

DATE: 8 December 2023

**IMPERIUM FINANCIAL GROUP LIMITED
(as Company)**

AND

**SILVERBRICKS SECURITIES COMPANY LIMITED
(as Placing Agent)**

**PLACING AGREEMENT
relating to the placing of up to
1,142,127,384 Unsubscribed Rights Shares in the share capital of
IMPERIUM FINANCIAL GROUP LIMITED
to be issued under the Rights Issue on the basis of
one (1) Rights Share for every two (2) Shares held on the Record Date**

THIS AGREEMENT is made on 8 December 2023

BETWEEN:

- (1) **IMPERIUM FINANCIAL GROUP LIMITED**, a company incorporated in Cayman Islands with limited liability, the principal office of which is at Room 03, 26/F, One Harbour Square, No. 181 Hoi bun Road, Kwun Tong, Kowloon, Hong Kong with its Shares listed on the GEM of the Stock Exchange (the “**Company**”); and
- (2) **SILVERBRICKS SECURITIES COMPANY LIMITED**, a company incorporated in Hong Kong with limited liability and having its registered office situated at Rooms 1004-1006, 10/F., China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong and a corporation licensed to carry out business in Type 1 (dealing in securities), Type 2 (dealing in futures contracts) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (“**SFO**”) (Chapter 571 of laws of Hong Kong) (the “**Placing Agent**”).

WHEREAS:

- (A) The Company was incorporated in Cayman Islands with limited liability and at the date of this Agreement has an authorised share capital of HK\$1,600,000,000 divided into 40,000,000,000 Shares (as defined below), of which 2,284,254,768 Shares have been issued and are fully paid or credited as fully paid and are listed on GEM of the Stock Exchange (as defined below) (Stock Code: 08029).
- (B) The Company has proposed, by way of a rights issue (“**Rights Issue**”), to offer the rights shares (“**Rights Share(s)**”) to the qualified shareholders (“**Qualified Shareholders**”) on the basis of one (1) Rights Share for every two (2) Shares held by the Qualified Shareholders (as defined below) registered as such on the record date.
- (C) Pursuant to Rule 10.31(1) of the GEM Listing Rules (as defined below), the Company in the Rights Issue must make compensatory arrangement to dispose of the Rights Shares not validly applied for by the Shareholders for the benefit of those Shareholders (as defined below).
- (D) The Company therefore hereby appoints the Placing Agent upon the terms and conditions herein and the Placing Agent agrees to accept the appointment in accordance with the terms hereof.

IT IS HEREBY AGREED:

1. INTERPRETATION

- 1.1 In this Agreement, including the Recitals and Schedule hereto, unless the

context otherwise requires, the following expressions have the following meanings:

“acting in concert”	has the same meaning ascribed thereto under the Takeovers Code
“Agreement”	this placing agreement as amended or varied from time to time by an agreement in writing duly executed and delivered by the parties hereto
“Announcement”	the announcement proposed to be issued by the Company, in substantially such form as annexed hereto marked “A”, immediately following execution of this Agreement
“Business Day”	a day on which licensed banks in Hong Kong are generally open for business, other than a Saturday or a Sunday or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is issued in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not cancelled at or before 12:00 noon
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“Companies Ordinance”	the Companies Ordinance, Cap 622 of the Laws of Hong Kong;
“Completion”	completion of the Placing in accordance with the terms and condition set out in this Agreement
“Completion Date”	Thursday, 1 February 2024 or such later date as may be agreed by the Company and the Placing Agent in writing;
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Group”	the Company and its subsidiaries and the expression “member(s) of the Group” shall be construed accordingly
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Independent Third Party(ies)”	person(s) who is/are independent of and not connected with the directors, chief executive and substantial shareholders of the Company or any of its subsidiaries, or any of their respective associates
“Latest Time for Acceptance”	4:00 p.m. on Monday, 22 January 2024 or other time or date as may be determined by the Company, being the latest time for acceptance of, and payment for the Rights Shares
“Non-Qualifying Shareholder(s)”	those Overseas Shareholders to whom the Company considers it necessary or expedient not to offer the Rights Shares
“Placee(s)”	any person or entity procured by the Placing Agent or its agent(s) to subscribe for any Unsubscribed Share
“Placing”	the placing of the Unsubscribed Shares on and subject to the terms and condition set out in this Agreement
“Placing End Date”	6:00 p.m. on Monday, 29 January 2024, or such other date and/or time as may be agreed between the Company and the Placing Agent as the latest date for acceptance of, and payment for, the Unsubscribed Shares under this Agreement
“Placing Period”	the period from Friday, 26 January 2024 up to 6:00 p.m. on Monday, 29 January 2024 (both days inclusive), or such other date(s) and/or time as the Company may announce, being the period during which the Placing Agent will seek to effect the Unsubscribed Arrangements
“Placing Price”	the placing price of the Unsubscribed Shares shall be at least equal to the Subscription Price (exclusive of any brokerage, SFC transaction levy and Stock Exchange trading fee as may be payable) and the final price determination will depend on the demand for and the market conditions of the Unsubscribed Shares during the placement process
“Prospectus”	the prospectus to be issued by the Company for the Rights Issue
“Prospectus Documents”	the Prospectus and provisional allotment letter
“Public Float”	the public float requirement under Rule 11.23(7) of

Requirement	the GEM Listing Rules which requires, inter alia, at least 25% of the issuer's total number of issued shares must at all times be held by the public
“Qualifying Shareholders”	Shareholders whose names appear on the register of members of the Company as at the close of business on the Record Date and are not the Non-Qualifying Shareholders
“Record Date”	Friday, 05 January 2024 or such other date as may be determined by the Company for the determination of the entitlements under the Rights Issue
“Rights Issue”	the proposed offer for subscription by the Qualifying Shareholders for the Rights Shares at the Subscription Price on the terms and subject to the conditions set out in this Agreement and the Prospectus Documents
“Rights Share(s)”	up to 1,142,127,384 Rights Shares (assuming no further issue of new Share(s) and no repurchase of Share(s) on or before the Record Date)
“SFC”	the Securities and Futures Commission of Hong Kong
“Shares”	ordinary share(s) of HK\$0.04 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.04 per Rights Share, being the subscription price under the Rights Issue
“subsidiary(ies)”	has the meaning ascribed thereto it in section 15 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Unsubscribed Arrangements”	arrangements under this Agreement to place the Unsubscribed Shares by the Placing Agent on a best effort basis to investors who (or as the case may be, their ultimate beneficial owner(s)) are not Shareholders and are otherwise independent third parties pursuant to Rule 10.31(1)(b) of the GEM Listing Rules
“Unsubscribed	up to a total of 1,142,127,384 Rights Shares to be

Shares” placed pursuant to this Agreement in relation to Rights Shares that are not subscribed by the Qualifying Shareholders and Rights Shares which would otherwise have been allotted to the Non-Qualifying Shareholders (as the case may be)

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong

1.2 In this Agreement, references herein to “Recitals”, “Clauses” and the “Schedule” are to the recitals and clauses of and the schedule to this Agreement.

1.3 In this Agreement, the singular includes the plural and vice versa, words importing gender or the neuter include both genders and the neuter and references to persons include bodies corporate or unincorporate.

1.4 Headings inserted are for convenience only and shall not affect the interpretation of this Agreement.

1.5 References in this Agreement to time are to Hong Kong time.

2. PLACING

2.1 Upon and subject to the terms and conditions set out in this Agreement, the Placing Agent agrees, as agent of the Company, during the Placing Period to procure on a best effort basis Placees to subscribe for the Unsubscribed Shares at the Placing Price (but for the avoidance of doubt, shall exclude such brokerage, SFC transaction levy, and Stock Exchange trading fee as may be payable by such Placees in relation to each such Unsubscribed Share). The Placing Price shall be not less than the Subscription Price and the final price determination shall be determined by the Placing Agent at its sole discretion taking into account the demand for and the market conditions of the Unsubscribed Shares during the placement process. The Placing Agent shall inform the Company of the final price determination. The Placing Agent may carry out the Placing itself and/or, at its own expenses, through such other agents as the Placing Agent may agree with the Company. The Placing Agent shall procure that such other agents shall comply with all relevant obligations to which the Placing Agent is subject under the terms of this Agreement.

2.2 The Company hereby appoints the Placing Agent as its agent to, during the Placing Period, procure on a best effort basis Placees to subscribe for the Unsubscribed Shares on and subject to the terms and condition set out in this Agreement. Any transaction properly carried out by the Placing Agent pursuant to this Agreement shall constitute a transaction carried out by the Placing Agent at the request of the Company and as its agent and not on account of or for the Placing Agent. The Placing Agent shall not be responsible for any loss or damage (except for any loss or damage which is caused, directly or indirectly, by fraud, wilful default or negligence on the part of the Placing Agent, or any sub-agent appointed by the Placing Agent

pursuant to Clause 2.1) to the Company arising directly or indirectly from any such transaction (other than as a result of non-compliance by the Placing Agent with its obligations under this Agreement).

