudice to the exercise of the right to early redemption by the Convertible Bondholder under the mandatory redemption provision.
- Mandatory Redemption: Following the occurrence of an event of default as prescribed under the Convertible Bond Certificate, the Convertible Bondholder may, by delivering a written notice of mandatory redemption, require the Company to redeem all or part of the Convertible Bonds that remain outstanding, together with any accrued interests that have not been paid.
- Event of Default: If an event of default has occurred, such as non-payment of amount payable by the Company under the Subscription Agreement and the Convertible Bond Certificate, breach of other obligations contained in the Subscription Agreement and the Convertible Bond Certificate, misrepresentation, cross default of other liabilities, creditor’s process against the Company, or cessation of business of the Group, the Convertible Bondholder may by giving an event of default notice to the Company, requires the Company to rectify such event of default and if such event of default has not been rectified, the Company shall redeem all or such portion of the outstanding Convertible Bond in the principal amount together with any unpaid interest (the “**Redemption Due Date**”).
- Listing: No application will be made for the listing of the Convertible Bonds on the Stock Exchange or any stock or securities exchange. Application will be made by the Company to the Stock Exchange for the listing of, and dealing in, the Conversion Shares.
- Ranking of the Conversion Shares: The Conversion Shares, when allotted and issued, will rank *pari passu* in all respects with the fully paid Shares in issue on the date of allotment and issue of the Conversion Shares.

## **Conversion Shares**

Assuming the conversion rights attaching to the Convertible Bonds are exercised in full at the Conversion Price of HK\$0.20, a maximum of 126,500,000 Conversion Shares will be allotted and issued, representing (i) approximately 12.72% of the existing issued shares of the Company of 994,872,000 Shares as at the date of this announcement, and (ii) approximately 11.28% of the issued shares of the Company of 1,121,372,000 Shares as enlarged by the allotment and issue of the Conversion Shares.

## **Conversion Price**

The Conversion Price of HK\$0.20 per Conversion Share equals to the closing price of HK\$0.20 as quoted on the Stock Exchange on 17 February 2023 (being the date of the Subscription Agreement) and the average of closing prices of HK\$0.20 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the date of the Subscription Agreement.

The Conversion Price was determined with reference to, among other things, market price of the Shares and the performance of the market in general and was negotiated on an arm's length basis between the Company and the Subscriber. The Directors consider that the terms of the Subscription are on normal commercial terms and are fair and reasonable based on the current market conditions. Hence, the Directors consider that the Subscription is in the interests of the Company and its Shareholders as a whole.

## **Conditions Precedent**

The completion of the Subscription Agreement is conditional upon:

- (i) all necessary consents and approvals required to be obtained on the part of the Company in respect of the Subscription Agreement and the transactions contemplated thereunder having been obtained;
- (ii) all necessary consents and approvals required to be obtained on the part of the Subscriber in respect of the Subscription Agreement and the transactions contemplated thereunder having been obtained;
- (iii) the GEM Listing Committee of the Stock Exchange granting approval for the listing of and permission to deal in the Conversion Shares;
- (iv) the Company's representations and warranties, being true and accurate in all material respects and not misleading until the date of issuing the Convertible Bonds. The obligations of the Company to be performed on or before the date of issuing the Convertible Bonds under the Subscription Agreement have been performed (for the avoidance of doubt, if the Subscriber fails to pay the subscription amount of HK\$25,300,000, the Company is not required to issue the Convertible Bonds to the Subscriber);

- (v) the Subscriber's representations and warranties, being true and accurate in all material respects and not misleading; and
- (vi) listing or trading in the Shares on the Stock Exchange not being revoked or withdrawn and neither the Stock Exchange or the SFC having decided that listing of the Shares shall be revoked or withdrawn or consider the Company unable to fulfill the minimum requirement that warrant the continued listing of the Company's securities.

None of the above conditions can be waived. If the conditions of the Subscription Agreement are not fulfilled on or before 4:00 p.m. on 30 March 2023 (or such later date as may be agreed between the parties thereto), the Subscription Agreement will terminate and cease to have any effect. None of the parties to the Subscription Agreement shall have any claim against the other save for any antecedent breaches of the provisions thereof.

### **Completion**

Completion of the Subscription Agreement will take place on the third Business Day after the fulfilment of the conditions referred to above, or such other date as the Company and the Subscriber may agree in writing.

### **General Mandate**

At the annual general meeting of the Company held on 13 May 2022, a resolution of the Shareholders was passed to grant to the Directors a General Mandate to allot, issue and otherwise deal with new Shares not exceeding 20% of the aggregate number of the issued Shares of the Company as at the date of passing such resolution. The Company is authorized to allot and issue a maximum of 196,000,000 Shares under the General Mandate.

