

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 is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.

Yield Go Holdings Ltd.

耀高控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1796)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



THE PLACING

On 22 April 2024 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, up to 24,000,000 Placing Shares at a price of HK\$4.03 per Placing Share to not less than six Placees who and whose ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons.

A maximum of 24,000,000 Placing Shares under the Placing represent (i) 5.0% of the existing shares capital of the Company of 480,000,000 Shares as at the date of this announcement; and (ii) approximately 4.8% of the issued share capital of the Company of 504,000,000 Shares as enlarged by the allotment and issue of the Placing Shares, assuming no further change in the share capital structure of the Company from the date of this announcement and up to the completion of the Placing. The maximum aggregate nominal value of the Placing Shares under the Placing will be HK\$240,000.00.

The maximum gross proceeds and net proceeds from the Placing will be approximately HK\$96.7 million and HK\$94.7 million, respectively, representing a net issue price of approximately HK\$3.946 per Placing Share. The Company intends to apply the net proceeds from the Placing as follows:

- (i) 80% of the net proceeds from the Placing (i.e. approximately HK\$75.8 million) for the existing business of fitting-out services of the Group; and
- (ii) 20% of the net proceeds from the Placing (i.e. approximately HK\$18.9 million) for general working capital of the Group and the MetaSpaceX Web3 business as detailed in the announcement of the Company dated 1 April 2024.

The Placing Shares will be issued under the General Mandate granted to the Directors by a resolution of the Shareholders passed at the AGM.

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

THE PLACING

The principal terms of the Placing Agreement are summarised below:

Date

22 April 2024 (after trading hours)

Parties

Issuer: The Company

Placing Agent: Wealth Link Securities Limited

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of the Placing Agent and its ultimate beneficial owner(s) is a third party independent of and not connected with the Company and its connected persons.

Placees

It is intended that the Placing Shares will be placed to not less than six (6) Placees which will be independent institutional, professional and/or individual investor who and whose ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons.

It is expected that none of the Placees and their respective associates will become a substantial shareholder of the Company as a result of the Placing.

Number of Placing Shares

A maximum of 24,000,000 Placing Shares under the Placing represent (i) 5.0% of the existing shares capital of the Company of 480,000,000 Shares as at the date of this announcement; and (ii) approximately 4.8% of the issued share capital of the Company of 504,000,000 Shares as enlarged by the allotment and issue of the Placing Shares, assuming no further change in the share capital structure of the Company from the date of this announcement and up to the completion of the Placing. The maximum aggregate nominal value of the Placing Shares under the Placing will be HK\$240,000.00.

Lockup Period

The Placing Agent shall procure the Placee(s) to undertake, among other things, that they will not, at any time during the period of 6 months following the Completion Date dispose of any of the Placing Shares without the prior written consent of the Company.

Ranking of Placing Shares

The Placing Shares, when issued and fully paid, will rank pari passu in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Placing Shares.

Placing Commission

Subject to completion of the Placing, the Company shall pay to the Placing Agent a placing commission of 1.5% on the gross proceeds of the Placing Shares which are successfully placed by the Placing Agent.

The placing commission was determined after arm's length negotiations between the Company and the Placing Agent with reference to the prevailing market rate. Having considered the Placing Price, the number of Placing Shares, the terms of the Placing and the current market conditions, the Directors are of the view that the placing commission of 1.5% is fair and reasonable.

Placing Price

The Placing Price of HK\$4.03 per Placing Share represents (i) a discount of approximately 18.91% to the closing price of HK\$4.97 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 19.88% to the average closing price of approximately HK\$5.03 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately prior to the date of the Placing Agreement.

The Directors consider that the Placing Price, which was agreed after arm's length negotiations between the Company and the Placing Agent with reference to recent trading price of the Shares, is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Application for Listing

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

Condition Precedent of the Placing

Completion of the Placing is conditional upon the fulfilment of the following conditions:

- (i) the Listing Committee of the Stock Exchange granting the approval for listing of, and permission to deal in, the Placing Shares; and
- (ii) all necessary consents and approvals to be obtained on the part of the Company in respect of the Placing Agreement and the transactions contemplated thereunder having been obtained.

The Company shall use its best endeavours to procure the fulfilment of the above condition and in the event that any of the above condition are not fulfilled by 21 May 2024 (or such later date as may be agreed between the Company and the Placing Agent in writing), the Placing Agreement shall terminate and all rights, obligations and liabilities of the parties thereunder shall cease and each party shall be released from all obligations pursuant to the Placing Agreement and none of the parties shall have any claim against the others in respect of the Placing save for any antecedent breach of any obligation under the Placing Agreement and for all reasonable costs, charges and expenses already incurred in accordance with the terms of the Placing Agreement.