- 2.3 The Company hereby confirms that the foregoing appointment confers on the Placing Agent all powers, authorities and discretion on its behalf which are necessary for, or incidental to, the Placing and hereby agrees to ratify and confirm any act which the Placing Agent shall or may lawfully and reasonably do or have done pursuant to or in anticipation of the terms and condition of this Agreement subject to the provisions contained herein.
- 2.4 The Company shall allot and issue the Unsubscribed Shares in accordance with the memorandum of association and articles of association of the Company, all applicable laws of Hong Kong and the rules and regulations of the Stock Exchange, and the Unsubscribed Shares shall rank *pari passu* in all respects among themselves and with the existing Shares in issue and be free from all liens, charges, encumbrances and third-party rights together with all rights attaching thereto as at the Completion Date, including but not limited to the rights to receive all future dividends and other distributions thereafter declared, made or paid.

Prior to the Completion and by no later than 5:00 p.m. on the next Business Day after the Placing Agent has procured the Placees to subscribe for the Unsubscribed Shares (or such later date as may be agreed between the parties hereto in writing), the Placing Agent shall deliver to the Company and the Stock Exchange the names, addresses and denominations (in board lots or otherwise) in which the Unsubscribed Shares are to be registered and, where relevant, the CCASS accounts to which the Unsubscribed Shares are to be credited. The choice of the Placees shall be determined by the Placing Agent at its sole discretion subject to the requirements of the GEM Listing Rules and/or any objection the Stock Exchange may have to any particular person or company being a Placee PROVIDED that the Placing Agent undertakes to use its best endeavours to procure that (i) the Unsubscribed Shares shall only be placed to institutional, corporate or individual investor(s) who and whose respective ultimate beneficial owners (if applicable) (a) shall be third party independent of, not acting in concert (within the meaning of the Takeovers Code) with and not connected with any directors, chief executive or substantial shareholders of the Company or its subsidiaries or any of their respective associates; and (b) shall not, together with any party acting in concert (within the meaning of the Takeovers Code) with it, hold 10% or more of the voting rights of the Company upon completion of the Rights Issue, in order to ensure that the public float requirements under Rule 11.23(7) of the GEM Listing Rules be fulfilled by the Company and none of the placees shall be obliged to make a mandatory general offer to the other Shareholders under the Takeovers Code.

3. CONDITIONS

- 3.1 The Placing is conditional upon:
- (a) the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Rights Shares;

- (b) the representations and warranties of the Company in this Agreement remaining true and accurate in all material respects and none of the undertakings of the Company in this Agreement having been breached in any material respects;
- (c) all necessary consents and approvals to be obtained on the part of each of the Placing Agent and the Company in respect of this Agreement and the transactions contemplated thereunder having been obtained; and
- (d) this Agreement not having been terminated in accordance with its terms.

3.2 The Company shall use its reasonable endeavours to procure the fulfillment of the condition referred to in Clauses 3.1. Save for the conditions set out in Clause 3.1(b) which can be waived by the Placing Agent, the conditions set out above are incapable of being waived by either the Company or the Placing Agent. In the event the condition referred to in Clause 3.1 is not fulfilled or waived on or before the Placing End Date (or such later date as may be agreed between the parties hereto in writing), all rights, obligations and liabilities of the parties hereto shall cease and terminate and neither of the parties shall have any claim against the other, save for any antecedent breach under this Agreement prior to such termination.

4. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

- 4.1 The Company hereby represents, warrants and undertakes to the Placing Agent that:
- (a) the Unsubscribed Shares shall be allotted and issued in accordance with the memorandum of association and articles of association of the Company, all applicable laws of Hong Kong and the rules and regulations of the Stock Exchange, and the Unsubscribed Shares shall rank *pari passu* in all respects among themselves and with the existing Shares in issue and be free from all liens, charges, encumbrances and third-party rights together with all rights attaching thereto as at the Completion Date, including but not limited to the rights to receive all future dividends and other distributions thereafter declared, made or paid;
 - (b) subject to the fulfillment of the conditions referred to in Clause 3.1, the Company has full power and authority to issue the Unsubscribed Shares and has obtained all the relevant approval(s), consent(s) and license(s) required (if any) for the allotment and issue of the Unsubscribed Shares;
 - (c) the Company has the power to enter into this Agreement and this Agreement has been duly authorised and executed by, and constitutes legal, valid and binding obligations of the Company which shall be

enforceable against the Company in accordance with its terms and condition;

- (d) the Company undertakes to indemnify the Placing Agent, its delegates, affiliates and the sub-placing agents and their respective directors, employees, officers and shareholders (collectively referred to as the “**Indemnified Persons**”) and to hold each of the Indemnified Persons fully and effectively indemnified on a continuing basis against all losses, liabilities, damages, costs, charges and reasonable expenses (including but without limitation, legal fees, liabilities, costs and expenses), claims, actions, investigations, demands, proceedings, regulatory enquiries or judgment which may be brought, incurred or suffered or alleged or threatened to be brought against or incurred or suffered by any or all of the Indemnified Persons as a result of, or arising out of, or in relation to, any misrepresentation or alleged misrepresentation or any breach or alleged breach of any of the aforesaid representations, warranties or agreements of the Company in Clause 4.1(a) to (c); and
- (e) no claim shall be made against any or all of the Indemnified Persons by the Company to recover any damages, losses, claims, costs, charges or reasonable expenses which the Company may suffer or incur by reason of or arising from the carrying out by or on behalf of the Placing Agent of the work to be done by it pursuant hereto or the performance of its obligations hereunder or otherwise in connection with the Placing except for any loss or damage directly resulting from any fraud, wilful default or gross-negligence as finally adjudged on the part of the relevant Indemnified Persons by a competent court in Hong Kong or as a result, directly or indirectly, from non-compliance by the Placing Agent or any sub-placing agent with its obligations under this Agreement.

4.2 The Placing Agent hereby represents, warrants and undertakes to the Company that:

- (a) it has power to enter into this Agreement and this Agreement has been duly authorised and executed by, and constitutes legal, valid and binding obligations of the Placing Agent which shall be enforceable against the Placing Agent in accordance with its terms and condition;
- (b) in each jurisdiction in which the Placing Agent solicits subscription for the Unsubscribed Shares, the Placing Agent will do so in accordance with all applicable laws, rules and regulations in force in such jurisdiction. The Unsubscribed Shares shall not be offered to or placed in circumstances which would constitute an offer to the public in Hong Kong within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) or in any other place or in any manner in which the securities laws, rules or regulations of any place may be infringed or not complied with;

- (c) no action has been or will be taken directly or indirectly in any jurisdiction that would result in a public offering of the Unsubscribed Shares and neither it nor persons acting on its behalf will offer or sell any Unsubscribed Shares otherwise than in compliance with applicable laws and regulations in each jurisdiction in which any such offer or sale takes place, and without prejudice to the generality of the foregoing, as the Unsubscribed Shares have not been and will not be registered under the Securities Act of the United States (the “**Securities Act**”), they may not be offered, sold, transferred and delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, and accordingly the Unsubscribed Shares have not been and will not be offered or sold to a buyer in the United States, except to those persons it reasonably believes to be qualified institutional buyers (as defined in Rule 144A under the Securities Act). Neither it nor any person acting on its behalf has engaged or will engage in any directed selling efforts in the United States (as defined in Regulation S under the Securities Act) or any form of general solicitation or general advertising (each as used in Rule 5.02(c) of Regulation D under the Securities Act) with respect to the Unsubscribed Shares;
- (d) the Placing Agent will use its best endeavours and make all reasonable enquiries to ensure that the Placees and their respective ultimate beneficial owners (if applicable) will be third parties independent of, and not connected with or acting in concert with, the Company, its connected persons (as defined under the GEM Listing Rules) and their respective associates (as defined under the GEM Listing Rules);
- (e) the Placing Agent will use its best endeavours and make all reasonable enquiries to ensure that none of the Placees will, immediately upon the Completion, become a substantial shareholder (as defined under the GEM Listing Rules) of the Company;
- (f) the Placing Agent will make available and promptly supply, or use its best endeavours to procure the relevant Placees to make available and promptly supply, to the Stock Exchange and the SFC or any other relevant authority all information in relation to the Placees which may be required by the Stock Exchange, the SFC and/or such other authority;
- (g) the Placing Agent will ensure the fulfillment and compliance of all applicable rules and regulations of the Stock Exchange and if applicable, the rules and codes of the SFC in relation to its role as placing agent for the Placing, and will issue appropriate written confirmation of such fulfillment and compliance upon request by the Company and/or the relevant authority;

- (h) the Placing Agent and its ultimate beneficial owners are Independent Third Parties; and
 - (i) before Placing Agent engages sub-placing agent(s) to place the Unsubscribed Shares, it will confirm with the Company and such sub-placing agent(s) that these sub-placing agent(s) and their ultimate beneficial owners are Independent Third Parties.
- 4.3 Each party to this Agreement undertakes that, save for the Announcement and any other disclosure as may be required to be made in compliance with the GEM Listing Rules or any other applicable laws, rules and regulations and/or as may be required by the relevant authority, no announcements, press releases or other general public disclosure in relation to the Placing shall be made by any of them without the prior written consent of the other party (such consent shall not be unreasonably withheld or delayed).
- 4.4 The representations, warranties and undertakings contained in this Clause are deemed to be given as at the date of this Agreement and shall be deemed to be repeated on the Completion Date as if given on such date with reference in each case to the facts and circumstances then subsisting and shall remain in full force and effect notwithstanding Completion. Each party hereto hereby undertakes to notify the other party to this Agreement of any matter or event coming to its attention which may render any of the representations, warranties or undertakings untrue or inaccurate or misleading in any material respect at any time prior to the Completion Date.

