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MIKO INTERNATIONAL HOLDINGS LIMITED

米格國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1247)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Sole Placing Agent



On 8 May 2024, after trading hours, the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Placing Agent agreed to place, on a best efforts basis, up to 28,339,200 Placing Shares, at the Placing Price and the Company agreed to allot and issue the Placing Shares at the Placing Price. The Placing Shares will be allotted and issued under 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 of the Placing, the maximum number of Placing Shares represent (i) approximately 17.92% of the issued share capital of the Company as at the date of the Placing Agreement; and (ii) approximately 15.19% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares immediately after the completion of the Placing.

The Placing is conditional upon, among other things, the Stock Exchange granting a listing of and permission to deal in the Placing Shares.

Assuming the maximum number of 28,339,200 Placing Shares have been placed, the net proceeds to be received by the Company from the Placing will amount to approximately HK\$19.3 million. It is expected that the net proceeds will be used for further development of supply chain management business of the Group.

Completion of the Placing is subject to fulfilment of certain conditions and the Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

I. THE PLACING AGREEMENT

Date

8 May 2024 (after trading hours)

Parties

- (i) the Company; and
- (ii) the Placing Agent.

The Placing and Number of Placing Shares

Pursuant to the Placing Agreement, the Placing Agent has agreed to place, either by itself or through its sub-placing agents, on a best efforts basis, up to 28,339,200 new Shares, representing (i) approximately 17.92% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 15.19% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares immediately after the completion of the Placing.

The aggregate nominal value of the maximum number of Placing Shares under the Placing will be HK\$2,833,920.

Placing Price

The Placing Price of HK\$0.70 per Placing Share represents:

- (i) a discount of approximately 14.6% to the closing price of HK\$0.82 per Share as quoted on the Stock Exchange on 8 May 2024, being the date of the Placing Agreement;
- (ii) a discount of approximately 16.1% to the average closing price of the Shares of approximately HK\$0.834 per Share as quoted on the Stock Exchange on 30 April 2024, from 2 May 2024 to 3 May 2024 and from 6 May 2024 to 7 May 2024, all dates inclusive, being the last five trading days immediately prior to the date of this announcement.

The net Placing Price, after deduction of placing commission and all other fees and expenses, is estimated to be approximately HK\$0.68 per Placing Share.

The Placing Price was determined on an arm's length basis between the Company and the Placing Agent and with reference to the prevailing market price of the Shares. The Directors consider that the Placing Price is fair and reasonable based on the current market conditions.

Placing Agent

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are independent of the Company and its connected persons, and are not connected persons (as defined in the Listing Rules) of the Company.

Placing commission

The Placing Agent will receive a placing commission of 2% of the amount equal to the Placing Price multiplied by the number of the Placing Shares which the Placing Agent has procured the Placees to subscribe for the Placing Shares. The placing commission was determined after arm's length negotiations between the Company and the Placing Agent.

The Placees

The Placing Agent has agreed to procure that there will be not less than six Placees (who are independent professional, institutional or other investors). The Placees (and their ultimate beneficial owners) will be independent of the Company and its connected persons (as defined in the Listing Rules). None of the Placing Agent nor the Placees will become a substantial shareholder (as defined in the Listing Rules) of the Company upon completion of the Placing.

Rights and Ranking of the Placing Shares

The Placing Shares will be issued free of any encumbrances and third-party rights and rank, upon allotment and issue of the Placing Shares, *pari passu* in all respect among themselves and with Shares in issue as at the date of this announcement.

Conditions of the Placing

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

- (a) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment and/or despatch of certificates for the Placing Shares) the listing of, and permission to deal in all of the Placing Shares (and such listing and permission not subsequently being revoked);
- (b) all necessary consents and approvals to be obtained on the part of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated hereunder having been obtained; and
- (c) the obligations of the Placing Agent under the Placing Agreement not being terminated in accordance with the terms of the Placing Agreement.

If the above conditions are not satisfied and/or waived (other than the above condition (a) which cannot be waived) in whole or in part by the Placing Agent on or before 28 May 2024 or such later date to be agreed between the Company and the Placing Agent in writing, the Placing will be terminated and the Placing will not proceed and all obligations and liabilities of the parties under the Placing Agreement will forthwith cease and determine and no party will have any claim against the other (save for any antecedent breaches of the Placing Agreement).

Completion

Completion of the Placing shall take place within three Business Day upon the fulfilment of the conditions set out in the paragraph headed “Conditions of the Placing” in this announcement or such later date as the Company and the Placing Agent may agree (the “**Completion Date**”).

