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Ziyuanyuan Holdings Group Limited

紫元元控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8223)

PROPOSED ISSUE OF CONVERTIBLE BONDS UNDER GENERAL MANDATE

PROPOSED ISSUE OF CONVERTIBLE BONDS UNDER GENERAL MANDATE

On 1 April 2025 (after trading hours), the Company entered into the CB Subscription Agreement with the Subscriber, pursuant to which the Company agreed to issue and the Subscriber agreed to subscribe for the Convertible Bonds in an aggregate principal amount of HK\$10,000,000 at the issue price of 100% of the principal amount of the Convertible Bonds.

Assuming full exercise of the conversion rights attaching to the Convertible Bonds at the initial Conversion Price of HK\$1.51 per Conversion Share, a maximum of 6,622,516 new Shares will be allotted and issued by the Company, representing (i) approximately 1.54% of the total number of issued Shares as at the date of this announcement; and (ii) approximately 1.45% of the total number of issued Shares as enlarged by the issue of 6,622,516 Conversion Shares (assuming there is no other change in the issued share capital of the Company between the date of this announcement and the full conversions of the Convertible Bonds and the issued March 2025 Convertible Bonds).

The net proceeds from the CB Subscription will be approximately HK\$9.5 million. The Company intends to apply the net proceeds for the acquisition and/or development of new projects, repayment of short-term loans and as general working capital of the Group.

GENERAL

The CB Subscription is not subject to the Shareholders' approval as the Conversion Shares falling to be issued upon conversion of the Convertible Bonds will be issued under the General Mandate.

The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares. No application will be made for the listing of the Convertible Bonds on the Stock Exchange or any other stock exchange.

Shareholders and potential investors of the Company should note that the CB Subscription is subject to the fulfilment of the conditions precedent under the CB Subscription Agreement. As the CB Subscription may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

PROPOSED ISSUE OF CONVERTIBLE BONDS UNDER GENERAL MANDATE

On 1 April 2025 (after trading hours), the Company entered into the CB Subscription Agreement with the Subscriber, pursuant to which the Company agreed to issue and the Subscriber agreed to subscribe for the Convertible Bonds in the aggregate principal amount of HK\$10,000,000 at the issue price of 100% of the principal amount of the Convertible Bonds.

Set out below are the principal terms of the CB Subscription Agreement:

Date : 1 April 2025

Parties : (i) the Company; and

(ii) the Subscriber

Conditions of the CB Subscription

The CB Subscription is conditional upon the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Conversion Shares, which cannot be waived by the parties to the CB Subscription Agreement. If the aforementioned condition is not fulfilled before the Long Stop Date, the Subscription Agreement will terminate and cease to have any effect. None of the parties to the Subscription Agreement shall have any claim against or liability or obligation to the other party under the Subscription Agreement save for any rights or obligations which may accrue prior to the date of such termination.

Completion

Completion of the CB Subscription shall take place within three (3) Business Days after the fulfilment of the above condition precedent (or on such later date as the Company and the Subscriber may agree in writing).

Principal terms of the Convertible Bonds

The principal terms of the Convertible Bonds are as follows:

Issuer:	The Company
Issue price:	100% of the principal amount
Principal amount:	HK\$10,000,000
Interest rate:	6% (payable every three (3) months upon date of issue of the Convertible Bonds)
Conversion price:	<p>The initial Conversion Price per Conversion Share shall be HK\$1.51, which represents (i) a premium of approximately 3.4% over the closing price of HK\$1.46 per Share as quoted on the Stock Exchange on the date of signing of the CB Subscription Agreement; and (ii) a premium of approximately 2.0% over the average closing price of HK\$1.48 per Share as quoted on the Stock Exchange for the five trading days immediately prior to the date of signing of the CB Subscription Agreement.</p> <p>The net issue price of the Conversion Shares (after deducting costs expected to be incurred in the issue of the Convertible Bonds) is estimated to be approximately HK\$1.43 per Conversion Share.</p> <p>The Conversion Price was determined based on arm's length negotiations between the parties with reference to the prevailing market prices of the Shares on the Stock Exchange, the business performance of the Group, and the future development of the Group. The Directors consider that the Conversion Price is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.</p>
Adjustment events:	The Conversion Price will be adjusted upon the occurrence of the following events:

(i) Consolidation, sub-division or re-classification of the Shares

If and whenever the Shares by reason of any consolidation, sub-division or re-classification become of a different nominal amount, the Conversion Price in force immediately prior thereto shall be adjusted by multiplying it by the following fraction:

$$A / B$$

where:

A = the aggregate nominal amount of the issued Shares immediately before such issue; and

B = the aggregate nominal amount of the Shares issued in such capitalisation.