5. COMPLETION

Completion of this Agreement shall take place at 4:00 p.m. on the Completion Date at the principal place of business in Hong Kong of the Company (or such other venue as the Company and the Placing Agent may agree in advance) when all (but, not part only) of the following businesses shall be transacted:

- (a) the Placing Agent shall effect payment to the Company by way of cashier's order, cheque or telegraphic transfer in Hong Kong dollars for value to the Company of an amount equal to the Placing Price multiplied by the number of the Unsubscribed Shares actually placed by the Placing Agent less the amounts deducted by the Placing Agent under Clause 6;
- (b) the Company shall allot and issue to the Placees such number of the Unsubscribed Shares subscribed by them and shall procure that the Placees or their nominees be registered on the register of members of the Company in Hong Kong in respect thereof, and shall arrange to deliver to the Placing Agent the definitive share certificates in the form of a jumbo certificate or in such denomination as the Placing Agent may instruct pursuant to Clause 2.5 issued in the names of the Placees or their nominees in respect of such number of Unsubscribed Shares to be subscribed by each of them respectively and in accordance with such instructions referred to above or arrange for the Unsubscribed

Shares to be deposited into CCASS in accordance with such instructions and the Prospectus.

6. COMMISSIONS AND EXPENSES

- 6.1 Subject to completion of the Placing, the Company shall pay to the Placing Agent a placing commission, in Hong Kong dollars, of 2% of the amount which is equal to the Placing Price multiplied by the total number of the Unsubscribed Shares that have been successfully placed by the Placing Agent during the Placing Period in accordance with this Agreement, and the Placing Agent is hereby authorised to deduct from the payment to be made by it to the Company at Completion pursuant to Clause 5(a).
- 6.2 Subject to Clause 6.3, the Company shall pay all out-of-pocket expenses properly and reasonably incurred by the Placing Agent in connection with the Placing.
- 6.3 Each of the parties hereto shall be respectively liable for its own legal and other professional fees and expenses in connection with the preparation of this Agreement.

7. TERMINATION

- 7.1 Notwithstanding anything contained in this Agreement, the Placing Agent may terminate this Agreement without any liability to the Company save for antecedent breach under this Agreement prior to such termination, by notice in writing given to the Company at any time prior to 12:00 noon on the day immediately preceding the Placing End Date upon the occurrence of the following events which, in the reasonable opinion of the Placing Agent, has or may have an adverse effect on the business or financial conditions or prospects of the Company or the Group taken as a whole or the success of the Placing or the full placement of all of the Unsubscribed Shares or has or may otherwise make it inappropriate, inadvisable or inexpedient to proceed with the Placing on the terms and in the manner contemplated in this Agreement if there develops, occurs or comes into force:
- (a) the Company fails to comply with its obligations under this Agreement;
 - (b) any of the warranties of the Company under this Agreement is not, or has ceased to be, true, accurate and not misleading in any respect by reference to the facts subsisting at the time;
 - (c) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the reasonable opinion of the Placing Agent materially and adversely affect the business or the financial or trading position or prospects of the Company as a whole or is materially adverse in the context of the Placing; or

- (d) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the reasonable opinion of the Placing Agent materially and adversely affect the business or the financial or trading position or prospects of the Company as a whole or materially and adversely prejudice the success of the Placing or otherwise makes it inexpedient or inadvisable to proceed with the Placing; or
- (e) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which in the reasonable opinion of the Placing Agent is likely to materially or adversely affect the success of the Placing or otherwise makes it inexpedient or inadvisable to proceed with the Placing; or
- (f) there is any change in the circumstances of the Company which in the reasonable opinion of the Placing Agent will adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or the destruction of any material asset of the Company; or
- (g) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or
- (h) any other material adverse change in relation to the business or the financial or trading position or prospects of the Company as a whole whether or not ejusdem generis with any of the foregoing; or
- (i) any matter which, had it arisen or been discovered immediately before the date of the Prospectus Documents and not having been disclosed in the Prospectus and the provisional allotment letter, would have constituted, in the reasonable opinion of the Placing Agent, a material omission in the context of the Rights Issue; or
- (j) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive Business Days, excluding any suspension in connection with the clearance of the Announcement or the Prospectus and the provisional allotment letter or other announcements in connection with the Rights Issue.

7.2 If notice is given pursuant to Clause 7.1, this Agreement shall terminate and be of no further effect and neither party shall be under any liability to the other party in respect of this Agreement save for any antecedent breach under this Agreement prior to such termination.

8. MISCELLANEOUS

8.1 All provisions of this Agreement shall so far as they are capable of being performed or observed continue in full force and effect notwithstanding Completion except in respect of those matters which have already been performed.

8.2 This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of parties hereto may execute this Agreement by signing any such counterparts.

8.3 This Agreement shall be binding on and endure for the benefit of the successors of the parties hereto but assignment may only be made after prior written consent of the other party has been given.

9. NOTICE

9.1 Any notice required to be given hereunder will be deemed to be duly served if left at or sent by hand, by telex or facsimile transmission or pre-paid post to the registered office or to the following addresses and facsimile numbers and marked for the attention of the following persons:

<u>Party</u>	<u>Address</u>	<u>Facsimile number</u>
The Company	Room 03, 26/F, One Harbour Square, No. 181 Hoi bun Road, Kwun Tong, Kowloon, Hong Kong <u>Attn: Mr. Cheng Ting Kong</u>	(852) 2167 8970
The Placing Agent	Rooms 1004-1006, 10/F., China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong <u>Attn: Mr. Barry Yip</u>	(852) 3618 4832

9.2 Any such notice will be deemed to be served if sent by facsimile on receipt of answerback, if sent by hand at the time when the same is handed to or left at the address of the party to be served, and if sent by post on the day (excluding Sundays or Hong Kong public holidays) after the day of posting.

9.3 The Company shall issue a written notice to the Placing Agent if there is any change in the timetable in respect of the Rights Issue.

10. TIME OF ESSENCE

Time shall be of the essence in this Agreement.

11. GOVERNING LAW AND JURISDICTION

- 11.1 This Agreement is governed by and shall be construed in accordance with the laws of Hong Kong.
- 11.2 The parties hereto irrevocably submit to the non-exclusive jurisdiction of the courts of Hong Kong.
- 11.3 Notwithstanding any other provisions of this Agreement, a person who is not a party to this Agreement shall not have any rights under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce any provisions of this Agreement.

IN WITNESS whereof the Parties have executed this Agreement the day and year first above written.

EXECUTION PAGE

THE COMPANY


SIGNED by Chim Tak Lai
for and on behalf of **Imperium Financial
Group Limited**
in the presence of:-

YEUNG BIT YING. 

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THE PLACING AGENT

SIGNED by Barry YIP
for and on behalf of **Silverbricks Securities
Company Limited**
in the presence of:-

YEUNG BIT YING. 

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Schedule

Announcement

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Imperium Financial Group Limited
帝國金融集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8029)

**PROPOSED RIGHTS ISSUE ON THE BASIS OF
ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING SHARES
HELD ON THE RECORD DATE**

Financial Adviser and Placing Agent to the Rights Issue



PROPOSED RIGHTS ISSUE

The Company proposes to raise gross proceeds of approximately HK\$45.7 million before expenses by way of a rights issue of up to 1,142,127,384 Rights Shares (assuming no further issue of new Shares or repurchase of Shares on or before the Record Date) at a Subscription Price of HK\$0.04 per Rights Share on the basis of one (1) Rights Share for every two (2) existing Shares held by the Qualifying Shareholders on the Record Date. The estimated net proceeds from the Rights Issue (after deducting the estimated expenses) will be approximately HK\$44.1 million and the Company intends to apply the net proceeds in the following order: (i) HK\$5 million for developing new business of production and sales of portable electronic appliances and home appliances as announced 8 November 2023; (ii) HK\$5 million of the net proceeds as working capital of the Group; and (iii) the remaining balance of approximately HK\$34.1 million for the repayment of the Promissory Note.

