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## **Fullshare Holdings Limited**

### **豐盛控股有限公司**

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

**(Stock Code: 00607)**

## **SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE**

On 29 July 2022 (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 1,970,000,000 Subscription Shares at a price of HK\$0.11 per Subscription Share.

The Subscription Shares represent approximately 8.69% of the existing issued share capital of the Company as at the date of this announcement and approximately 7.41% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares and the Subscription Shares, subject to the completion of the Placing and the Completion and assuming that other than the allotment and issue of the Placing Shares and the Subscription Shares, there will be no change in the issued share capital of the Company between the date of this announcement and the Completion Date.

The gross proceeds raised from the Subscription will be HK\$216,700,000, and the net proceeds, after deduction of all relevant expenses, will be approximately HK\$216,524,000, which are intended to be fully used for the repayment of Group's loans and amounts payable.

**As completion of the Subscription is subject to the fulfilment of the Conditions Precedent set out in the Subscription Agreement, the Subscription may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

## **THE SUBSCRIPTION**

The Board is pleased to announce that on 29 July 2022 (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 1,970,000,000 Subscription Shares at a price of HK\$0.11 per Subscription Share.

## **PRINCIPAL TERMS OF THE SUBSCRIPTION AGREEMENT**

### **The Subscription Agreement**

Date : 29 July 2022

Parties : (1) the Company as issuer, and  
(2) the Subscriber as the subscriber

### **Subject matter**

Pursuant to the terms of the Subscription Agreement, the Subscriber will subscribe for 1,970,000,000 Subscription Shares at the Subscription Price.

### **Subscription Shares**

The Subscriber will subscribe for 1,970,000,000 Subscription Shares, representing approximately 8.69% of the existing issued share capital of the Company as at the date of this announcement and approximately 7.41% of the issued share capital of the Company as enlarged by the allotment and issue of all the Subscription Shares (assuming other than the allotment and issue of the Placing Shares and the Subscription Shares there will be no change in the issued share capital of the Company between the date of this announcement and the Completion Date).

The aggregate nominal value of the Subscription Shares is HK\$19,700,000, and the market value of the Subscription Shares is HK\$226,550,000, based on the closing price of HK\$0.115 per Share as quoted on the Stock Exchange on the date of the Subscription Agreement.

### **Subscription Price**

The aggregate Subscription Price of HK\$216,700,000 (being HK\$0.11 per Subscription Share) was arrived at after arm's length negotiation between the Company and the Subscriber with reference to the market condition and the prevailing market price of the Shares.

The Subscription Price represents:

- (1) a discount of approximately 4.35% to the closing price of HK\$0.115 per Share as quoted on the Stock Exchange on 29 July 2022, being the date of the Subscription Agreement; and
- (2) a discount of approximately 8.33% to the average closing prices of HK\$0.12 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Subscription Agreement.

The Directors consider that the terms and conditions of the Subscription Agreement (including the Subscription Price) are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The Subscription Price will be paid in two instalments according to the following schedule:

- (i) the first instalment representing 50% of the Subscription Price (i.e. HK\$108,350,000) will be paid on or before 26 August 2022; and
- (ii) the second instalment representing 50% of the Subscription Price (i.e. HK\$108,350,000) will be paid on or before 26 September 2022.

### **Conditions Precedent to the Subscription**

Completion of the Subscription is conditional upon fulfillment of the following Conditions Precedent:

- (1) listing of and permission to deal in the Subscription Shares being granted by the Listing Committee (and such permission and listing not subsequently being revoked prior to the delivery of definitive share certificate(s) representing the Subscription Shares);
- (2) the Shares remaining listed and traded on the Stock Exchange, and no queries or opposition being received or anticipated to be received from the Stock Exchange on the listing status of the Company;
- (3) the parties to the Subscription Agreement having obtained all necessary consents, approvals and permission (if applicable) from the relevant organizations, regulatory bodies, government authorities (including the Stock Exchange) as may be required to be obtained in respect of the Subscription and the transactions contemplated under the Subscription Agreement;
- (4) the warranties given by the Company under the Subscription Agreement remaining true, accurate, complete and correct in all material respects and not misleading in any respect up to and including the Completion Date; and
- (5) the warranties given by the Subscriber under the Subscription Agreement remaining true, accurate, complete and correct in all material respects and not misleading in any respect up to and including the Completion Date.