(ii) Capitalisation of profits or reserves

If and whenever the Company shall issue any Shares credited as fully paid to the Shareholders by way of capitalisation of profits or reserves (including any share premium account and/or capital redemption reserve fund which would not have constituted a capital distribution), the Conversion Price in force immediately prior to such issue shall be adjusted by multiplying it by the following fraction:

$$A / B$$

where:

A = the aggregate nominal amount of the issued Shares immediately before such issue; and

B = the aggregate nominal amount of the Shares issued in such capitalisation.

Such adjustment shall become effective on the date of issue of such Shares or if a record date is fixed therefor, immediately after such record date.

In the case of an issue of Shares by way of a scrip dividend (where the current market price on the date of announcement of the terms of such issue of Shares multiplied by the number of Shares issued exceeds the amount of the relevant cash dividend or the relevant part thereof and which would not have constituted a capital distribution), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue shall be adjusted by multiplying it by the following fraction:

$$(A + B) / (A + C)$$

where:

A = is the aggregate nominal amount of the issued Shares immediately before such issue;

B = is the aggregate nominal amount of Shares issued by way of such scrip dividend multiplied by a fraction of which (i) the numerator is the amount of the whole, or the relevant part, of the relevant cash dividend and (ii) the denominator is such current market price of the Shares issued by way of scrip dividend in respect of each existing Share in lieu of the whole, or the relevant part, of the relevant cash dividend; and

C = is the aggregate nominal amount of Shares issued by way of such scrip dividend; or by making such other adjustment as an expert shall certify to the holder(s) of the Convertible Bonds is fair and reasonable. Such adjustment shall become effective on the date of issue of such Shares or if a record date is fixed therefor, immediately after such record date.

(iii) Capital distribution

If and whenever the Company shall make any capital distribution to the Shareholders, the Conversion Price in force immediately prior to such distribution or grant shall be adjusted by multiplying it by the following fraction:

$$(A - B) / A$$

where:

A = is the current market price of one Share on the date on which the distribution is publicly announced; and

B = is the fair market value on the date of such announcement of the portion of the distribution attributable to one Share.

Such adjustment shall become effective on the date that such distribution is actually made or if a record date is fixed therefor, immediately after such record date.

(iv) *Rights issue of Shares or options over Shares*

If and whenever the Company shall issue Shares by way of rights, or issue or grant by way of rights, options, warrants or other rights to subscribe for, purchase or otherwise acquire any Shares, in each case at less than 95% of the current market price per Share on the date of the announcement of the terms of the issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue or grant by the following fraction:

$$(A + B) / (A + C)$$

where:

A= is the number of Shares in issue immediately before such announcement, or the total number of Shares for the purpose of offer or grant of terms;

B = is the number of Shares which the aggregate amount (if any) payable for the Shares issued by way of rights or for the options or warrants or other rights issued or granted by way of rights and for the total number of Shares comprised therein would subscribe for, purchase or otherwise acquire at such current market price per Share; and

C = is the aggregate number of Shares issued or, as the case may be, comprised in the issue or grant.

Such adjustment shall become effective on the date of issue of such Shares or issue or grant of such options, warrants or other rights (as the case may be) or where a record date is set, the first date on which the Shares are traded ex-rights, ex-options or ex-warrants, as the case may be.

(v) ***Rights issue of other Securities***

If and whenever the Company shall issue any securities (other than Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares) by way of rights, or issue or grant by way of rights, options, warrants or other rights to subscribe for, purchase or otherwise acquire any securities (other than Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares) in each case the consideration per Share is at less than 95% of the current market price per Share on the date of the announcement of the terms of the issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue or grant by the following fraction:

$$(A - B) / A$$

where:

A = is the current market price of one Share on the date on which such issue or grant is publicly announced; and

B = is the fair market value on the date of such announcement of the portion of the rights attributable to one Share.