The Rights Issue is only available to Qualifying Shareholders and will not be extended to the Non-Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company at the close of business on the Record Date and be a Qualifying Shareholder. In order to be registered as a member of the Company on the Record Date, all transfers of existing Shares (together with the relevant share certificate(s)) must be lodged with the Registrar in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by no later than 4:30 p.m. (Hong Kong time) on Thursday, 28 December 2023.

The Company will send the Prospectus Documents to the Qualifying Shareholders and the Prospectus (without the PALs), for information only to the extent permitted under the relevant laws and regulations and as reasonably practicable, to the Non-Qualifying Shareholders on the Prospectus Posting Date.

The Company has not received any information or irrevocable undertaking from any substantial shareholder of the Company of their intention in relation to the Rights Shares to be allotted to them under the Rights Issue as at the date of this announcement including but not limited to Fresh Success Investments Limited which holds approximately 62.95% of the issued share capital of the Company. As at the date of this announcement, no decision has been made by Fresh Success Investments Limited on whether to take up its assured entitlement under the Rights Issue.

PLACING ARRANGEMENT

On 8 December 2023 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed to procure independent placee(s), on a best effort basis, to subscribe for the Unsubscribed Rights Shares and the NQS Unsold Rights Shares.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 29 December 2023 to Friday, 05 January 2024 (both dates inclusive) for the purpose of determining the Shareholders' entitlements to the Rights Issue. During this period, no transfer of Shares will be registered.

IMPLICATIONS UNDER THE GEM LISTING RULES

As the Company has not conducted any rights issue or open offer within the 12-month period prior to the date of this announcement and the Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50% within the 12-month period immediately preceding the date of this announcement and the Rights Issue is not underwritten by a Director, chief executive or substantial shareholder of the Company (or any of their respective close associates), the Rights Issue is not subject to Shareholders' approval under Rule 10.29(1) of the GEM Listing Rules.

GENERAL

Subject to the fulfillment of certain conditions of the Rights Issue, the Company will despatch the Prospectus Documents containing, among other matters, details of the Rights Issue, to the Qualifying Shareholders. The Company will despatch the Prospectus to the Non-Qualifying Shareholders for their information only, but the Company will not send the PAL to the Non-Qualifying Shareholders.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE NIL-PAID RIGHTS SHARES

Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon, among others, the GEM Listing Committee granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of, and permission to deal in, the Rights Shares, in nil-paid and fully-paid forms. Accordingly, the Rights Issue may or may not proceed.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares.

The Shares are expected to be dealt in on an ex-rights basis from Wednesday, 27 December 2023. Dealings in the Rights Shares in nil-paid form are expected to take place from Wednesday, 10 January 2024 to Wednesday, 17 January 2024 (both days inclusive).

Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or Rights Shares in their nil-paid form is advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares. Any Shareholder or other person dealing in the Shares and/or the nil- paid Rights Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled or waived (as applicable) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares. Any party (including Shareholders and potential investors of the Company) who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

PROPOSED RIGHTS ISSUE

The Company proposes to raise gross proceeds of approximately HK\$45.7 million before expenses by way of a rights issue of up to 1,142,127,384 Rights Shares (assuming no further issue of new Shares or repurchase of Shares on or before the Record Date) at a Subscription Price of HK\$0.04 per Rights Share on the basis of one (1) Rights Share for every two (2) existing Shares held by the Qualifying Shareholders on the Record Date. The estimated net proceeds from the Rights Issue (after deducting the estimated expenses) will be approximately HK\$44.1 million and the Company intends to apply the net proceeds in the following order: (i) HK\$5 million for developing new business of production and sales of portable electronic appliances and home appliances as announced 8 November 2023; (ii) HK\$5 million of the net proceeds as working capital of the Group; and (iii) the remaining balance of approximately HK\$34.1 million for the repayment of the Promissory Note.

The details of the Rights Issue are set out as follows:

Issue statistics

Basis of the Rights Issue	:	One (1) Rights Share for every two (2) existing Shares held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price	:	HK\$0.04 per Rights Share
Number of Shares in issue at the date of this announcement	:	2,284,254,768 Shares
Number of Rights Shares to be issued pursuant to the Rights Issue	:	Up to 1,142,127,384 Rights Shares (assuming no further issue of new Share(s) and no repurchase of Share(s) on or before the Record Date)

Aggregate nominal value of the Rights Shares	:	Up to HK\$45,685,095.36 (assuming no further issue of new Share(s) and no repurchase of Share(s) on or before the Record Date)
Total number of Shares in issue upon completion of the Rights Issue	:	Up to 3,426,382,152 Shares (assuming no further issue of new Share(s) and no repurchase of Share(s) on or before the Record Date)
Gross proceeds from the Rights Issue	:	Up to approximately HK\$45.7 million before deduction of the costs and expenses which the Company will incur in the Rights Issue

As at the date of this announcement, the Company does not have any outstanding convertible securities, options or warrants in issue or similar rights which are convertible or exchangeable into or confer any right to subscribe for, convert or exchange into the Shares.

Assuming that there is no change in the issued share capital of the Company from the date of this announcement up to the Record Date, the maximum number of 1,142,127,384 Rights Shares to be issued and allotted pursuant to the Rights Issue (i) represent approximately 50% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 33.3% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares. The Company has not conducted any rights issue, open offer and/or specific mandate placing within the 12-month period immediately preceding the date of this announcement, or prior to such 12-month period where dealing in respect of the Shares issued pursuant thereto commenced within such 12-month period, nor has it issued any bonus securities, warrants or other convertible securities within such 12-month period. The Rights Issue does not result in a theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) of 25% or more on its own.

Non-underwritten basis

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares. The Cayman legal advisers of the Company have confirmed that pursuant to the Company's constitutional documents and the Companies Act (as amended) of the Cayman Islands, there are no requirements for minimum levels of subscription in respect of the Rights Issue. Subject to fulfillment of the conditions precedent of the Rights Issue, the Rights Issue shall proceed regardless of the ultimate subscription level.

In the event that the Rights Issue is undersubscribed, any Rights Shares not taken up by the Qualifying Shareholders under PAL(s), or transferees of nil-paid Rights Shares together with the NQS Unsold Rights Shares will be placed to independent places under the Compensatory Arrangements. Any Unsubscribed Rights Shares or NQS Unsold Rights Shares that are not placed under the Compensatory Arrangements will not be issued by the Company, and hence, the size of the Rights Issue will be reduced accordingly.

The Shareholder who applies to take up his/her/its entitlement under the PAL(s) may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders (other than HKSCC Nominees Limited) to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance to the note to Rule 10.26(2) of the GEM Listing Rules. There is no minimum amount to be raised under the Rights Issue.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

Undertakings

The Company has not received any information or irrevocable undertaking from any substantial shareholder of the Company of their intention in relation to the Rights Shares to be allotted to them under the Rights Issue as at the date of this announcement including but not limited to Fresh Success Investments Limited which holds approximately 62.95% of the issued share capital of the Company. As at the date of this announcement, no decision has been made by Fresh Success Investments Limited on whether to take up its assured entitlement under the Rights Issue.

Subscription Price

The Subscription Price is HK\$0.04 per Rights Share, payable in full by a Qualifying Shareholder upon acceptance of the provisional allotment of the Rights Shares under the Rights Issue or when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

- i. a discount of approximately 11.11% to the closing price of HK\$0.045 per Share as quoted on the Stock Exchange on the Last Trading Day;
- ii. a discount of approximately 7.41% to the average closing price of approximately HK\$0.0432 per Share for the last five consecutive trading days as quoted on the Stock Exchange up to and including the Last Trading Day;
- iii. a discount of approximately 6.10% to the average closing price of approximately HK\$0.0426 per Share for the last ten consecutive trading days as quoted on the Stock Exchange up to and including the Last Trading Day;
- iv. a discount of approximately 7.69% to the theoretical ex-rights price of approximately HK\$0.0433 per Share based on the closing price of HK\$0.045 per Share as quoted on the Stock Exchange on the Last Trading Day; and

- v. a theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) of approximately 3.70%, represented by the theoretical diluted price of approximately HK\$0.0433 per Share to the benchmarked price (as defined under Rule 10.44A of the GEM Listing Rules) of approximately HK\$0.045 per Share, taking into account the closing price on the Last Trading Day of HK\$0.045 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five previous consecutive trading days prior to the date of this announcement of approximately HK\$0.0426 per Share.

The terms of the Rights Issue, including the Subscription Price was determined after arm's length negotiation between the Company and the Placing Agent with reference to, among others, (i) the market price and trading liquidities of the Shares under the prevailing market conditions; and (ii) the latest business performance and financial position of the Group.