Termination

Pursuant to the Placing Agreement, the Placing Agent is entitled to terminate the arrangements set out in the Placing Agreement by notice in writing prior to 10:00 a.m. on the Completion Date, if any of the following occurs:

- (i) there shall have come to the notice of the Placing Agent any material breach of, or any event rendering untrue or incorrect in any material respect; or any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of the date of this announcement, constitute a material omission therefrom; or any of the representations and warranties of the Company contained herein becomes untrue or incorrect in any material respect or any failure by the Company to perform its undertakings in the Placing Agreement; any of the undertakings, warranties and representations set out in the Placing Agreement would not be true in any material respect if given at that time; or any material breach of any of the obligations imposed upon any party to the Placing Agreement (other than the Placing Agent); or any material adverse change in the business or in the financial or trading position of any member of the Group taken as a whole which is material in the context of the Placing;

- (ii) 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), 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 material adverse change in, or which might be expected to result in a material adverse change in, political, economic, fiscal, financial, regulatory or stock market conditions in the PRC (including Hong Kong) and which in the reasonable opinion of the Placing Agent would materially prejudice the success of the Placing or trading of the Shares in the market;
- (iii) the introduction of any new law, rule or regulation or any change in existing laws (including common law), rules or regulations (or the juridical interpretation thereof) or other occurrence of any nature whatsoever which, in the reasonable opinion of the Placing Agent is or may be materially adverse to the business or financial position or prospects of the Company or any other member of the Group taken as a whole or otherwise makes it inexpedient or inadvisable to proceed with the Placing;
- (iv) any event or circumstance (whether or not forming part of a series of events or circumstances occurring or continuing before, on and/or after the date of the Placing Agreement) or material change or deterioration in local, national, international, political, military, financial, economic, market or trading conditions or any other conditions (whether or not ejusdem generis with any of the foregoing) in any part of the world in which the Company or any other member of the Group carries on business which, in the reasonable opinion of the Placing Agent is or may be materially adverse to the business or financial position or prospects of the Company or any other member of the Group taken as a whole or otherwise makes it inexpedient or inadvisable to proceed with the Placing;
- (v) a change or development involving a prospective change of taxation or exchange control (or the implementation of exchange control) in Hong Kong or the PRC or elsewhere which will materially and adversely affect the business or the financial or trading position of the Group as a whole or which would, in the reasonable opinion of the Placing Agent, materially prejudice the success of the Placing; or
- (vi) the instigation of any litigation or claim of material importance by any third party against any member of the Group, which has or may have a material adverse effect on the business or financial prospects of the Group and which in the reasonable opinion of the Placing Agent would materially prejudice the success of the Placing.

The Company may, in its reasonable opinion, after consultation with the Placing Agent, terminate the Placing Agreement by notice in writing to the Placing Agent at any time up to 10:00 a.m. on the Completion Date if there is a breach of the warranties, representations and undertakings given by the Placing Agent in the Placing Agreement and such breach is considered by the Company on reasonable grounds to be material.

Upon termination of the Placing Agreement pursuant to the terms therein, all liabilities of the parties hereto hereunder shall cease and determine and no party hereto shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Placing Agreement save in respect of any antecedent breach of any obligation under the Placing Agreement.

The Directors are not aware of the occurrence of any of such events as at the date of this announcement.

Mandate to issue new Shares

The Placing Shares will be issued under the General Mandate granted to the Directors pursuant to an ordinary resolution passed by the Shareholders at the annual general meeting of the Company held on 16 June 2023, which authorized the Directors to allot and issue up to 28,339,200 Shares (representing 20% of the issued share capital of the Company as at such date). The issue of the Placing Shares will not be subject to the Shareholders' approval.

The General Mandate has not been utilized prior to entering into the Placing Agreement and the Company has not repurchased any Shares in the 30 days immediately preceding the date of the Placing Agreement.

The General Mandate will be utilised as to 100% upon the allotment and issue of the 28,339,200 Placing Shares.