Such adjustment shall become effective on the date of issue of the securities or the issue or grant of such rights, options or warrants (as the case may be) or where a record date is set, the first date on which the Shares are traded ex-rights, ex-options or ex-warrants, as the case may be.

(vi) ***Issues at less than current market price***

If and whenever the Company shall issue any Shares or issue or grant options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares in each case at a price per Share which is less than 95% of the current market price on the date of announcement of the terms of such issue, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$(A + B) / C$$

where:

A = is the number of Shares in issue immediately before the issue of such additional Shares or the grant of such options, warrants or other rights to subscribe for, purchase or otherwise acquire any Shares;

B = is the number of Shares which the aggregate consideration (if any) receivable for the issue of such additional Shares would purchase at such current market price per Share; and

C = is the number of Shares in issue immediately after the issue of such additional Shares.

References to additional Shares in the above formula shall, in the case of an issue by the Company of options, warrants or other rights to subscribe or purchase Shares, mean such Shares to be issued assuming that such options, warrants or other rights are exercised in full at the initial exercise price on the date of issue or grant of such options, warrants or other rights.

Such adjustment shall become effective on the date of issue of such additional Shares or, as the case may be, the issue or grant of such options, warrants or other rights.

(vii) Other Issues at less than current market price

If and whenever the Company or any of its Subsidiaries or any person or entity shall issue any securities which by their terms of issue carry rights of conversion into, or exchange or subscription for, Shares to be issued by the Company upon conversion, exchange or subscription at a consideration per Share which is less than 95% of the current market price on the date of announcement of the terms of issue of such securities, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$(A + B) / (A + C)$$

where:

A = is the number of Shares in issue immediately before such issue;

B = is the number of Shares which the aggregate consideration receivable by the Company for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to such securities would purchase at such current market price per Share; and

C = is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the initial conversion, exchange or subscription price or rate.

Such adjustment shall become effective on the date of issue of such securities.

(viii) Modification of rights of conversion etc.

If and whenever there shall be any modification of the rights of conversion, exchange or subscription attaching to any such securities as are mentioned in condition (vii) above so that the consideration per Share (for the number of Shares available on conversion, exchange or subscription following the modification) is reduced and is less than 95% of the current market price on the date of announcement of the proposals for such modification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such modification by the following fraction:

$$(A + B) / (A + C)$$

where:

A = is the number of Shares in issue immediately before such issue;

B = is the number of Shares which the aggregate consideration receivable by the Company for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to the securities so modified would purchase at such current market price per Share (or, if lower, the existing conversion, exchange or subscription price of such securities); and

C = is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the modified conversion, exchange or subscription price or rate but giving credit in such manner as an expert considers appropriate (if at all) for any previous adjustment under this condition or condition (vii).

Such adjustment shall become effective on the date of modification of the rights of conversion, exchange or subscription attaching to such securities.

(ix) Other offers to Shareholders

If and whenever the Company or any of its Subsidiaries or any other person or entity issues, sells or distributes any securities in connection with an offer pursuant to which the Shareholders generally are entitled to participate in arrangements whereby such securities may be acquired by them (except where the Conversion Price falls to be adjusted under conditions (ii), (iii), (iv), (v), (vi) or (vii), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$(A - B) / A$$

where:

A = is the current market price of one Share on the date on which such issue is publicly announced; and

B = is the fair market value on the date of such announcement of the portion of the rights attributable to one Share.

Such adjustment shall become effective on the date of issue, sale or delivery of the securities.

The Company will adopt the following procedures to keep track of the number of Conversion Shares issued and issuable in the event of price adjustment:

- (1) maintaining a log (the “**Log**”) recording the number of Conversion Shares issued and issuable under the terms of the Convertible Bonds and the amount of the unused limit on the allotment and issue of Conversion Shares under the General Mandate; and
- (2) updating the Log on a timely basis whenever any event(s) of adjustment(s) to the Conversion Price arise(s), when the holder(s) of the Convertible Bonds exercise(s) the conversion rights attaching to the Convertible Bonds or in the event of any alteration to the unused limit on the allotment and issue of Conversion Shares under the General Mandate.

