

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement appears for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.



S U N N Y S I D E U P
光 尚 文 化

Sunny Side Up Culture Holdings Limited
光尚文化控股有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(Stock Code: 8082)

ISSUE OF NEW SHARES UNDER GENERAL MANDATE

THE SUBSCRIPTION

On 22 April 2024 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, a total of 419,000,000 Shares at the Subscription Price of HK\$0.036 per Subscription Share. The Subscription Shares will be allotted and issued pursuant to the General Mandate.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the Completion, the Subscription Shares represent (i) approximately 19.99% of the existing entire issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.66% of the entire issued share capital of the Company as enlarged by the issue of the Subscription Shares. The Subscription Price represents (i) a discount of approximately 18.18% to the closing price of HK\$0.044 per Share as quoted on the Stock Exchange on 22 April 2024, being the date of the Subscription Agreement; and (ii) a discount of approximately 7.69% to the average closing price of HK\$0.039 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Subscription Agreement.

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares on the Stock Exchange.

The gross proceeds and net proceeds from the Subscription will be approximately HK\$15.08 million and HK\$14.96 million respectively, and are intended to be used for the development of the media and entertainment business of the Group, including the organisation of concerts.

Completion is subject to fulfillment of the conditions precedent under the Subscription Agreement as set out in this announcement. Accordingly, the Subscription may or may not proceed. Holders of securities of the Company and potential investors are reminded to exercise caution when dealing in the securities of the Company. If they are in any doubt, they should consult their professional advisers.

INTRODUCTION

On 22 April 2024 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, a total of 419,000,000 Shares at the Subscription Price of HK\$0.036 per Subscription Share. The Subscription Shares will be allotted and issued pursuant to the General Mandate.

SUBSCRIPTION AGREEMENT

The principal terms of the Subscription Agreement are set out below.

Date: 22 April 2024

Parties: (i) the Company, as the issuer; and
(ii) Great Expect Development Limited, as the Subscriber

Number of Subscription Shares: 419,000,000

Subscription Price: HK\$0.036 per Subscription Share

The Subscriber

The Subscriber is a company incorporated in Hong Kong with limited liability and is principally engaged in investment holding. As at the date of this announcement, the Subscriber is beneficially owned as to 25%, 33%, 35% and 7% by each of Ho Yee Shan, Yan Wai Ping, Chan Shu Sun and Xiong Deqiong, respectively, who are PRC citizens. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Subscriber and its ultimate beneficial owners is an Independent Third Party.

Subscription Shares

Pursuant to the terms of the Subscription Agreement, the Subscriber has conditionally agreed to subscribe for, and the Company has agreed to allot and issue 419,000,000 Subscription Shares at HK\$0.036 per Subscription Share, representing:

- (i) approximately 19.99% of the existing entire issued share capital of the Company as at the date of this announcement; and
- (ii) approximately 16.66% of the entire issued share capital of the Company as enlarged by the issue of the Subscription Shares.

Upon Completion, the Subscriber will become a substantial shareholder (as defined in the GEM Listing Rules) and hence a connected person (as defined in the GEM Listing Rules) of the Company.

Subscription Price

The Subscription Price represents:

- (i) a discount of approximately 18.18% to the closing price of HK\$0.044 per Share as quoted on the Stock Exchange on 22 April 2024, being the date of the Subscription Agreement; and
- (ii) a discount of approximately 7.69% to the average closing price of HK\$0.039 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Subscription Agreement.

The Subscription Price was negotiated on an arm's length basis between the Company and the Subscriber with reference to the current market conditions, prevailing market price and recent trading volume of the Shares.

The gross proceeds from the Subscription will be approximately HK\$15.08 million. The net proceeds from the Subscription, after deduction of the relevant expenses, will amount to approximately HK\$14.96 million, representing a net subscription price of approximately HK\$0.036 per Subscription Share.

Ranking of Subscription Shares

The Subscription Shares will, when fully paid, rank pari passu in all respects among themselves and with the Shares in issue on the Completion Date.

Conditions precedent

Completion of the Subscription Agreement is conditional upon:

- (i) the Company having obtained the listing approval issued by the Listing Committee of the Stock Exchange in connection with the listing of and permission to deal in the Subscription Shares, and such approval not subsequently being withdrawn or revoked;
- (ii) the Company having obtained all necessary approvals and consents in relation to the Subscription; and
- (iii) the Subscriber having obtained all necessary approvals and consents in relation to the Subscription.

The above conditions are not capable of being waived. If the foregoing conditions are not fulfilled by 13 May 2024, or such other time and date as the Subscriber and the Company may agree in writing, the Subscription Agreement shall terminate and neither the Company nor the Subscriber will have any claim against the other for costs, damages, compensation or otherwise save for any antecedent breaches of the terms thereof.

Completion

Completion shall take place at 4:00 p.m. on the Completion Date.

General Mandate

Pursuant to the General Mandate granted to the Directors at the AGM, the total number of new Shares that the Company is authorised to allot and issue is 419,203,134 Shares, representing approximately 20% of the entire issued share capital of the Company as at the date of the AGM. Since the date of the AGM and up to the date of this announcement, no new Shares has been allotted and issued by the Company under the General Mandate. Accordingly, the General Mandate is sufficient for the allotment and issue of the Subscription Shares, and the issue of the Subscription Shares will not be subject to further approval by the Shareholders.

APPLICATION FOR LISTING

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

The Company is an investment holding company. The Group is principally engaged in the media and entertainment industry, primarily engaged in investment in and production of films and concerts and funeral related businesses.

