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**HK Asia Holdings Limited**  
**港亞控股有限公司**

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

**(Stock code: 1723)**

**PROPOSED ISSUE OF NEW SHARES AND CONVERTIBLE NOTES  
UNDER THE GENERAL MANDATE**

**PROPOSED ISSUE OF NEW SHARES AND CONVERTIBLE NOTES UNDER THE  
GENERAL MANDATE**

On 23 April 2025 (after trading hours), the Company entered into the Share Subscription Agreements and the CN Subscription Agreements in relation to the issue and subscription of new Shares and Convertible Notes. Subject to the fulfilment of condition precedent of the Share Subscription Agreements and the CN Subscription Agreements, the issue and allotment of 3,272,000 Subscription Shares to Subscribers at the Subscription Price of HK\$4.01 and the Convertible Notes in an aggregate principal amount of HK\$52,377,600.

The Subscription Shares represent approximately 0.82% of the total number of Shares in issue as at the date of this announcement and approximately 0.81% of the total number of Shares as enlarged by the issue of the Subscription Shares (assuming there will be no other change in the total number of Shares from the date of this announcement and up to the date of completion of the issue of the Subscription Shares).

Based on the initial Conversion Price of HK\$5 per Conversion Share, a total of 10,475,520 Conversion Shares will be allotted and issued upon exercise of the conversion rights attaching to the Convertible Notes in full, representing (i) approximately 2.62% of the total number of Shares in issue as at the date of this announcement; and (ii) approximately 2.53% of the total number of Shares in issue as enlarged by the issue of both the Subscription Shares and the Conversion Shares (assuming there will be no change in the total number of Shares from the date of this announcement until the completion of the conversion of the Convertible Notes in full at the initial Conversion Price other than the issue of the Subscription Shares).

## **USE OF PROCEEDS**

The gross proceeds from the issue of Subscription Shares and the issue of Convertible Notes are expected to be approximately HK\$65,498,320 and the net proceeds from the issue of Subscription Shares and the issue of Convertible Notes (after deducting of expenses) will be approximately HK\$64,188,354. The Company intends to apply the proceeds in the manner set out in the paragraph headed “USE OF PROCEEDS” of this announcement.

## **GENERAL MANDATE**

The issue of the Subscription Shares and Conversion Shares will be pursuant to the General Mandate and is not subject to Shareholders’ approval. No application will be made for the listing of the Convertible Notes on the Stock Exchange or any other stock exchange. Applications will be made by the Company to the Stock Exchange for the listing of and the permission to deal in the Subscription Shares and the Conversion Shares.

**Completion of the Share Subscription and the Note Subscription are subject to the condition precedent under the Share Subscription Agreements and the Note Subscription respectively. Accordingly, the Share Subscription and the Note Subscription may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing the Shares.**

## **PROPOSED ISSUE OF NEW SHARES UNDER THE GENERAL MANDATE**

On 23 April 2025 (after trading hours), the Company entered into the Share Subscription Agreements in relation to the issue and subscription of the new Shares at the Subscription Price and the principal terms of the Share Subscription Agreements are described below.

## The Share Subscription Agreements

Each of the Subscription Agreements is on the same terms (other than the number of Subscription Shares) and the major terms of the Subscription Agreements are as follows:

Share Subscription Agreement	Parties	Number of Subscription Shares	Consideration (HK\$)
A	(1) Company (as issuer) (2) Subscriber A (as subscriber)	1,116,000	4,475,160
B	(1) Company (as issuer) (2) Subscriber B (as subscriber)	1,116,000	4,475,160
C	(1) Company (as issuer) (2) Subscriber C (as subscriber)	372,000	1,491,720
D	(1) Company (as issuer) (2) Subscriber D (as subscriber)	186,000	745,860
E	(1) Company (as issuer) (2) Subscriber E (as subscriber)	186,000	745,860
F	(1) Company (as issuer) (2) Subscriber F (as subscriber)	186,000	745,860
G	(1) Company (as issuer) (2) Subscriber G (as subscriber)	74,000	296,740
H	(1) Company (as issuer) (2) Subscriber H (as subscriber)	36,000	144,360
	Total	3,272,000	13,120,720

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Subscribers and their ultimate beneficial owners are Independent Third Parties and do not hold any Shares as at the date of this announcement.