As all Qualifying Shareholders are entitled to subscribe for the Rights Shares in the same proportion to his/her/its existing shareholding in the Company held on the Record Date, the Board considers that the discount of the Subscription Price would encourage the Qualifying Shareholders to take up their entitlements to maintain their shareholdings in the Company, thereby minimizing possible dilution impact.

The Board considers that the Subscription Price is fair and reasonable and in the interest of the Company and the Shareholders as a whole, after taking into account the following factors:

- (i) the Qualifying Shareholders who do not wish to take up their provisional entitlements under the Rights Issue are able to sell the nil-paid rights in the market;
- (ii) the Qualifying Shareholders who choose to accept their provisional entitlements in full can maintain their respective existing shareholding interests in the Company after the Rights Issue; and
- (iii) the Rights Issue allows the Qualifying Shareholders an opportunity to subscribe for their pro-rata Rights Shares for the purpose of maintaining their respective existing shareholding interests in the Company at a discount to the recent closing price.

The estimated net price per Rights Share upon full acceptance of the provisional allotment of Rights Shares (assuming no further issue of new Shares or repurchase of Shares on or before the Record Date) after deducting the related expenses of the Rights Issue will be approximately HK\$0.0386.

Status of the Rights Shares

The Rights Shares (when allotted, fully-paid or credited as fully-paid and issued) will rank pari passu in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Rights Shares. Holders of the fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment and issue of the fully paid Rights Shares.

Stamp duty and other applicable fees and charges

Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company as at the close of business on the Record Date and not be a Non-Qualifying Shareholder. In order to be registered as members of the Company prior to the close of business on the Record Date, all transfers of the Shares (together with the relevant share certificate(s)) must be lodged with the Registrar in Hong Kong, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. (Hong Kong time) on Thursday, 28 December 2023.

Shareholders with their Shares held by a nominee(s) (or held in CCASS) should note that the Board will consider the nominee (including HKSCC Nominees Limited) as one single Shareholder according to the register of members of the Company and are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own names prior to the Record Date.

It is expected that the last day of dealings in the Shares on a cum-rights basis is Friday, 22 December 2023, and the Shares will be dealt with on an ex-rights basis from Wednesday, 27 December 2023.

Qualifying Shareholders who take up their pro-rata entitlement in full under the Rights Issue will not experience any dilution to their interests in the Company. If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.

Subject to the registration of the Prospectus Documents in accordance with the applicable laws and regulations, the Company will despatch the Prospectus Documents to the Qualifying Shareholders on the Prospectus Posting Date and will despatch the Prospectus (without the PAL(s)) to the Non-Qualifying Shareholders for their information only.

Closure of register of members

The register of members of the Company will be closed from Friday, 29 December 2023 to Friday, 05 January 2024 (both dates inclusive) for the purpose of determining the Shareholders' entitlements to the Rights Issue. During this period, no transfer of Shares will be registered.

Basis of provisional allotments

The basis of the provisional allotment shall be one (1) Rights Share for every two (2) existing Shares in issue and held by the Qualifying Shareholders as at the close of business on the Record Date at the Subscription Price payable in full on acceptance and otherwise on the terms and subject to the conditions set out in the Prospectus Documents.

Acceptance for all or any part of a Qualifying Shareholder's provisional allotment should be made only by lodging a duly completed PAL with a remittance for the Rights Shares being applied for with the Registrar by the Latest Time for Acceptance. Any holdings (or balance of holdings) of less than two (2) Shares will not entitle their holders to be provisionally allotted a Rights Share. Please refer to the arrangement as referred to in the paragraph headed "Fractional entitlements to the Rights Shares" below.

Rights of Overseas Shareholders (if any)

The Prospectus Documents to be issued in connection with the Rights Issue will not be registered or filed under the securities law of any jurisdiction other than Hong Kong. Overseas Shareholders may not be eligible to take part in the Rights Issue as explained below.

The Board will comply with Rule 17.41(1) of the GEM Listing Rules and will make necessary enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholders (if any) under the laws of the relevant overseas jurisdictions and the requirements of the relevant regulatory bodies or stock exchanges. If, based on legal advice, the Board is of the opinion that it would be necessary or expedient not to offer the Rights Shares to any Overseas Shareholders on account either of the legal restrictions under the laws of relevant place(s) or the requirements of the relevant overseas regulatory body or stock exchange, no provisional allotment of the nil-paid Rights Shares or allotment of fully-paid Rights Shares will be made to such Overseas Shareholders. In such circumstances, the Rights Issue will not be extended to the Non-Qualifying Shareholders. The basis for excluding the Non-Qualifying Shareholders, if any, from the Rights Issue will be set out in the Prospectus to be issued.

Arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders, to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, will be paid pro rata (but rounded down to the nearest cent) to the Non-Qualifying Shareholders in Hong Kong dollars, except that the Company will retain individual amounts of less than HK\$100 for its own benefit.

Any NQS Unsold Rights Shares, which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form, will be placed by the Placing Agent at the price at least equal to the Subscription Price under the Placing Arrangement together with the Unsubscribed Rights Shares. Any Unsubscribed Rights Shares and the NQS Unsold Rights Shares remain not placed after completion of the Placing Arrangement will not be issued by the Company and the

size of the Rights Issue will be reduced accordingly. For the Rights Shares in nil-paid form that were sold as described above and the buyer of such nil-paid Rights Shares who will not take up the entitlement, such Unsubscribed Rights Shares will be subject to the Compensatory Arrangements.

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue, subject to the results of enquiries made by the Directors pursuant to Rule 17.41(1) of the GEM Listing Rules. Accordingly, Overseas Shareholders should exercise caution when dealing in the Shares.

Procedures in respect of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares and the Compensatory Arrangements

The Company will make arrangements described in Rule 10.31(1)(b) of the GEM Listing Rules to dispose of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by offering the Unsubscribed Rights Shares and the NQS Unsold Rights Shares to independent placees for the benefit of the Shareholders to whom they were offered by way of the Rights Issue. There will be no excess application arrangements in relation to the Rights Issue.

The Company therefore appointed the Placing Agent to place the Unsubscribed Rights Shares and the NQS Unsold Rights Shares after the Latest Time for Acceptance to independent placees on a best effort basis. Any premium over the Subscription Price for those Rights Shares that is realised will be paid to the No Action Shareholders on a pro-rata basis. The Placing Agent will on a best effort basis, procure, by not later than 6:00 p.m., on Monday, 29 January 2024, acquirers for all (or as many as possible) of those Unsubscribed Rights Shares and the NQS Unsold Rights Shares if a premium over the Subscription Price can be obtained. Any Unsubscribed Rights Shares and the NQS Unsold Rights Shares remain not placed after completion of the Placing Arrangement will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Net Gain (if any) will be paid (without interest) on a pro-rata basis (on the basis of all Unsubscribed Rights Shares and NQS Unsold Rights Shares) to the No Action Shareholders (but rounded down to the nearest cent) as set out below:

- A: the relevant Qualifying Shareholders (or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed) whose nil-paid rights are not validly applied for in full, by reference to the extent that Shares in his/her/its nil-paid rights are not validly applied for; and
- B: the relevant Non-Qualifying Shareholders with reference to their shareholdings in the Company on the Record Date.

It is proposed that Net Gain to any of the No Action Shareholder(s) mentioned in “A” and “B” of HK\$100 or more will be paid to them in Hong Kong Dollars only and the Company will retain individual amounts of less than HK\$100 for its own benefit. Shareholders are reminded that Net Gain may or may not be realised, and accordingly the No Action Shareholders may or may not receive any Net Gain.

Placing arrangement for the Unsubscribed Rights Shares and the NQS Unsold Rights Shares

On 8 December 2023 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed to procure independent placee(s), on a best effort basis, to subscribe for the Unsubscribed Rights Shares and the NQS Unsold Rights Shares. Details of the Placing Arrangement are as follows:

- Date : 8 December 2023
- Parties : The Company, as issuer; and The Placing Agent, as bookrunner and placing agent
- Placing Agent : Silverbricks Securities Company Limited, appointed as the bookrunner and placing agent to place the Unsubscribed Rights Shares and the NQS Unsold Rights Shares on a best effort basis. The Placing Agent confirmed that it is a licensed corporation to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts) and type 6 (advising on corporate finance) regulated activities under the SFO.
- Fees and expenses : The commission payable to the Placing Agent shall be 2% of the actual gross proceeds from the subscription of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares.
- The Company will pay all out-of-pocket expenses properly and reasonably incurred by the Placing Agent in connection with the Placing (excluding legal and other professional fees and expenses) which the Placing Agent is authorised to deduct from the payment to be made by the Placing Agent to the Company at completion.
- Placing price of each of the Unsubscribed Rights Share and/or the NQS Unsold Rights Share (as the case maybe) : The placing price of each of the Unsubscribed Rights Share and/or the NQS Unsold Rights Share (as the case maybe) shall be at least equal to the Subscription Price.

