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**JIMU GROUP LIMITED**  
**積木集團有限公司**

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

**(Stock Code: 8187)**

## **SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE PLACING OF NEW SHARES UNDER GENERAL MANDATE**

Reference is made to the announcement of Jimu Group Limited (the “**Company**”) dated 8 March 2024 (the “**Announcement**”) in relation to the placing of up to 21,669,120 Placing Shares under the General Mandate. Unless otherwise defined, capitalised terms used herein have the same meanings as defined in the Announcement.

### **AMENDMENTS TO THE PLACING AGREEMENT**

On 12 March 2024 (after trading hours), the Company and the Placing Agent entered into a supplemental agreement to the Placing Agreement (the “**Supplemental Agreement**”), pursuant to which the following amendments have been made to the Placing Agreement:

#### **1. Change of the number of Placing Shares**

Pursuant to the Supplemental Agreement, the maximum number of new Shares to be placed under to the Placing Agreement has been increased from 21,669,120 Shares to 43,338,240 Shares (the “**Revised Placing Shares**”).

Assuming there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Placing, the maximum number of Revised Placing Shares under the Placing represent (i) 40% of the existing issued share capital of the Company of 108,345,600 Shares as at the date of this announcement; and (ii) approximately 28.57% of the issued share capital of the Company as enlarged by the allotment and issue of the Revised Placing Shares. The aggregate nominal value of the maximum number of Revised Placing Shares under the Placing will be HK\$8,667,648.

## 2. **Placing under specific mandate**

As the number of Revised Placing Shares have exceeded the maximum number of Shares that can be issued under the General Mandate, the Revised Placing Shares will no longer be allotted and issued pursuant to the General Mandate, but instead will be allotted and issued pursuant to the specific mandate to be sought, approved and granted by the Shareholders at the EGM (as defined below) to allot and issue a maximum of 43,338,240 new Shares (the “**Specific Mandate**”) (collectively, the “**Specific Mandate Placing**”).

Accordingly, an extraordinary general meeting of the Company (the “**EGM**”) will be convened and held to consider and approve, among others, the Placing Agreement (as amended and supplemented by the Supplemental Agreement) and the transactions contemplated thereunder including the grant of the Specific Mandate for the allotment and issue of the Revised Placing Shares.

## 3. **Change of the Placing Price**

Pursuant to the Supplemental Agreement, the Placing Price has also been increased from HK\$0.201 to HK\$0.31 per Revised Placing Share (the “**Revised Placing Price**”).

The Revised Placing Price of HK\$0.31 represents:

- (a) a discount of approximately 41.51% to the closing price of HK\$0.530 per Share as quoted on the Stock Exchange on the date of the Supplemental Agreement;
- (b) a premium of approximately 22.34% to the average closing price of HK\$0.2534 per Share as quoted on the Stock Exchange in the last five (5) consecutive trading days immediately prior to the date of the Supplemental Agreement; and
- (c) a theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) of approximately 11.86%, represented by the theoretical diluted price of approximately HK\$0.4643 per Share to the benchmarked price of approximately HK\$0.530 per Share (as defined under 10.44A of the GEM Listing Rules, taking into account the higher of (i) the closing price on the date of the Supplemental Agreement of HK\$0.530 per Share and (ii) the average of the closing prices of approximately HK\$0.2534 per Shares as quoted on the Stock Exchange for the five previous consecutive trading days prior to the date of the Supplemental Agreement).

In view of the above, and given that the rights issue completed by the Company on 30 August 2023 (the “**Rights Issue**”) was conducted at a premium, i.e. there was no value dilution, and that save as to the Rights Issue, the Company had not conducted any fund raising activities involving the issue of its equity securities in the twelve (12) months

immediately preceding the date of the Supplemental Agreement, the Specific Mandate Placing does not result in a theoretical dilution effect of 25% or more on its own or when aggregated with the Rights Issue. Accordingly, the theoretical dilution impact of the Specific Mandate Placing is in compliance with Rule 10.44A of the GEM Listing Rules.

The Revised Placing Price was determined with reference to the prevailing market prices of the Shares and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the Revised Placing Price are fair and reasonable based on the current market conditions, and are in the interests of the Company and the Shareholders as a whole.

#### **4. Change of placing commission**

Pursuant to the Supplemental Agreement, the placing commission to be charged by the Placing Agent will also be revised from HK\$120,000 to HK\$200,000 (the "**Revised Placing Commission**").