## **Subscription Price**

The Subscription Price of HK\$4.01 per Subscription Share represents:

- (1) a discount of approximately 19.8% to the closing price of HK\$5 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (2) a discount of approximately 2.91% to the average closing price of HK\$4.13 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately preceding prior to the Last Trading Day.

The Subscription Price was arrived at after arm's length negotiations between the Company and the Subscribers taking into account the prevailing market price of the Shares, the Group's historical performance and present financial position as well as current market conditions. The Board (including all independent non-executive Directors) considers that the Subscription Price and the terms of the Share Subscription Agreements are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Based on the closing price of the Shares of HK\$5 per Share on the date of the Share Subscription Agreements, the Subscription Shares have an aggregate market value of HK\$16,360,000. The aggregate nominal value of the Subscription Shares is HK\$32,720.

## **Ranking of the Subscription Shares**

The Subscription Shares will, when issued, rank pari passu in all respects among themselves and with the Shares in issue at the time of issue and allotment of the Subscription Shares save in respect of any rights the record date for which falls on or before Completion.

## **Condition Precedent for Share Subscription**

Completion of each of the Share Subscription Agreements is conditional upon:

- (a) The Stock Exchange having granted approval for listing of, and permission to deal in, the Subscription Shares (or the Subscriber being reasonably satisfied that such approval will be granted);
- (b) The passing by the directors at a meeting of the Board (or in lieu of such meeting, written resolutions of the Board) of all resolutions required under the relevant laws and regulations and the Listing Rules to approve Share Subscription Agreement;
- (c) The Subscriber or its nominee having duly executed the CN Subscription Agreement and the Note having been issued to the Subscriber; and

- (d) the warranties made by the Company in the Share Subscription Agreement being true, complete and accurate and not misleading in any material respect when made and shall be true, complete and accurate, and not misleading in any material respect as at Completion as if made at Completion.

Save for condition precedent (d), which can be waived by the related Subscriber in writing, none of the above conditions precedent can be waived by any party to the respective Share Subscription Agreement. In the event that the above condition precedents cannot be fulfilled on or before the Long Stop Date, the respective Share Subscription Agreement will lapse and become null and void forthwith and the parties thereto shall be released from all obligations thereunder save in respect of any antecedent breach of any obligation thereof.

### **Completion**

Under each Share Subscription Agreement, the Completion shall take place within five (5) Business Days immediately after the date upon which the last of the condition precedent shall have been satisfied or any other date as agreed by the related Subscriber and the Company in writing.

For the avoidance of doubt, the Share Subscription and the Note Subscription for each Subscriber are inter-conditional, and completion of the Share Subscription and the Note Subscription shall take place simultaneously.

The Share Subscription Agreements among the Subscribers are not conditional upon each other.

### **PROPOSED ISSUE OF CONVERTIBLE NOTES UNDER THE GENERAL MANDATE**

On 23 April 2025 (after trading hours), the Company entered into the CN Subscription Agreements with Subscribers, pursuant to which Subscribers has conditionally agreed to subscribe for and the Company has conditionally agreed to issue to Subscribers the Convertible Notes in an aggregate principal amount of HK\$52,377,600. Details of the principal terms of the CN Subscription Agreements are set out below.