Placees : The Unsubscribed Rights Shares and the NQS Unsold Rights Shares are expected to be placed to placees, who (i) shall be third party independent of, not acting in concert (within the meaning of the Takeovers Code) with and not connected with any directors, chief executive or substantial shareholders of the Company or its subsidiaries or any of their respective associates; and (ii) shall not, together with any party acting in concert (within the meaning of the Takeovers Code) with it, hold 10% or more of the voting rights of the Company upon completion of the Rights Issue, in order to ensure that the Public Float Requirements under Rule 11.23(7) of the GEM Listing Rules be fulfilled by the Company and none of the placees shall be obliged to make a mandatory general offer to the other Shareholders under the Takeovers Code.

Ranking of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares : The Unsubscribed Rights Shares and the NQS Unsold Rights Shares (when placed, allotted, issued and fully paid) shall rank pari passu in all respects among themselves and with the existing Shares in issue as at the date of this announcement.

Termination : If at any time prior to the Latest Time for Termination:

- (i) the Company fails to comply with its obligations under the Placing Agreement; or
- (ii) the occurrence of any force majeure events; or
- (iii) any of the warranties of the Company under the Placing Agreement is not, or has ceased to be, true, accurate and not misleading in any respect by reference to the facts subsisting at the time,

and such matter in the reasonable opinion of the Placing Agent to be material in the context of the Placing Arrangement then the Placing Agent may by giving notice in writing to the Company terminate the Placing Agent's obligation under the Placing Agreement and the Placing Agreement shall be of no further effect and neither party shall be under any liability to the other party in respect of the Placing Agreement save for any antecedent breach thereunder prior to such termination.

Further, if all the Rights Shares have been taken up by the Qualifying Shareholders and/or the holders of the nil-paid rights on or before the Latest Time for Acceptance, the Placing Agreement shall terminate and be of no further effect and neither party shall be under any liability to the other party in respect of the Placing Agreement save for any antecedent breach thereunder prior to such termination.

- Conditions Precedent : The obligations of the Placing Agent and the Company under the Placing Agreement are conditional upon, among others, the following conditions being fulfilled:
- (i) the GEM Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Rights Shares;
 - (ii) all necessary consents and approvals to be obtained on the part of each of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated thereunder having been obtained; and
 - (iii) the Placing Agreement not having been terminated in accordance with the provisions thereof, including provisions regarding the force majeure events.

The engagement between the Company and the Placing Agent for the placing of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares was determined after arm's length negotiations between the Placing Agent and the Company. The Directors consider the fee charged by the Placing Agent is no less favourable to the Company than the commission in recent placing transactions and therefore the terms of the Placing Arrangement for the Unsubscribed Rights Shares and the NQS Unsold Rights Shares are on normal commercial terms. The Directors believe that the expenses are typical and ordinary in the marketing of securities.

Given that the Compensatory Arrangements would provide (i) a distribution channel of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares to the Company; (ii) an additional channel of participation in the Rights Issue for independent Qualifying Shareholders and the Non-Qualifying Shareholders; and (iii) a compensatory mechanism for the No Action Shareholders, the Company considers that the Compensatory Arrangements are fair and reasonable and would provide adequate safeguard to protect the interests of the Company's minority Shareholders.

Fractional entitlements to the Rights Shares

The Company will not provisionally allot and will not accept application for any fractions of the Rights Shares. All fractions of the Rights Shares will be aggregated (and rounded down to the nearest whole number of a Share) and sold by the Company in the open market if a premium (net of expenses) can be obtained. Any of the Rights Shares remain unsold in the market will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Certificates of the Rights Shares and refund cheques for the Rights Issue

Subject to fulfilment of the conditions of the Rights Issue, share certificates for the fully- paid Rights Shares are expected to be sent on or before Thursday, 01 February 2024 to those entitled thereto by ordinary post, at their own risk, to their registered addresses. If the Rights Issue does not become unconditional, refund cheques will be despatched on or before Thursday, 01 February 2024 by ordinary post, at the respective Shareholders' own risk, to their registered addresses.

Odd lot arrangement

In order to facilitate the trading of odd lots (if any) of the Shares, the Company will appoint Silverbricks Securities Company Limited to stand in the market to match the purchase and sale of odd lots of the Shares at the relevant market price, on a best effort basis. Shareholders should note that matching of the sale and purchase of odd lots of the Shares is not guaranteed. Any Shareholder who is in any doubt about the odd lots arrangement is recommended to consult his/her/its own professional advisers. Further details in respect of the odd lots trading arrangement will be set out in the Prospectus.

Application for the Rights Shares

The PAL relating to the Rights Shares will be enclosed with the Prospectus entitling the Qualifying Shareholders to whom it is addressed to subscribe for the Rights Shares as shown therein by completing such form and lodging the same with a remittance for the Rights Shares being taken up with the Registrar by the Latest Time for Acceptance.

Application for listing of the Rights Shares

The Company will apply to the GEM Listing Committee for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms. No part of the share capital of the Company is listed or dealt in or on which listing or permission to deal in is being or is proposed to be sought on any other stock exchange. Dealing in the Rights Shares in both their nil-paid and fully-paid forms which are registered in the register of members of the Company in Hong Kong will be in the board lots of 5,000 Rights Shares and will be subject to the payment of stamp duty, Stock Exchange trading fee, SFC transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

Shareholders are advised to consult their professional advisers if they are in doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the fully-paid Rights Shares and, regarding Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sales of the nil-paid Rights Shares on their behalf.

Rights Shares will be eligible for admission into CCASS

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Stamp duty and other applicable fees

Dealings in the Rights Shares in both their nil-paid and fully-paid forms, which are registered in the register of members of the Company in Hong Kong, will be subject to the payment of stamp duty, Stock Exchange trading fee, SFC transaction levy and any other applicable fees and charges in Hong Kong.

Shareholders should seek advice from their stockbrokers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Taxation

Qualifying Shareholders are recommended to consult their professional advisers if they are in doubt as to the taxation implications of subscribing for the Rights Shares, or about purchasing, holding or disposals of, or dealings in or exercising any rights in relation to the Shares or the Rights Shares, and similarly, the Non-Qualifying Shareholders (if any) as regards their receipt of the net proceeds of sale of the Rights Shares otherwise falling to be issued to them under the Rights Issue under the laws of jurisdictions in which they are liable to taxation. It is emphasised that none of the Company, the Directors nor any other parties involved in the Rights Issue accepts responsibility for any tax effects on, or liabilities of, any person resulting from subscribing for, purchasing, holding, disposal of, dealings in or exercising any rights in relation to the Shares or the Rights Shares.

Conditions of the Rights Issue

The Rights Issue is conditional upon the fulfillment of each of the following conditions:

- (i) the GEM Listing Committee granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of, and permission to deal in, the Rights Shares, in nil-paid and fully-paid forms, by no later than the first day of their dealings;
- (ii) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one duly certified copy of each of the Prospectus Documents (and all other documents required to be attached thereto) as having been approved by resolution of the Board not later than the Prospectus Posting Date and otherwise in compliance with the GEM Listing Rules and the Companies (WUMP) Ordinance; and
- (iii) the posting of the Prospectus Documents to the Qualifying Shareholders and the Prospectus to the Non-Qualifying Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Rights Issue, by no later than the Prospectus Posting Date.

The Company shall use all reasonable endeavours to procure the fulfilment of the conditions precedent set out above. None of the conditions set out above can be waived. If the conditions precedent set out in the above paragraphs are not satisfied at or prior to the respective time stipulated therein, the Rights Issue will not proceed.

REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS

The Group is principally engaged in (i) the financial services segment; (ii) the cryptocurrency mining segment; and (iii) the horse services segment. As disclosed in the annual report of the Company for the year ended 31 March 2023, cash and cash equivalents of the Group amounted to approximately HK\$66,249,000.

The Promissory Note

The Company issued a Promissory Note to Peak Stand Holdings Limited, which is beneficially owned and controlled by Mr. Cheng Ting Kong, the executive Director and controlling shareholder of the Company, with the principal amount of HK\$219,240,000 with coupon interest of 7% per annum for 3 years on 31 January 2018. On 28 June 2019, the mature date of the Promissory Note extended from 31 January 2021 to 31 January 2023, with the waiver for all the interest accrued and to be accrued on the Promissory Note from 1 January 2019 to 31 January 2023. On 31 March 2022, the mature date of the Promissory Note further extended from 31 January 2023 to 31 January 2024, with the coupon interest amended from 7% to 2%. On 31 March 2023, the mature date of the Promissory Note further extended from 31 January 2024 to 31 January 2025, with the coupon interest amended from 2% to 3%. As at 31 October 2023, the outstanding principal amount of the Promissory Note was approximately HK\$128,767,000 with the coupon interest of 3% per annum,

which will fall due on 31 January 2025. The outstanding interest accrued on the Promissory Note was approximately HK\$2,940,000 as of 31 October 2023. During the period from 31 January 2018 to 31 October 2023, the Company repaid approximately HK\$101,464,000 for the principal and interest of the Promissory Note. The holder of the Promissory Note has agreed to waive the following amount of outstanding interest when the Company settles part of the principal amount of the Promissory Note by the net proceeds from the Rights Issue within ten (10) Business Days after completion of the Rights Issue and refrain from demanding payment of such outstanding interest before ten (10) Business Days after completion of the Rights Issue or the date when the Rights Issue is terminated, whichever the earlier:

$$I = \text{HK\$}2,940,000 \times 2R/\text{HK\$}128,767,000$$

whereas

I is the amount of the outstanding interest of the Promissory Note to be waived; and

R is the principal amount of the Promissory Note to be repaid.