Save and except for Condition Precedent (4) which can be waived by the Subscriber and Condition Precedent (5) which can be waived by the Company, no other Conditions Precedent can be waived. If the Conditions Precedent are not fulfilled (or waived, if applicable) on or prior to 14 October 2022 or such later date as may be agreed between the Company and the Subscriber, then (a) where applicable, the Company shall refund to the Subscriber the Subscription Price already paid by the Subscriber under the Subscription Agreement without interest and (b) thereafter the Subscription shall terminate and none of the parties to the Subscription Agreement shall have any claim against the other for costs, damages, compensation or otherwise save for any antecedent breaches.

## **Completion of the Subscription**

Completion of the Subscription will take place after the Subscription Price has been fully paid, on the 3rd Business Day immediately after the date upon which the last of the Conditions Precedent has been satisfied or waived (or such other date as the parties may agree).

## **Ranking of Subscription Shares**

The Subscription Shares, when fully paid and allotted and issued, shall be duly authorised and shall rank *pari passu* in all respects with all other existing Shares outstanding on the Completion Date and be entitled to all dividends and distributions the record date for which falls on a date on or after the date of the issue.

## **Lock-up undertaking**

Pursuant to the Subscription Agreement, the Subscriber undertakes, among other things, that it will not, at any time during the period of six months following the Completion Date, dispose of any of the Subscription Shares without the prior written consent of the Company.

## **General Mandate to issue the Subscription Shares**

As disclosed in the announcement of the Company dated 29 July 2022 in respect of the Placing, the Placing Shares will be allotted and issued pursuant to the General Mandate granted to the Directors by the Shareholders at the AGM. Under the General Mandate, the Directors are authorized to allot, issue or deal with up to 3,941,078,346 new Shares, being 20% of the then issued share capital of the Company as at the date of the AGM.

As at the date of this announcement, after taking into account the 1,970,000,000 Placing Shares to be issued upon completion of the Placing, the remaining number of new Shares that can be allotted and issued under the General Mandate is therefore 1,971,078,346 Shares. Accordingly, the General Mandate is sufficient for the allotment and issue of the Subscription Shares, and thus the Subscription Shares will be allotted and issued under the General Mandate and shall not be subject to any further approval by the Shareholders.

## **Application for listing**

An application will be made to the Listing Committee for the granting of the approval for the listing of, and permission to deal in, the Subscription Shares.

## **INFORMATION OF THE SUBSCRIBER**

The Subscriber is an individual investor. He has extensive experience in investing in real estate and IT sectors. As at the date of this announcement, the Subscriber does not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). It is expected that the Subscriber will not become a substantial shareholder of the Company immediately upon the Completion.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Subscriber is an Independent Third Party.

## FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has conducted the following equity fund raising activity in the past twelve months immediately preceding the date of this announcement:

Date of announcements	Fund raising activity	Net proceeds raised (Approximately)	Intended use of the net proceeds	Actual use of the proceeds
19 May 2022 25 May 2022 9 June 2022 29 June 2022	Placing of 2,955,805,000 ordinary Shares under general mandate granted to the Directors by the Shareholders at annual general meeting of the Company dated 4 June 2021 (the “Placing”)	HK\$294.7 million	HK\$117 million for repayment of the Group’s loans	As at the date of this announcement, the amount was fully utilized as intended use.
			HK\$50.0 million for business related to real estate investment or other similar financial products	As at the date of this announcement, the amount was fully utilised as earnest money on an investment engaged in the e-commerce business ( <i>Note</i> ).
			HK\$127.7 million for working capital and general corporate purpose (including paying expenses for operating and financing activities)	As at the date of this announcement, approximately HK\$81.7 million was utilized as working capital and general corporate purpose; and HK\$20.0 million was utilised as earnest money on an investment engaged in the e-commerce business ( <i>Note</i> ). The remaining approximately HK\$26.0 million will be used according to the intended use.

*Note:* The intended use of proceeds as set out in this summary table have taken into account the change of use of proceeds of the Placing as announced by the Company on 29 June 2022. For details, please refer to the announcement of the Company dated 29 June 2022.

Save as disclosed above, there has not been any equity fund raising activity conducted by the Company in the past twelve months immediately preceding the date of this announcement.

## EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The following table illustrates the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after completion of the Placing but before the Completion; and (iii) immediately after completion of the Placing and the Completion, on the assumption that (a) the Placing Shares are fully placed under the Placing; (b) there will be no other change to the share capital of the Company save for the Placing and the Subscription between the date of this announcement and the Completion; and (c) the Placees do not and will not hold any Shares other than the Placing Shares.