As set out in the annual results announcement of the Company for the year ended 31 December 2023 (“FY2023”) and the third quarterly report of the Company for the nine months ended 30 September 2023, the outbreak of the COVID-19 pandemic and the delay in reopening the border in FY2023 have severely affected the media and entertainment business of the Group, in view of the need to maintain and enhance its market positioning as a leading concert and live entertainment operator in Hong Kong and Macau, the raising of funds by the issue of the Subscription Shares represents a sound opportunity for the Group to strengthen its capital base and financial position. The Directors consider that the issue of the Subscription Shares is an appropriate means of raising additional capital and is arrived at after arm’s length negotiations between the Company and the Subscriber. The Directors (including the independent non-executive Directors) consider that the terms of the Subscription Agreement and the transactions contemplated thereunder, including the Subscription Price, are on normal commercial terms, fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Subject to the completion of the Subscription, the gross proceeds and net proceeds (after deducting all the relevant costs and expenses) from the issue of the Subscription Shares will be approximately HK\$15.08 million and approximately HK\$14.96 million, respectively. The Company intends to use such net proceeds for the development of the media and entertainment business of the Group, including the organisation of concerts.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The table below set out the shareholding structure of the Company as a result of the completion of the Subscription (assuming there being no other change in the share capital and shareholding structure of the Company (a) as at the date of this announcement; and (b) immediately upon completion of the Subscription:

Shareholders	As at the date of this announcement		Immediately upon completion of the Subscription	
	Number of Shares	Approx. % of shareholding	Number of Shares	Approx. % of shareholding
<i>Substantial shareholders</i>				
Mr. Dong Choi Chi, Alex KONGOR Investment Holding Limited (<i>Note 1</i>)	517,589,426	24.69	517,589,426	20.58
New Brilliant Investments Limited (<i>Note 2</i>) Subscriber	369,374,496	17.62	369,374,496	14.69
	12,920,000	0.62	12,920,000	0.51
	–	–	419,000,000	16.66
<i>Director</i>				
Mr. Chong Cho Lam	3,600,000	0.17	3,600,000	0.14
<i>Public shareholders</i>				
Public Shareholders	1,192,531,749	56.90	1,192,531,749	47.42
Total	2,096,015,671	100	2,515,015,671	100

Notes:

1. KONGOR Investment Holding Limited is incorporated in the British Virgin Islands. It is wholly and beneficially owned by Mr. Chui Bing Sun (“**Mr. Chui**”). Mr. Chui is deemed to be interested in the shares held by KONGOR Investment Holding Limited by virtue of Part XV of the SFO and is considered to be a substantial Shareholder.
2. Mr. Chui Bing Sun is deemed to be interested in 12,920,000 Shares held by New Brilliant Investments Limited (“**New Brilliant**”). New Brilliant is incorporated in the British Virgin Islands. It is wholly and beneficially owned by Mr. Chui personally.
3. Certain percentage figures in the above table are subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

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

Completion is subject to fulfillment of the conditions precedent under the Subscription Agreement as set out in this announcement. Accordingly, the Subscription may or may not proceed. Holders of securities of the Company and potential investors are reminded to exercise caution when dealing in the securities of the Company. If they are in any doubt, they should consult their professional advisers.

DEFINITIONS

Unless the context requires otherwise, capitalised terms used in this announcement shall have the following meaning:

“AGM”	the annual general meeting of the Company held on 23 June 2023 whereby the resolution of the Shareholders was passed granting the General Mandate to the Directors
“Board”	the board of Directors
“Business Day”	any day (excluding Saturday, Sunday, public holiday and any day on which a tropical cyclone warning no.8 or above or a “black” rainstorm warning signal is hoisted or remains hoisted in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not lowered or discontinued at or before 12:00 noon) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Company”	Sunny Side Up Culture Holdings Limited (Stock Code: 8082), a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the Shares of which are listed on GEM
“Completion”	completion of the Subscription in accordance with the terms and conditions of the Subscription Agreement
“Completion Date”	the third Business Day after the date on which all conditions to the Subscription Agreement are fulfilled, or such later date and time as the Company and the Subscriber may agree in writing

“Director(s)”	director(s) of the Company
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“General Mandate”	the general mandate granted to the Directors to allot and issue up to 419,203,134 Shares (representing approximately 20% of the share capital of the Company in issue on the date of the annual general meeting) by the Shareholders at the AGM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third parties independent of the Company and its connected persons in accordance with the GEM Listing Rules
“Macau”	Macau Special Administrative Region of the PRC
“PRC”	The People’s Republic of China, which for the purposes of this announcement, excluding Hong Kong, Macau and Taiwan
“Share(s)”	the ordinary share(s) of HK\$0.025 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Great Expect Development Limited, a company incorporated in Hong Kong with limited liability

“Subscription”	the subscription of the Subscription Shares pursuant to the terms and conditions of the Subscription Agreement
“Subscription Agreement”	the conditional subscription agreement dated 22 April 2024 and entered into between the Company and the Subscriber in relation to the subscription of the Subscription Shares
“Subscription Price”	HK\$0.036 per Subscription Share
“Subscription Share(s)”	419,000,000 Shares to be subscribed by the Subscriber pursuant to the Subscription Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

By order of the Board
Sunny Side Up Culture Holdings Limited
Dong Choi Chi, Alex
Chairman and Executive Director

Hong Kong, 22 April 2024

As at the date of this announcement, the board comprises two executive Directors, namely Mr. Dong Choi Chi, Alex (chairman) and Mr. Chong Cho Lam (chief executive officer), and three independent non-executive Directors, namely Mr. Chan Wai Man, Dr. Ip Wai Hung and Mr. Siu Hi Lam, Alick.

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

This announcement will remain on the “Latest Listed Company Information” page of the Stock Exchange website at www.hkexnews.hk for at least 7 days from the day of its publication and on the website of the Company at www.8082.com.hk.