The Company will also check the Log on a regular basis to ascertain the maximum number of Conversion Shares issuable within the limit of the General Mandate. No Conversion Shares will be allotted and issued pursuant to an exercise of the conversion rights which would be in excess of the limit on the allotment and issue of Conversion Shares in the General Mandate.

Conversion Shares:	Based on the principal amount of the Convertible Bonds of up to HK\$10,000,000, the Convertible Bonds are convertible into 6,622,516 Conversion Shares at the initial Conversion Price of HK\$1.51 per Conversion Share (subject to adjustments).
Conversion period:	The conversion period of the Convertible Bonds shall be the period commencing from the issue date of the Convertible Bonds up to seven (7) days prior to the Maturity Date (the “ Conversion Period ”).
Conversion rights and restrictions:	The holder(s) of the Convertible Bonds shall, subject to compliance with the procedures set out in the terms and conditions thereunder, have the right to convert the whole or part of the outstanding principal amount of the Convertible Bonds registered in its name into the Conversion Shares at any time during the Conversion Period provided that the exercise of the conversion rights attached to the Convertible Bonds will not cause the Company to be unable to meet the public float requirement under the GEM Listing Rules.
Early redemption:	The Company and any holder(s) of the Convertible Bonds can, at any time and in writing as mutually agreed between the parties, redeem all or part of the Convertible Bonds prior to the Maturity Date.
Ranking:	The Conversion Shares, when allotted and issued, shall rank <i>pari passu</i> in all respects with the Shares in issue on the relevant conversion date including the right to all dividends or other distributions, paid or made on or after the relevant conversion date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date thereof shall be on or before the relevant conversion date.
Maturity date:	The date falling on the 18 th month of the issue date of the Convertible Bonds and if that is not a Business Day, the first Business Day thereafter.
Voting rights:	The holder(s) of the Convertible Bonds shall not have any right to receive any notice of general meeting, attend or vote in any general meeting of the Company.
Listing:	No application will be made by the Company for the listing of the Convertible Bonds on the Stock Exchange. Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.
Transferability:	Subject to compliance with the GEM Listing Rules, the Convertible Bonds may be transferred or assigned in whole or in part in integral multiples of HK\$500,000 by the holder(s) of the Convertible Bonds to any party, save and except that the Convertible Bonds shall not be transferred to a connected person of the Company unless with the prior written consent of the Company.

Security: The obligations of the Company under the Convertible Bonds are unsecured.

Assuming full exercise of the conversion rights attaching to the Convertible Bonds at the initial Conversion Price of HK1.51 per Conversion Share, 6,622,516 new Shares will be allotted and issued by the Company, representing (i) approximately 1.54% of the total number of issued Shares as at the date of this announcement; and (ii) approximately 1.45% of the total number of issued Shares as enlarged by the issue of 6,622,516 Conversion Shares (assuming there is no other change in the total number of issued Shares of the Company between the date of this announcement and the full conversions of the Convertible Bonds and the March 2025 Convertible Bonds).

The aggregate nominal value of the Conversion Shares is approximately HK\$662,251.6.

Information of the Subscriber

The Subscriber is Dansey P2 Limited, a company incorporated in the British Virgin Islands, which is wholly-owned by Dansey Total Return Fund G.P. as general partner for and on behalf of Dansey Total Return Fund L.P.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Subscriber and its ultimate beneficial owner(s) are Independent Third Parties.

EQUITY FUND RAISING DURING THE PAST TWELVE MONTHS

During the past twelve months immediately preceding the date of this announcement, the Company has conducted the following equity fund raising activities:

The March 2025 Convertible Bonds

Date of Announcements: 14 February 2025, 24 February 2025, 7 March 2025 and 26 March 2025

Fund-raising activity: Placing of Convertible Bonds under General Mandate

Net proceeds: HK\$31.1 million

Intended use of proceeds
(Note):

- (i) approximately HK\$22.1 million, representing approximately 71% of the net proceeds was allocated for acquisition and/or development of new projects in trading of medical equipment and consumable businesses, as well as supporting the Company's existing businesses.
- (ii) approximately HK\$6.0 million, representing approximately 19% of the net proceeds was allocated for repayment of short-term loans.
- (iii) approximately HK\$3.0 million, representing approximately 10% of the net proceeds was allocated for general working capital of the Group.