Name of Shareholders	Shareholding as at the date of this announcement		Shareholding immediately after completion of the Placing but before the Completion		Shareholding immediately after completion of the Placing and the Completion	
	<i>Number of Shares</i>	<i>Approximate percentage of shareholding</i>	<i>Number of Shares</i>	<i>Approximate percentage of shareholding</i>	<i>Number of Shares</i>	<i>Approximate percentage of shareholding</i>
Magnolia Wealth ( <i>Note</i> )	7,624,782,954	33.65%	7,624,782,954	30.96%	7,624,782,954	28.66%
Mr. Ji	909,510,000	4.01%	909,510,000	3.69%	909,510,000	3.42%
Placees	–	–	1,970,000,000	8.00%	1,970,000,000	7.41%
Subscriber	–	–	–	–	1,970,000,000	7.41%
Other public Shareholders	14,126,903,777	62.34%	14,126,903,777	57.35%	14,126,903,777	53.10%
<b>Total</b>	<b>22,661,196,731</b>	<b>100%</b>	<b>24,631,196,731</b>	<b>100%</b>	<b>26,601,196,731</b>	<b>100%</b>

*Note:* The entire issued share capital of Magnolia Wealth is beneficially owned by Mr. Ji.

## REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

The Group is principally engaged in (a) property development and investment, (b) tourism, (c) investment and financial services, (d) provision of healthcare and education products and services, and (e) new energy business.

The Directors consider that the Subscription represents a good opportunity to raise additional capital for the Company while broadening the Shareholder base of the Company. Accordingly, the Directors (including the independent non-executive Directors) consider the Subscription Agreement is fair and reasonable and the Subscription is in the interest of the Company and the Shareholders as a whole.

The gross proceeds raised from the Subscription will be HK\$216,700,000, and the net proceeds, after deduction of all relevant expenses, will be approximately HK\$216,524,000. The net Subscription Price per Subscription Share will be approximately HK\$0.11. The Company intends to apply all the net proceeds from the Subscription for the repayment of Group's loans and amounts payable.

## GENERAL

As completion of the Subscription is subject to the fulfilment of the Conditions Precedent as set out in the Subscription Agreement, the Subscription may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

## DEFINITIONS

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

“AGM”	the annual general meeting of the Company held on 30 May 2022
“Board”	the board of Directors of the Company
“Business Day(s)”	a day on which banks are generally open for business in Hong Kong (excluding Saturdays, Sundays, PRC and Hong Kong public holidays and any day on which the typhoon signal No. 8 signal or above or the black rainstorm warning signal is hoisted between 9:00 a.m. and 17:00 p.m. on the relevant day)
“Company”	Fullshare Holdings Limited 豐盛控股有限公司, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 607)
“Completion”	completion of the Subscription pursuant to the Subscription Agreement
“Completion Date”	after the Subscription Price has been fully paid by the Subscriber, the 3rd Business Day immediately after the date upon which the last of the Conditions Precedent has been satisfied or waived (or such other date as the parties may agree)
“Conditions Precedent”	the conditions precedent for the Completion as set out in the Subscription Agreement
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate to allot, issue and deal with up to 3,941,078,346 new Shares granted to the Directors by the Shareholders pursuant to an ordinary resolution passed at the AGM

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Independent Third Party(ies)”	party(ies) who are third parties independent of the Company and its connected persons
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Magnolia Wealth”	Magnolia Wealth International Limited, a company incorporated in the British Virgin Islands, the entire issued share capital of which is beneficially owned by Mr. Ji
“Mr. Ji”	Mr. Ji Changqun (季昌群), the chairman of the Board, chief executive officer and executive Director of the Company
“Placing”	the placing of the Placing Shares on the terms and subject to the conditions set out in the Placing Agreement
“Placing Agreement”	the placing agreement dated 29 July 2022 and entered into by the Company with the placing agent in relation to the Placing
“Placing Shares”	an aggregate of 1,970,000,000 new Shares to be placed pursuant to the Placing Agreement
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Mr. Jiang Xiao Heng Jason (姜孝恒)



“Subscription”	the subscription for the Subscription Shares by the Subscriber pursuant to the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 29 July 2022 entered into between the Company and the Subscriber
“Subscription Price”	the subscription price in respect of the Subscription Shares
“Subscription Shares”	an aggregate of 1,970,000,000 Shares to be subscribed by the Subscriber pursuant to the Subscription Agreement
“substantial shareholder”	has the meaning ascribed thereto under the Listing Rules
“trading day”	a day on which securities are traded or dealt with on the Stock Exchange
“%”	per cent

By order of the Board  
**Fullshare Holdings Limited**  
**Ji Changqun**  
*Chairman*

Hong Kong, 29 July 2022

*As at the date of this announcement, the executive Directors are Mr. Ji Changqun, Ms. Du Wei, Mr. Shen Chen and Mr. Ge Jinzhu; and the independent non-executive Directors are Mr. Lau Chi Keung, Mr. Tsang Sai Chung and Mr. Huang Shun.*