The Revised Placing Commission was negotiated on arm's length basis between the Company and the Placing Agent under normal commercial terms and with reference to the prevailing market conditions, and the Directors are of the view that the placing commission is fair and reasonable.

#### **5. Change of conditions of the Placing and the latest time of fulfilment of the conditions**

As a result of the aforesaid amendments under the Placing Agreement, the conditions of the Placing have been amended to the effect that completion of the Placing is now conditional upon fulfilment of the following conditions:

- (i) the GEM Listing Committee of the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Revised Placing Shares;
- (ii) the passing of necessary resolution(s) by the shareholders of the Company who are allowed to vote under the GEM Listing Rules of the relevant resolution(s) to approve the Placing Agreement and the transactions contemplated hereunder, including the grant of the Specific Mandate at the EGM; and
- (iii) 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 hereunder having been obtained.

The latest time of fulfilment of the above conditions has also been amended from on or before 28 March 2024 to on or before 28 June 2024 (or such later date as may be agreed between the parties to the Placing Agreement (as amended and supplemented by the Supplemental Agreement) in writing).

Save and except for the aforesaid changes, all the terms and conditions of the Placing Agreement (as amended and supplemented by the Supplemental Agreement) remain unchanged and continue in full force and effect.

### **Ranking of Revised Placing Shares**

The Revised Placing Shares, when issued and fully paid, shall rank *pari passu* in all respects with the existing Shares in issue on the date of allotment and issue of the Revised Placing Shares.

### **Application for listing of Revised Placing Shares**

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

### **Use of proceeds**

Subject to completion of the Placing and assuming all the 43,338,240 Revised Placing Shares are fully placed, it is expected that the updated maximum gross proceeds and net proceeds (after deduction of placing commission and other expenses of the Placing) from the Placing will be approximately HK\$13.4 million and HK\$12.9 million respectively. On such basis, the net issue price will be approximately HK\$0.298 per Revised Placing Share. The Company intends to apply the net proceeds from the Placing for the purposes of replenishing the general working capital and investment opportunities, if any.

### **EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY**

As at the date of this announcement, according to the register kept by the Company pursuant to section 336 of SFO, and so far as is known to the Directors or chief executive of the Company, no person (other than a Director or a chief executive of the Company) had, or was deemed or taken to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

Assuming there being no other changes in the share capital of the Company from the date of this announcement and up to completion of the Placing, set out below is the shareholding structure of the Company (i) as at the date of this announcement and (ii) immediately after completion of the Placing.

	<b>As at the date of this announcement</b>		<b>Immediately after completion of the Placing (assuming all the Revised Placing Shares are fully placed)</b>	
	<i>Number of Shares</i>	<i>Approx. %</i>	<i>Number of Shares</i>	<i>Approx. %</i>
Mr. Shum Tsz Yeung	6,750	0.01%	6,750	0.01%
<b>Public Shareholders</b>				
The Placees	–	–	43,338,240	28.57%
Other Public Shareholders	<u>108,338,850</u>	<u>99.99%</u>	<u>108,338,850</u>	<u>71.42%</u>
<b>Total</b>	<u><u>108,345,600</u></u>	<u><u>100.00%</u></u>	<u><u>151,683,840</u></u>	<u><u>100.00%</u></u>

## **EGM**

The EGM will be held and convened for the purpose of considering and, if thought fit, approving the Placing Agreement (as amended and supplemented by the Supplemental Agreement) and the transactions contemplated thereunder, including the grant of the Specific Mandate for the allotment and issue of the Revised Placing Shares.

## **GENERAL**

The Revised Placing Shares will be allotted and issued under the Specific Mandate and the Placing will be subject to the Shareholders' approval at the EGM.

A circular containing, among other things, (i) further details of the Placing; and (ii) a notice convening the EGM will be despatched to the Shareholders as soon as practicable in accordance with the GEM Listing Rules.

**Shareholders and potential investors of the Company should note that the completion of the Placing is subject to the fulfillment of the conditions as set out in the Placing Agreement (as amended and supplemented by the Supplemental Agreement), the Placing may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

By order of the Board  
**Jimu Group Limited**  
**Tsang Hing Bun**  
*Executive Director*

Hong Kong, 12 March 2024

*As at the date of this announcement, the executive Director of the Company is Mr. Tsang Hing Bun; the non-executive Director of the Company is Mr. Shum Tsz Yeung; and the independent non-executive Directors of the Company are Mr. Hung Wai Che, Mr. Choi Ho Yan and Mr. Yiu Yu Hong John.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

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