Actual use of proceeds as at the date of this announcement: To be utilised as intended

Note: Reference is made to the announcements in relation to the March 2025 Convertible Bonds. The net proceeds from the issue of the Convertible Bonds in the principal amount of HK\$20,000,000 which has been placed but not completed as at the date of this announcement have not been taken into account.

GENERAL MANDATE TO ISSUE AND ALLOT THE CONVERSION SHARES

At the annual general meeting of the Company held on 31 May 2024, a resolution of the Shareholders was passed to grant to the Directors the General Mandate. Pursuant to the General Mandate, the Company was authorized to issue and allot up to 86,000,000 Shares, representing 20% of the number of Shares in issue on the date of passing such resolution.

As at the date of this announcement, the unused General Mandate is sufficient to cover all the Conversion Shares and the March 2025 Conversion Shares. Accordingly, the CB Subscription Agreement and the transactions contemplated therein including the issue and allotment of Conversion Shares under the General Mandate are not subject to Shareholders' approval.

REASONS FOR THE PROPOSED ISSUE OF CONVERTIBLE BONDS AND USE OF PROCEEDS

The Company is an investment holding company incorporated in the Cayman Islands with limited liability. The Group is principally engaged in the provision of medical equipment finance leasing services, maternal and child postpartum care industry services and trading of medical equipment and consumables business in the PRC.

The gross proceeds from the issue of the Convertible Bonds will be HK\$10.0 million and the net proceeds from the issue of the Convertible Bonds (after deducting relevant expenses) will be approximately HK\$9.5 million.

The breakdown of the allocation of net proceeds and details of the new projects as follows:

- Approximately HK\$4.5 million, representing approximately 47% of the net proceeds from the subscription of the Convertible Bonds will be allocated for acquisition and/or development of new projects in trading of medical equipment and consumable businesses, as well as supporting the Company's existing businesses.
- Approximately HK\$2.0 million, representing approximately 21% of the net proceeds from the subscription of the Convertible Bonds will be allocated for repayment of short-term loans.
- Approximately HK\$3.0 million, representing approximately 32% of the net proceeds from the subscription of the Convertible Bonds will be allocated for general working capital of the Group.

The Board is of the view that the CB Subscription represents an opportunity to raise additional capital for the Group and to broaden capital base of the Company as well as enhance the liquidity of the Company. Furthermore, the Company will be released from the repayment obligation at maturity if the Convertible Bonds are fully converted into Convertible Shares on or prior to the Maturity Date.

Having considered the benefits to the issue of the Convertible Bonds, the Directors consider that the terms and conditions of the CB Subscription Agreement and the issue of the Convertible Bonds are fair and reasonable and are on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

For illustrative purposes only, the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon full conversion of the Convertible Bonds at the initial Conversion Price (assuming that there are no other changes to the shareholding structure of the Company from the date of this announcement up to the full conversion of the Convertible Bonds) is as follows:

	(i) As at the date of this announcement		(ii) Immediately upon full conversion of the Convertible Bond	
	No. of shares	Approximate %	No. of shares	Approximate %
Substantial Shareholder(s)				
Hero Global Limited (“ Hero Global ”) (Note 1)	219,801,980	51.12	219,801,980	48.01
Icon Global Holding Limited (“ Icon Global ”) (Note 2)	80,198,020	18.65	80,198,020	17.52
Director(s)				
Tian Zhiwei (Note 3)	15,000,000	3.49	15,000,000	3.28
Public Shareholders				
Subscriber	–	–	6,622,516	1.45
Holder of the issued March 2025 Convertible Bonds (Note 4)	–	–	21,192,052	4.63
Other public shareholders	115,000,000	26.74	115,000,000	25.11
Total	<u>430,000,000</u>	<u>100.00</u>	<u>457,814,568</u>	<u>100.00</u>

Note(s):