Completion

Completion shall take place at 4:00 pm on the Completion Date at the principal office of the Company in Hong Kong (or at such other time and/or at such other place to be agreed between the Company and the Placing Agent).

Termination and Force Majeure Events

The Placing Agent may terminate the Placing Agreement without any liability to the Company, by notice in writing given to the Company at any time prior to 9:00 a.m. on the Completion Date upon the occurrence of the following events which, in the reasonable opinion of the Placing Agent, has or may have a material 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 Placing Shares or otherwise makes it inappropriate, inadvisable or inexpedient to proceed with the Placing on the terms and in the manner contemplated in the Placing Agreement if there develops, occurs or comes into force:

- (i) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date hereof) and including an event or change in relation to or a development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, resulting in a change in, or which may result in a change in, political, economic, fiscal, financial, regulatory or stock market conditions and which in the Placing Agent's reasonable opinion would affect the success of the Placing; or
- (ii) the imposition of any moratorium, suspension (for more than 7 trading days) or restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise and which in the Placing Agent's reasonable opinion, would affect the success of the Placing; or
- (iii) any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other jurisdiction relevant to the Group and if in the Placing Agent's reasonable opinion any such new law or change may affect the business or financial prospects of the Group and/or the success of the Placing; or
- (iv) any litigation or claim being instigated against any member of the Group, which has or may have a material effect on the business or financial position of the Group and which in the Placing Agent's reasonable opinion would affect the success of the Placing; or
- (v) breach of any of the representations and warranties set out in the Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date hereof and prior to the Completion Date which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties untrue or incorrect in a material respect or there has been a breach by the Company of any other provision of the Placing Agreement; or
- (vi) there is any material change (whether or not forming part of a series of changes) in market conditions which in the reasonable opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed.

Upon the giving of notice pursuant to the above, all respective obligations of either party under the Placing Agreement shall cease and determine and neither party shall have any claim against the other party in respect of any matter arising out of or in connection with the Placing Agreement except for:

- (i) any antecedent breach of any obligation under the Placing Agreement; and
- (ii) liabilities under the clauses related to representations, warranties and undertaking given by the Company and commission and expenses.

GENERAL MANDATE

The Placing Shares will be issued under the General Mandate granted to the Directors by a resolution of the Shareholders passed at the AGM to allot, issue and otherwise deal with additional Shares not exceeding 20% of the aggregate number of Shares in issue as at the date of the resolution approving the grant of the General Mandate. Under the General Mandate, the Company is authorised to issue up to 96,000,000 Shares. Up to the date of this announcement, no new Shares have been issued under the General Mandate.

As the Placing Shares will be issued under the General Mandate, the Placing is not subject to Shareholders' approval.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Company is incorporated in the Cayman Islands with limited liability and the Shares are listed on the Main Board of the Stock Exchange. The Company acts as an investment holding company and the Group is principally engaged in fitting-out services and supply of fitting-out materials. The fitting-out services include both (i) fitting-out works conducted on new buildings; and (ii) interior renovation works on existing buildings that involve upgrades, makeovers and demolition of existing works.

The maximum gross proceeds and net proceeds from the Placing will be approximately HK\$96.7 million and HK\$94.7 million, respectively, representing a net issue price of approximately HK\$3.946 per Placing Share. The Company intends to apply the net proceeds from the Placing as follows:

- (i) 80% of the net proceeds from the Placing (i.e. approximately HK\$75.8 million) for the existing business of the Group; and
- (ii) 20% of the net proceeds from the Placing (i.e. approximately HK\$18.9 million) for general working capital of the Group and the MetaSpaceX Web3 business as detailed in the announcement of the Company dated 1 April 2024.

Reference is made to the Interim Report, in which it is disclosed that the Group had cash and bank balances of approximately HK\$37.3 million and borrowings of approximately HK\$48.0 million respectively as at 30 September 2023, while recording net cash generated from operating activities of approximately HK\$20.6 million for the six months ended 30 September 2023. The Hong Kong Government has stated in the 2023 Policy Address that it will increase the number of public housing units, enhance land supplies, expedite urban renewal projects, and offer financial assistance to owners of older building units for renovation and safety enhancements in order to create a liveable and vibrant city. The Group intends to participate in more urban renewal projects and a stronger financial position of the Group will increase the chance of the Company being awarded the relevant contracts.

The Directors consider that the Placing represents an opportunity to raise additional funding for the business operations of the Group, strengthen the Group's financial position, and provide working capital to the Group to meet any financial obligations of the Group without any interest burden, within a relatively shorter time frame and at lower costs when compared with other means of fundraising.

