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Reach New Holdings Limited
新達控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8471)

INSIDE INFORMATION —
PLACING OF EXISTING SHARES BY
A CONTROLLING SHAREHOLDER

Placing Agent



This announcement is made by Reach New Holdings Limited (the “**Company**”) pursuant to Rule 17.10(2)(a) of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company was informed by Mr. Lam Cheung Chuen (“**Mr. Lam**”), the chairman of the Board, a non-executive Director and a controlling shareholder (as defined in the GEM Listing Rules) of the Company that Neo Concept Holdings Limited (the “**Vendor**”), a company wholly and beneficially owned by Mr. Lam, has entered into a placing agreement (the “**Placing Agreement**”) on 28 August 2023 (after trading hours) with Ruibang Securities Limited (the “**Placing Agent**”), pursuant to which the Placing Agent has agreed to procure investor(s) (the “**Placee(s)**”) on a best efforts basis to purchase up to 200,000,000 existing shares of the Company (the “**Placing Shares**”) held by the Vendor at a HK\$0.08 each (the “**Placing**”). The Placing period shall commence from the date of the Placing Agreement and shall complete no later than Friday, 8 September 2023.

Pursuant to the Placing Agreement, (i) the Placees shall be third parties independent of and not connected nor acting in concert (as defined in the Hong Kong Code on Takeovers and Mergers (the “**Takeovers Code**”)) with the Company or any of its connected persons (as defined in the GEM Listing Rules); and (ii) no Placee, together with parties acting in concert (as such term is defined in the Takeovers Code) with such Placees, will, immediately upon completion of the Placing, hold 30% or more of the total issued share capital of the Company or otherwise trigger a mandatory general offer under Rule 26.1 of the Takeovers Code in respect of the shares of the Company (the “**Shares**”).

As at the date of this announcement, the 200,000,000 Placing Shares represent 23.53% of the existing issued share capital of the Company. Upon completion of the Placing and assuming all of the Placing Shares are placed to the Placees, the shareholding held by Mr. Lam in the Company, through Neo Concept Holdings Limited, will be reduced to 233,400,000 Shares, representing 27.46% of the entire issued share capital of the Company. As a result, neither Mr. Lam nor the Vendor will continue to be a controlling shareholder of the Company.

The Company does not expect that the Placing will have any adverse effect on the operations of the Company and its subsidiaries.

As the Placing may or may not proceed and the number of Placing Shares may not be placed in full, shareholders of the Company and potential investors of the Company are advised to exercise caution when dealing in the Shares.

By order of the Board
Reach New Holdings Limited
Lam Kai Yuen
Executive Director

Hong Kong, 28 August 2023

As at the date of this announcement, the executive Directors are Mr. Lam Kai Yuen and Mr. Lam Kai Cheong, the non-executive Director is Mr. Lam Cheung Chuen (Chairman); and the independent non-executive Directors are Mr. Moy Yee Wo, Matthew, Mrs. So Chan Wai Hang, Mr. Ho Yuk Hay and Mr. Zhu Honghai.

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 on the “Latest Listed Company Announcements” page for at least 7 days from the date of its posting and on the website of the Company at www.sthl.com.hk.