As at the date of this announcement, the Company has not exercised the power to allot and issue any new Shares pursuant to the General Mandate prior to the date of the Subscription Agreement. Upon exercise of the conversion rights attaching to the Convertible Bonds in full, a total of 126,500,000 Conversion Shares will be allotted and issued under the General Mandate. Accordingly, the Subscription Agreement and the issue of Conversion Shares under the General Mandate are not subject to Shareholders' approval.

### **REASONS FOR ISSUE OF CONVERTIBLE BONDS AND USE OF PROCEEDS**

The Group is principally engaged in (i) the operation and management of Gudou Hot Spring Resort and provision of consultancy and/or management services to third-party resort and hotel operators; and (ii) the development and sale of tourism properties in Guangdong Province.

The gross proceeds from the issue of the Convertible Bonds will be HK\$25,300,000 and the net proceeds from the issue of the Convertible Bonds will be approximately HK\$25,174,000 (after deducting the related expenses and professional fees). The net proceeds will be applied for (i) repayment of bank loan and (ii) general working capital and payment of expenses and payables of the Company. With the net proceeds available, the Company will be able to utilise about 75% of the net proceeds to repay part of its existing bank loans, which according to the preliminary discussion with the bank, will allow the Company to liaise with the bank for release of certain existing security pledged for the loans with the existing loan partially repaid, and thereafter the Company will be able to liaise with such bank or other financial institutes for the restructuring of its loan profile for better terms and longer maturity with security available. As such, the majority of the Board considered that the issue of the Convertible Bonds and the obtaining of the net proceeds indeed represent a valuable opportunity for the Company to liaise for more favourable facilities which in turn would help to stabilise the working capital position in the longer term, and consider that it is beneficial to the Company and the Shareholders as a whole in light of the fact that the cashflow position of the Group needs time to recover after the long impact of COVID-19 on travel and tourism in the past three years, and the early preparation for restructuring its loan profile would give the Company more time and flexibility to manage its financial position and to spare more resources for its future operation in order to grasp the opportunity brought by the revival of tourism and travel activities in the PRC. The remaining balance of the net proceeds will also enhance the cash position of the Company and meets its operating needs, payables and expenses by using as general working capital.

Having considered that (i) the interest payable by the Company to the Convertible Bondholder is comparatively lower than the interest payable to the bank pursuant to the terms and conditions of the existing loan; (ii) the possibility that the Company does not need to repay the outstanding principal amount on the Maturity Date, as the Subscriber may exercise the conversion rights and convert part or whole of the principal amount of the Convertible Bonds into Shares; and (iii) the potential benefits of lowering the net liabilities of the Group without utilising the Group's cash reserves, the majority of the Board of the view that the issue of the Convertible Bonds represents a good opportunity for the Group to strengthen its financial position of the Group without adversely increasing its finance costs. The Board considered that the terms of the Convertible Bonds are fair and reasonable and the issuance of it is in the interest of the Company and the Shareholders as a whole.

## **FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS**

The Company did not carry out any equity fund raising activities during the past 12 months immediately preceding to the date of this announcement.

## EFFECT ON THE SHAREHOLDING STRUCTURE

The following table sets out the shareholding structure of the Company (i) as at the date of this announcement; and (ii) upon full conversion of the Convertible Bonds (assuming there is no other changes to the shareholding structure of the Company from the date of this announcement up to the full conversion of the Convertible Bonds):

Shareholders	As at the date of this announcement		Upon full conversion of the Convertible Bonds (assuming there is no other changes to the shareholding structure of the Company from the date of this announcement up to the full conversion of the Convertible Bonds)	
	Number of shares	Approximate (%)	Number of shares	Approximate (%)
Harvest Talent Limited (Note 1)	336,500,000	33.82	336,500,000	30.01
Mr. Hon Chi Ming	9,500,000	0.96	9,500,000	0.84
Sky Success Ventures Limited (Note 2)	143,000,000	14.37	143,000,000	12.75
New Ray Developments Limited (Note 2)	143,000,000	14.37	143,000,000	12.75
Mr. Hon Ka Fung (Note 3)	1,884,000	0.19	1,884,000	0.17
Mr. Huang Zhanxiong (Note 4)	1,884,000	0.19	1,884,000	0.17
Prof. Wang Da Wu (Note 5)	900,000	0.09	900,000	0.08
Other Employee	524,000	0.05	524,000	0.05
Mr. Liang Juquan (Note 6)	180,000	0.02	180,000	0.02
The Subscriber (Note 7)	0	0	126,500,000	11.28
Sentential Holdings Limited (Note 7)	32,500,000	3.27	32,500,000	2.90
Public Shareholders (Note 8)	325,000,000	32.67	325,000,000	28.98
<b>Total (Note 9)</b>	<b>994,872,000</b>	<b>100.00</b>	<b>1,121,372,000</b>	<b>100.00</b>

Note 1: Mr. Hon Chi Ming owns one share (with no par value) in Harvest Talent Limited, representing 100% of its issued share capital.