1. The entire issued share capital of Hero Global is beneficially owned by Mr. Zhang Junshen (“**Mr. JS Zhang**”), being an executive Director. Mr. JS Zhang is deemed to be interested in 219,801,980 Shares held by Hero Global by virtue of the SFO.
2. The entire issued share capital of Icon Global is beneficially owned by Mr. Zhang Junwei (“**Mr. JW Zhang**”), brother of Mr. JS Zhang. Mr. JW Zhang is deemed to be interested in 80,198,020 Shares held by Icon Global by virtue of the SFO.
3. Mr. Tian Zhiwei is the executive Director of the Company.
4. The March 2025 Convertible Shares from the March 2025 Convertible Bonds in the principal amount of HK\$20,000,000 which has been placed but not completed as at the date of this announcement have not been taken into account.

Shareholders and potential investors of the Company should note that the CB Subscription is subject to the fulfilment of the conditions precedent under the CB Subscription Agreement. As the CB Subscription may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“Board”	the board of Directors
“Business Day(s)”	any day (excluding a Saturday, Sunday and public holiday) on which banks in Hong Kong are generally open for business throughout their normal business hours
“CB Subscription”	the subscription of the Convertible Bonds pursuant to the terms and conditions of the CB Subscription Agreement
“CB Subscription Agreement”	the conditional subscription agreement dated 1 April 2025 and entered into between the Company as issuer and the Subscriber as subscriber in relation to the CB Subscription
“Company”	means Ziyuanyuan Holdings Group Limited (紫元元控股集團有限公司), an exempted company with limited liability incorporated in the Cayman Islands and whose Shares are listed on the Stock Exchange (stock code: 8223)
“Completion”	completion of the CB Subscription
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Conversion Price”	the conversion price per Conversion Share (subject to adjustments) of the Convertible Bonds and being HK\$1.51 per Conversion Share initially
“Conversion Share(s)”	the Shares to be issued and allotted upon conversion of the Convertible Bonds
“Convertible Bonds”	the 18-month 6% convertible bonds to be issued by the Company in an aggregate principal amount of HK\$10,000,000 to be placed pursuant to the terms of the CB Subscription Agreement and to be created by the Convertible Bonds instrument or, as the context may require, any part of the principal amount, which may be transferred or assigned to any third party
“Director(s)”	director(s) of the Company

“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“General Mandate”	the general mandate which was granted to the Directors pursuant to an ordinary resolution passed at the Company’s annual general meeting on 31 May 2024 to issue and allot up to 20% of the then issued share capital (being 430,000,000 Shares)
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Party(ies)”	means party(ies) who is (are) not connected person(s) of the Company and its subsidiaries and is (are) third party(ies) independent of the Company and its connected persons
“Long Stop Date”	30 April 2025
“March 2025 Convertible Bonds”	the 18-month 6% convertible bonds issued in an aggregate principal amount of HK\$32,000,000 and may be issued by the Company in a principal amount of HK\$20,000,000, as announced by the Company in its announcements dated 14 February 2025, 24 February 2025, 7 March 2025 and 26 March 2025
“March 2025 Convertible Shares”	the Shares to be issued and allotted upon conversion of the March 2025 Convertible Bonds
“Maturity Date”	the date falling on the 18 th month of the issue date of the Convertible Bonds and if that is not a Business Day, the first Business Day thereafter, being the maturity date of the Convertible Bond
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Dansey P2 Limited
“substantial shareholder”	has the meaning ascribed to it under the GEM Listing Rules
“%”	per cent.

By order of the Board
Ziyuanyuan Holdings Group Limited
Zhang Junshen
Chairman and Chief Executive Officer

Hong Kong, 1 April 2025

As at the date of this announcement, the executive Directors are Mr. Zhang Junshen (Chairman and Chief Executive Officer) and Mr. Tian Zhiwei, the non-executive Directors are Mr. Lyu Di and Ms. Li Xinpei, the independent non-executive Directors are Mr. Chan Chi Fung Leo, Mr. Chow Siu Hang and Dr. Deng Bin.

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 on the HKEXnews website at www.hkexnews.hk for at least 7 days from the date of its posting and on the website of the Company at www.ziyygroup.com.