The Directors has considered other alternative fund-raising methods such as debt financing, rights issue or open offer. The Directors considered that debt financing may incur additional interest burden on the Group and may be subject to due diligence and negotiations with the financial institutions with reference to the Group's financial position and the then financial market condition. On the other hand, rights issue or open offer may also involve relatively longer time and higher cost to complete as compared to the equity financing through issue of the new Shares under the General Mandate.

In view of the above, the Directors (including the independent non-executive Directors) consider that the terms of the Placing Agreement, which were arrived at after arm's length negotiations between the Company and the Placing Agent, are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

EQUITY FUND RAISING ACTIVITY DURING THE PAST TWELVE MONTHS

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

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The table below illustrates the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after completion of the Placing (assuming the Placing Shares were placed in full and assuming there is no other change in the issued share capital of the Company between the date of this announcement and the date of completion of the Placing):

| | As at the date of this announcement | | Immediately after the completion of the Placing | |
|----------------------------|--|----------------------|--|----------------------|
| | <i>Number of Shares</i> | <i>%</i> | <i>Number of Shares</i> | <i>%</i> |
| Yuan Feng Ventures Limited | 360,000,000 | 75.00 | 360,000,000 | 71.43 |
| Placees | – | – | 24,000,000 | 4.76 |
| Other public Shareholders | <u>120,000,000</u> | <u>25.00</u> | <u>120,000,000</u> | <u>23.81</u> |
| Total | <u>480,000,000</u> | <u>100.00</u> | <u>504,000,000</u> | <u>100.00</u> |

GENERAL

Shareholders and potential investors should note that the completion of the Placing is subject to fulfilment of conditions precedent under the Placing Agreement. As the Placing 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 requires otherwise, the following expressions have the following meanings:

| | |
|-------------|---|
| “AGM” | the annual general meeting of the Company held on 21 August 2023 at which, among others, a resolution for the grant of the General Mandate to the Directors was duly passed by the Shareholders |
| “associate” | has the meaning ascribed to it under the Listing Rules |
| “Board” | the board of Directors |

| | |
|--------------------|---|
| “Business Day” | any day (excluding a Saturday, a Sunday or public holiday or any day on which a tropical cyclone warning signal no.8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business |
| “Company” | Yield Go Holdings Ltd., a company established in the Cayman Islands with limited liability, the issued Shares of which are listed on the Stock Exchange (stock code: 1796) |
| “Completion Date” | the date falling within three Business Day after the date on which all the conditions set out in the Placing Agreement are satisfied or such other date as the Company and the Placing Agent may agree in writing |
| “connected person” | has the meaning ascribed to it under the Listing Rules |
| “Directors” | directors of the Company |
| “General Mandate” | the general mandate granted to the Directors by the Shareholders at the AGM to allot, issue and otherwise deal with up to 96,000,000 Shares, representing 20% of the issued share capital of the Company as at the date of the resolution approving the grant of the general mandate (being 480,000,000 Shares), which has not been used up to the date of this announcement |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Interim Report” | interim report of the Company for the six months ended 30 September 2023 |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Placee(s)” | any institutional, professional and/or individual investors independent of and not connected with the Company and its connected persons whom the Placing Agent or its agent(s) has procured to subscribe for any of the Placing Shares pursuant to the Placing Agreement |

| | |
|---------------------------|---|
| “Placing” | the placing of the Placing Shares on the terms set out in the Placing Agreement |
| “Placing Agent” | Wealth Link Securities Limited, a licensed corporation under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) to conduct type 1 (dealing in securities and type 4 (advising on securities)) regulated activities |
| “Placing Agreement” | the placing agreement entered into between the Company and the Placing Agent dated 22 April 2024 in relation to the Placing |
| “Placing Price” | HK\$4.03 per Placing Share |
| “Placing Shares” | a maximum of 24,000,000 Shares to be placed under the Placing |
| “Shareholders” | holders of the Shares |
| “Shares” | ordinary shares in the Company of HK\$0.01 each |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “substantial shareholder” | has the meaning ascribed to it under the Listing Rules |
| “%” | per cent. |

By order of the Board
Yield Go Holdings Ltd.
Liang Wenzhi
Chairman and executive Director

Hong Kong, 22 April 2024

As at the date of this announcement, the executive Directors are Mr. Zheng Chenhui, Mr. Liang Wenzhi, Mr. Han Dongguang and Mr. Kang Ruipeng; the non-executive Directors are Mr. Chen Yidong and Mr. Zhou Danqing; and the independent non-executive Directors are Mr. He Jianyu, Mr. Zhou Di, Ms. Meng Xiaoying and Mr. Cheng Pak Lam.