Note 2: Sky Success Ventures Limited and New Ray Developments Limited are wholly-owned by Mr. Tam Ka Wai.

Note 3: Mr. Hon Ka Fung is an executive Director of the Company.

Note 4: Mr. Huang Zhanxiong is an executive Director of the Company.

Note 5: Professor Wang Dawu is an independent non-executive Director of the Company.

*Note 6:* Mr. Liang Juquan is an executive Director of the Company.

*Note 7:* The Subscriber is owned as to 50% by Mr. Li Chao Wang and 50% by Ms. Song Min. Sentential Holdings Limited (欣泰控股有限公司), a company incorporated in the British Virgin Islands, which is beneficially and wholly-owned by Mr. Li Chao Wang. By virtue of the SFO, Mr. Li Chao Wang is deemed to be interested in all the Shares beneficially owned by Sentential Holdings Limited. And Ms. Song Min, the spouse of Mr. Li Chao Wang, is deemed to be interested in all the Shares in which Mr. Li Chao Wang is interested in.

*Note 8:* This is for illustrative purpose only and conversion of the Convertible Bonds is subject to the minimum public float requirement of the GEM Listing Rules and the relevant restrictions under the CB instruments.

*Note 9:* Certain percentage figures included in the table have been subject to rounding adjustments, and accordingly percentage figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

**Shareholders and potential investors should note that the issue of the Convertible Bonds is subject to fulfilment of conditions under the Subscription Agreement. As the Subscription may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

## DEFINITIONS

In this announcement, unless the context specifies otherwise, the following defined expressions have the following meanings:

“associate”	has the meaning ascribed to it in the GEM Listing Rules
“Board”	the board of Directors of the Company
“Business Day”	means a day (other than a Saturday, Sunday or public holiday and 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) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Company”	Gudou Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM
“Completion”	the completion of the Subscription
“connected person(s)”	has the meaning ascribed to this term under the GEM Listing Rules



“Convertible Bond(s)”	the convertible bonds in the aggregate principal amount of HK\$25,300,000 to be issued by the Company to the Subscriber pursuant to the Subscription Agreement
“Convertible Bondholder(s)”	holder(s) of the Convertible Bond(s)
“Convertible Bond Certificate”	the Convertible Bond Certificate to be executed by the Company upon Completion setting out, among other things, the terms and conditions of the Convertible Bonds
“Conversion Share(s)”	the Share(s) to be allotted and issued upon conversion of the Convertible Bond(s)
“Director(s)”	director(s) of the Company for the time being
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Committee”	has the meaning as defined in 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 by the Shareholders at the annual general meeting of the Company held on 13 May 2022 to allot, issue and deal with up to 20% of the then issued Shares on the date of passing such resolution
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any persons or company(ies) and their respective ultimate beneficial owners, to the best of the Director’s knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third parties independent of the Company and its connected persons in accordance with the Listing Rules
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company



“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Li Song Foundation Company Limited (李•宋基金會有限公司), a company incorporated in Hong Kong with limited liability and is owned as to 50% by Mr. Li Chao Wang and 50% by Ms. Song Min
“Subscription”	the subscription of the Convertible Bond(s) contemplated under the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 17 February 2023 and entered into between the Company and the Subscriber in relation to the Subscription
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board  
**GUDOU HOLDINGS LIMITED**  
**Hon Chi Ming**  
*Chairman and Executive Director*

Hong Kong, 17 February 2023

*As at the date of this announcement, the executive Directors are Mr. Hon Chi Ming, Mr. Huang Zhanxiong, Mr. Liang Juquan and Mr. Hon Ka Fung, the non-executive Director is Mr. Tam Man Chiu, and the independent non-executive Directors are Mr. Wu Sai Him, Mr. Chiu Chi Wing and Prof. Wang Dawu.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited 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 “Latest Listed Company Information” page of the Stock Exchange website at [www.hkexnews.hk](http://www.hkexnews.hk) for at least seven days from the date of its posting and will also be published on the Company’s website at [www.gudouholdings.com](http://www.gudouholdings.com).*