Assuming that HK\$34.1 million of the net proceeds from the Rights Issue will be utilized to repay the Promissory Note, the interest expenses will be reduced by approximately HK\$2.6 million. This represents approximately 7.5% of the repayment amount. The interest expenses to be reduced include approximately HK\$1.6 million of the outstanding Promissory Note interest to be waived and approximately HK\$1.0 million future interest expenses from 31 January 2024 to 31 January 2025. Indeed, after the repayment of the Promissory Note using the net proceeds, the outstanding interest accrued on the Promissory Note will decrease by approximately 55.2%, from approximately HK\$2.9 million to HK\$1.3 million.

Based on the unaudited financial position attached in the interim report of the Company dated 14 November 2023, the Company's current ratio stands at approximately 1.41 times. If the Promissory Note was to be classified as current liabilities on 31 January 2024, and assuming all other figures remain unchanged, the Company's current ratio would decrease to approximately 0.65 times.

After the Board considered (i) the future reduction in interest expenses, representing 7.5% of the repayment amount, (ii) the potential negative impact on the Company's financial position as the Promissory Note will be classified as current liabilities on 31 January 2024, (iii) the necessary cash balance for the Group to sustain business operations, and (iv) the enhancement of cash flow to support the new business ventures the Group, the Board proposed to allocate approximately HK\$34.1 million from the net proceeds for the repayment of the Promissory Note.

The memorandum of understanding

The Company published an announcement on 8 November 2023 regarding to enter into non-legally binding memorandum of understanding with Infinity Technology International Limited. Fuxi Holdings Limited, an indirect wholly-owned subsidiary of the Company, has intended to subscribe 51% of the entire share capital of Infinity Technology International Limited with the consideration of approximately HK\$10,000. Upon completion of the subscription, Fuxi Holdings Limited, as lender, intends to grant to Infinity Technology International Limited, as borrower, the loan facilities of approximately HK\$5 million. The terms and conditions of the proposed transaction under the memorandum of understanding are still being negotiated and no legally binding agreement(s) have been entered into as at the date of this announcement. To the best of the knowledge, information and belief of the Directors, Infinity Technology International Limited and Fuxi Holdings Limited have presented their intent to enter into a legally binding agreement for the proposed transaction. After the Board considered (i) the current discussion status with Infinity Technology International Limited, (ii) the scale of the subscription and loan facilities to be lent to Infinity Technology International Limited, and (iii) the Group's expansion into new market segments and diversification of its business portfolio, which broaden the Group's reach and income streams if the proposed subscription and the granting of the loan facilities materializes, the Board proposed to apply HK\$5 million from the net proceeds for the development of the abovementioned new business. In the case that the proposed transaction under the memorandum of understanding terminated or lapsed, the HK\$5 million from the net proceeds will be applied for the repayment of the Promissory Note.

Therefore, the estimated net proceeds from the Rights Issue (after deducting the estimated expenses and assuming the Rights Shares are fully subscribed) will be approximately HK\$44.1 million and intend to apply the net proceeds in the following order: (i) HK\$5 million for developing new business of production and sales of portable electronic appliances and home appliances as announced 8 November 2023; (ii) HK\$5 million of the net proceeds as working capital of the Group; and (iii) the remaining balance of the net proceeds of approximately HK\$34.1 million for the repayment of the Promissory Note.

In line with the aforesaid financial information and business objectives, the Company intends to utilize the net proceeds from the Rights Issue for early repayment of Promissory Note to (i) minimize financial costs by reducing the interest accrual, (ii) reduce the interest expenses as part of the current outstanding interest will be waived because of the early repayment of Promissory Note, and (iii) improve the cash flow for contributing to the new business to be entered by the Group or further business opportunities and working capital of the Group. In the event that there is an under-subscription of the Right Issue and Placing, the net proceeds of the Rights Issue and Placing will be allocated and utilised in the order as set out above. The Board considered it is prudent and in the interests of the Company and the Shareholders as a whole to raise additional funds for the early repayment of Promissory Note and developing the new business.

On the other hand, the Board considers that the Rights Issue would allow all Qualifying Shareholders to participate in the future development of the Company and at the same time offer more flexibility to the Qualifying Shareholders to choose whether to maintain, increase or decrease

their respective pro rata shareholdings in the Company by taking up only their respective rights entitlement, acquiring additional rights entitlement or disposing of their rights entitlements in the open market (subject to availability).

In view of the above, the Board considers that raising funds by way of the Rights Issue is more cost effective, efficient and beneficial to the Company and the Shareholders as a whole as compared to raising fund by other means.

FUND RAISING ACTIVITY OF THE COMPANY FOR THE PAST TWELVE MONTHS

The Company has not conducted any other equity fund raising activities in the past twelve months immediately preceding the date of this announcement.

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The tables below sets out the shareholding structures of the Company (i) as at the date of this announcement; (ii) immediately after completion of the Rights Issue assuming full acceptance by the Qualifying Shareholders; and (iii) immediately after completion of the Rights Issue assuming nil acceptance by the Qualifying Shareholders and all the Unsubscribed Rights Shares and the NQS Unsold Rights Shares have been placed by the Placing Agent.

	As at the date of this announcement		Immediately after completion of the Rights Issue, assuming full acceptance by all the Qualifying Shareholders		Immediately after completion of the Rights Issue, assuming nil acceptance by the Qualifying Shareholders and all the Unsubscribed Rights Shares and the NQS Unsold Rights Shares have been placed by the Placing Agent	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Fresh Success Investments Limited (Note 1)	1,437,914,040	62.95	2,156,871,060	62.95	1,437,914,040	41.97
Independent placees (Note 2)	–	–	–	–	1,142,127,384	33.33
Other public Shareholders	846,340,728	37.05	1,269,511,092	37.05	846,340,728	24.70
Total	<u>2,284,254,768</u>	<u>100.00</u>	<u>3,426,382,152</u>	<u>100.00</u>	<u>3,426,382,152</u>	<u>100.00</u>

Notes:

- Fresh Success Investments Limited is beneficially owned as to 90% by Mr. Cheng Ting Kong. Accordingly, Mr. Cheng Ting Kong is deemed under the SFO to be interested in the 1,437,914,040 shares beneficially owned by Fresh Success Investments Limited.

2. The independent placees are subject to scale-down of subscriptions to avoid the unwitting triggering of the obligation to make a general offer under the Takeovers Code so that the independent placees will not hold 30% or more of the total number of issued Shares and avoid non-compliance of Public Float Requirement, all applications for the Rights Shares will be made on the basis that the applications are to be scaled-down by the Company to a level which (a) does not trigger the obligation to make a general offer under the Takeovers Code on the part of the applicant or parties acting in concert with him/her/it, and/or (b) does not result in the non-compliance of the Public Float Requirement on the part of the Company. The Company will comply with the Public Float Requirement and ensure that the Company will maintain a minimum public float of 25% of the total number of issued Shares at all times.

The percentage figures have been subject to rounding adjustments. Any discrepancies between totals and sums of amounts listed herein are due to rounding adjustments.

Shareholders and potential investors should note that the above shareholding changes are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Rights Issue are subject to various factors, including the results of acceptance of the Rights Issue.

GEM LISTING RULES IMPLICATIONS

As the Company has not conducted any rights issue or open offer within the 12-month period prior to the date of this announcement and the Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50% within the 12-month period immediately preceding the date of this announcement and the Rights Issue is not underwritten by a Director, chief executive or substantial shareholder of the Company (or any of their respective close associates), the Rights Issue is not subject to Shareholders' approval under Rule 10.29(1) of the GEM Listing Rules.

GENERAL

Subject to the fulfillment of certain conditions of the Rights Issue, the Company will despatch the Prospectus Documents containing, among other matters, details of the Rights Issue, to the Qualifying Shareholders. The Company will despatch the Prospectus to the Non-Qualifying Shareholders for their information only, but the Company will not send the PAL to the Non-Qualifying Shareholders.