II. EFFECT OF THE PLACING ON SHAREHOLDING STRUCTURE

The shareholding structure of the Company as at the date of this announcement and immediately after the Placing is summarised as follows:

Shareholders	(i) As at the date of this announcement		(ii) Immediately upon Completion of the Placing	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Think Wise Holdings Investment Limited (Note 1)	24,817,669	15.69	24,817,669	13.31
Rightful Style Limited (Note 2)	4,231,200	2.67	4,231,200	2.27
Goldrun Limited (Note 3)	16,480,000	10.42	16,480,000	8.84
Placees	–	–	28,339,200	15.19
Other public Shareholders	<u>112,647,131</u>	<u>71.22</u>	<u>112,647,131</u>	<u>60.40</u>
Total	<u><u>158,176,000</u></u>	<u><u>100</u></u>	<u><u>186,515,200</u></u>	<u><u>100</u></u>

Notes:

1. Think Wise Holdings Investment Limited is wholly-owned and controlled by Mr. Ding Peiji. Accordingly, Mr. Ding Peiji is deemed to be interested in all the Shares in which Think Wise Holdings Investment Limited is interested under the SFO.
2. Rightful Style Limited is wholly-owned and controlled by Mr. Ding Peiyuan. Accordingly, Mr. Ding Peiyuan is deemed to be interested in all the Shares in which Rightful Style Limited is interested under the SFO.
3. Based on the notices of disclosures of interests of Goldrun Limited and Mr. Chen Hsin Fu each filed with the Stock Exchange dated 27 April 2022, these interests are held by Goldrun Limited, which is wholly owned by Mr. Chen Hsin Fu.
4. The aggregate of the percentage figures in the table above may not add up to the relevant sub-total or total percentage figures shown due to rounding of the percentage figures to two decimal places. Percentages may not add up to 100% due to rounding.

III. REASONS FOR THE PLACING AND USE OF PROCEEDS

The principal activities of the Group are wholesaling and retailing of branded children's and other apparel in Mainland China.

Assuming the maximum number of the Placing Shares is placed under the Placing Agreement, the gross proceeds from the Placing will be approximately HK\$19.8 million, and the net proceeds will be approximately HK\$19.3 million (after deduction of commission and other expenses incurred in the Placing). The Company intends to use the net proceeds from the Placing for the further development of supply chain management business of the Group, including (i) approximately HK\$5.0 million of the net proceeds for setting up a technology platform for the clothing industry supply chain; and (ii) approximately HK\$14.3 million of the net proceeds for the general working capital for running supply chain management business.

The Directors have considered various ways of raising funds and consider that the Placing represents an attractive opportunity to raise capital for the Company while broadening the Shareholder base and capital base of the Company. Accordingly, the Directors consider that the Placing Agreement is in the interest of the Company and the Shareholders as a whole, and the terms of the Placing are on normal commercial terms and are fair and reasonable based on the current market conditions.

IV. FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not conducted any equity fund raising activities in the past 12 months from the date of this announcement.

V. APPLICATION FOR LISTING

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

Completion of the Placing is subject to fulfilment of certain conditions and the Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, the following terms shall have the meanings as set out below unless the context otherwise requires:

“Board”	the board of Directors
“Business Day”	a day (other than 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 open for business throughout their normal business hours
“Company”	Miko International Holdings Limited (米格國際控股有限公司), an exempted company incorporated with limited liability under the laws of the Cayman Islands on 15 March 2013 and the shares of which are listed on the main board of the Stock Exchange (Stock Code: 1247)
“Directors”	the directors of the Company
“General Mandate”	the general mandate granted to the Directors by the Shareholders at the annual general meeting of the Company held on 16 June 2023, authorizing the Directors to allot and issue Shares up to 20% of the issued share capital of the Company as at that date
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Committee”	has the meaning ascribed to such term in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Placee(s)”	any professional, institutional or other investor(s) to be procured by the Placing Agent to subscribe for the Placing Shares pursuant to the terms and condition of the Placing Agreement

“Placing”	the placing of the Placing Shares by the Placing Agent pursuant to the Placing Agreement
“Placing Agent”	Spring Securities Limited, a company incorporated in Hong Kong with limited liability and licensed in Hong Kong to carry out Type 1 regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	the placing agreement dated 8 May 2024 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	HK\$0.70 per Placing Share
“Placing Shares”	up to 28,339,200 new Shares to be placed under the Placing
“PRC”	People’s Republic of China, excluding, for the purposes of this announcement, Hong Kong, the Macau Special Administrative Region and Taiwan
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.1 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Existing Shares or the Consolidated Shares, as the case may be
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By Order of the Board
Miko International Holdings Limited
Ding Peiji
Chairman

Hong Kong, 8 May 2024

As at the date of this announcement, the executive directors of Company are Mr. Ding Peiji, Mr. Ding Peiyuan, Mr. Chan Yi Hsiung and Ms. Liu Min; and the independent non-executive directors of the Company are Mr. Ng Shing Kin, Mr. Chen Jun and Mr. Guo Zheng.