EXPECTED TIMETABLE OF THE RIGHTS ISSUE

The expected timetable for the Rights Issue is set out below:

Event	Date
Last day of dealings in Shares on a cum-rights basis	Friday, 22 December 2023
First day of dealings in Shares on an ex-rights basis	Wednesday, 27 December 2023
Latest time for lodging transfer of Shares and related documents in order to qualify for the Rights Issue	4:30 p.m. Thursday, 28 December 2023
Register of members closes	Friday, 29 December 2023 to Friday, 05 January 2024 (both days inclusive)
Record date for Rights Issue	Friday, 05 January 2024
Register of Members re-opens	Monday, 08 January 2024
Despatch of the Prospectus Documents	Monday, 08 January 2024
First day of dealings in nil-paid Rights Shares	Wednesday, 10 January 2024
Latest time for splitting of PALs	4:00 p.m. Friday, 12 January 2024
Last day of dealings in nil-paid Rights Shares.	Wednesday, 17 January 2024
Latest time for payment for and acceptance of Rights Shares	4:00 p.m. Monday, 22 January 2024
Announcement of the number of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares subject to the Compensatory Arrangements	Thursday, 25 January 2024
Commencement of the placing of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by the Placing Agent	Friday, 26 January 2024
Latest time for the placing of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by the Placing Agent	6:00 p.m. on Monday, 29 January 2024
Latest Time for Termination	4:00 p.m. on Tuesday, 30 January 2024

Announcement of the results of Rights Issue (including the results of the placing of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by the Placing Agent and the amount of the Net Gain per the Unsubscribed Rights Shares and the NQS Unsold Rights Shares under the Compensatory Arrangements) Wednesday, 31 January 2024

Despatch of certificates for fully-paid Rights Shares. Thursday, 1 February 2024

Despatch of refund cheques if the Rights Issue is terminated Thursday, 1 February 2024

Commencement of dealings in fully-paid Rights Shares 9:00 a.m. on Friday, 2 February 2024

Designated broker starts to stand in the market to provide matching services for odd lots of shares. 9:00 a.m. on Friday, 2 February 2024

Payment of the Net Gain (if any) to relevant No Action Shareholders (if any) Monday, 5 February 2024

Designated broker ceases to stand in the market to provide matching services for odd lots of Shares Thursday, 22 February 2024

All time and dates specified in this announcement refer to Hong Kong local time and dates. Dates or deadlines specified in this announcement are indicative only and may be varied by the Company. Any consequential changes to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as appropriate.

EFFECT OF BAD WEATHER AND/OR EXTREME CONDITIONS ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES

If there is a “black” rainstorm warning or a tropical cyclone warning signal number 8 or above or “extreme conditions” caused by a super typhoon in force in Hong Kong on Monday, 22 January 2024, being the date of the Latest Time of Acceptance:

- (i) at any time before 12:00 noon and no longer in force after 12:00 noon, the Latest Time for Acceptance will be postponed to 5:00 p.m. on the same Business Day; or
- (ii) at any time between 12:00 noon and 4:00 p.m., the Latest Time for Acceptance will be rescheduled to 4:00 p.m. on the next Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

Under such circumstances, the dates mentioned in the expected timetable above may be affected.

Dates stated in this announcement for event mentioned in the timetable are indicative only and may be extended or varied. Any changes to the above expected timetable will be announced as and when appropriate in accordance with the GEM Listing Rules.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE NIL-PAID RIGHTS SHARES

Shareholders and potential investors of the Company should note that the proposed Rights Issue is conditional upon, among others, the GEM Listing Committee granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of, and permission to deal in, the Rights Shares, in nil-paid and fully-paid forms. Accordingly, the Rights Issue may or may not proceed.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares.

The Shares are expected to be dealt in on an ex-rights basis from Wednesday, 27 December 2023. Dealings in the Rights Shares in nil-paid form are expected to take place from 9:00 a.m. on Wednesday, 10 January 2024 to 4:00 p.m. on Wednesday, 17 January 2024 (both days inclusive). Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or Rights Shares in their nil-paid form is advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares. Any Shareholder or other person dealing in the Shares and/or the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled or waived (as applicable) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares. Any party (including Shareholders and potential investors of the Company) who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

DEFINITIONS

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

“acting in concert”	has the same meaning ascribed thereto under the Takeovers Code
“associate(s)”	has the same meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors

“Business Day(s)”	a day on which licensed banks in Hong Kong are generally open for business, other than a Saturday or a Sunday or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is issued in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not cancelled at or before 12:00 noon
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong
“Company”	Imperium Financial Group Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the GEM of the Stock Exchange (stock code: 8029)
“Compensatory Arrangements”	the arrangement involving the placing of the Unsubscribed Rights Shares, if any, by the Placing Agent on a best effort basis pursuant to the Placing Agreement in accordance with Rule 10.31(1)(b) of the GEM Listing Rules
“connected person(s)”	has the meaning ascribed to it in the GEM Listing Rules
“controlling shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“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 of the Stock Exchange
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and any of its connected persons
“Last Trading Day”	8 December 2023, being the last trading day of the Shares on the Stock Exchange before the release of this announcement
“Latest Time for Acceptance”	4:00 p.m. on Monday, 22 January 2024 or other time or date as may be determined by the Company, being the latest time for acceptance of, and payment for the Rights Shares
“Latest Time for Termination”	4:00 p.m. on Tuesday, 30 January 2024, being the first Business Day after the Latest Time for the placing of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by the Placing Agent, being the latest time to terminate the Placing Agreement
“Net Gain”	any premiums paid by the independent placee(s) over the Subscription Price for the Unsubscribed Rights Shares and the NQS Unsold Rights Shares placed by the Placing Agent under the Compensatory Arrangements
“No Action Shareholders”	the Qualifying Shareholders who do not subscribe for the Rights Shares under the PAL(s) or their renounces, or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed (including the Non-Qualifying Shareholder in respect of NQS Unsold Rights Shares)
“Non-Qualifying Shareholder(s)”	those Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary, or expedient not to offer the Rights Issue to such Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“NQS Unsold Rights Shares”	the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form that have not been sold by the Company
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose registered address(es) as shown on such register at that time is (are) in (a) place(s) outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) for the Rights Shares

“Placing Agent”	Silverbricks Securities Company Limited, a corporation licensed to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts) and type 6 (advising on corporate finance) regulated activities under the SFO
“Placing Agreement”	the conditional placing agreement dated 30 November 2023 entered into between the Company and the Placing Agent in respect of the Placing Arrangement
“Placing Arrangement”	the placing of Unsubscribed Rights Shares and the NQS Unsold Rights Shares under the Placing Agreement
“Promissory Note”	the promissory note dated 31 January 2018 issued by the Company to Peak Stand Holdings Limited with the outstanding principal amount of approximately HK\$128,767,000 as at 31 October 2023
“Prospectus”	the prospectus to be despatched to the Shareholders containing details of the Rights Issue
“Prospectus Documents”	the Prospectus and the PAL
“Prospectus Posting Date”	Monday, 08 January 2024 or such other date as may be determined by the Company, being the date of despatch of the Prospectus Documents to the Qualifying Shareholders and the Prospectus for information only to the Non-Qualifying Shareholders
“Public Float Requirement”	the public float requirement under Rule 11.23(7) of the GEM Listing Rules which requires, inter alia, at least 25% of the issuer’s total number of issued shares must at all times be held by the public
“Qualifying Shareholder(s)”	Shareholder(s), other than the Non-Qualifying Shareholders, whose name(s) appear(s) on the register of members of the Company on the Record Date
“Record Date”	Friday, 05 January 2024 or such other date as may be determined by the Company for the determination of the entitlements under the Rights Issue
“Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, being Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong

“Rights Issue”	the proposed issue of the Rights Shares on the basis of one (1) Rights Share for every two (2) existing Shares held on the Record Date at the Subscription Price
“Rights Share(s)”	up to 1,142,127,384 Rights Shares (assuming no further issue of new Share(s) and no repurchase of Share(s) on or before the Record Date)
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Cap 571 of the laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.04 each in the share capital of the Company
“Shareholder(s)”	holder(s) of issued Share(s)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.04 per Rights Share
“substantial shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Unsubscribed Rights Share(s)”	any of the Rights Shares which have not been subscribed by the Qualifying Shareholders or transferees of nil-paid Rights Shares by the Latest Time for Acceptance
“%”	per cent.

By order of the Board
Imperium Financial Group Limited
Cheng Ting Kong
Chairman

Hong Kong, 8 December 2023

As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Cheng Ting Kong, Ms. Cheng Mei Ching and Mr. Chim Tak Lai and three independent nonexecutive Directors, namely, Mr. Chan Tin Lup, Trevor, Mr. Tou Kin Chuen and Mr. Hong Haiji.

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 issuer. 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 document misleading.

This announcement will remain on the Stock Exchange website at <http://www.hkexnews.hk> "Latest Listed Company Information" for at least 7 days from the date of posting and on the designated website of the Company at www.8029.hk.