## The CN Subscription Agreements

Each of the CN Subscription Agreements is on the same terms (other than the principal) and the major terms of the CN Subscription Agreements are as follows:

<b>CN Subscription Agreement</b>	<b>Parties</b>	<b>Principal Amount (HK\$)</b>
A	(1) Company (as issuer) (2) Subscriber A (as subscriber)	17,856,000
B	(1) Company (as issuer) (2) Subscriber B (as subscriber)	17,856,000
C	(1) Company (as issuer) (2) Subscriber C (as subscriber)	5,952,000
D	(1) Company (as issuer) (2) Subscriber D (as subscriber)	2,976,000
E	(1) Company (as issuer) (2) Subscriber E (as subscriber)	2,976,000
F	(1) Company (as issuer) (2) Subscriber F (as subscriber)	2,976,000
G	(1) Company (as issuer) (2) Subscriber G (as subscriber)	1,190,400
H	(1) Company (as issuer) (2) Subscriber H (as subscriber)	595,200
	Total	52,377,600

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Subscribers and their ultimate beneficial owners are Independent Third Parties and do not hold any Shares as at the date of this announcement.

**Maturity Date** : The date falling on the third anniversary date of the issue date of the Convertible Notes ("**Maturity Date**").

Unless previously converted or cancelled, the Company shall redeem each Convertible Note at 100% of its principal amount on the Maturity Date. The Company may not redeem the Convertible Notes at its option prior to the Maturity Date.

- Issue Price** : 100% of the principal amount.
- Interest** : Non-interest bearing.
- Conversion rights and restrictions** : The Noteholders shall, subject to compliance with the terms and conditions of the Convertible Notes, have the right at any time during the conversion period to convert the whole or part of the outstanding principal amount of the Convertible Notes registered in its name into Conversion Shares provided that:
- (a) any conversion shall be made in amounts of not less than a whole multiple of HK\$100,000 on each conversion save that if at any time the aggregate outstanding principal amount of the Convertible Notes is less than HK\$100,000, the whole (but not part only) of the outstanding principal amount of the Convertible Notes may be converted;
  - (b) the conversion will not cause the Company to be unable to meet the public float requirement under the Listing Rules or as required by the Stock Exchange, in which case only a portion of the Conversion Rights may be exercised so as to maintain the public float requirement;
  - (c) the conversion will comply with all applicable laws, regulations and rules (including without limitation, Rule 31.3 of the Takeovers Code); and
  - (d) the conversion will not trigger a mandatory offer obligation under Rule 26 of the Takeovers Code on the part of the Noteholder(s) which exercised the Conversion Rights and parties acting in concert with it, in which case only a portion of the Conversion Rights may be exercised such that the mandatory offer obligation will not be triggered.

- Conversion period** : The Conversion Right in respect of a Convertible Note may be exercised, at the option of the holder thereof, at any time on or after the issue date of the Convertible Notes to the Maturity Date (both days inclusive) described, in the following manner:
- (a) In respect of Tranche 1 Conversion Period, the Noteholder shall have the right to convert the Notes of the aggregate principal amount up to 16.67% of the outstanding principal amount;
  - (b) In respect of Tranche 2 Conversion Period, the Noteholder shall have the right to convert the Notes of the aggregate principal amount up to 33.34% of the outstanding principal amount;
  - (c) In respect of Tranche 3 Conversion Period, the Noteholder shall have the right to convert the Notes of the aggregate principal amount up to 50.01% of the outstanding principal amount;
  - (d) In respect of Tranche 4 Conversion Period, the Noteholder shall have the right to convert the Notes of the aggregate principal amount up to 66.68% of the outstanding principal amount;
  - (e) In respect of Tranche 5 Conversion Period, the Noteholder shall have the right to convert the Notes of the aggregate principal amount up to 83.35% of the outstanding principal amount; and
  - (f) In respect of Tranche 6 Conversion Period, the Noteholder shall have the right to convert the Notes of the remaining outstanding principal amount of the Notes which have not been converted or in any integral multiple of HK\$500,000 thereof.



**Adjustment events** : The initial Conversion Price is subject to adjustment from time to time upon the occurrence of certain prescribed events, including (i) consolidation, subdivision or reclassification of Shares; (ii) capitalisation of profits or reserves (including Shares paid up out of distributable profits or reserves and/or share premium account); (iii) capital distributions (which shall include distributions in cash or specie); (iv) rights issues of Shares or options over Shares at less than 95% of the Current Market Price; (v) rights issues of other securities; (vi) issue of further Shares or securities at less than 95% of the Current Market Price; and (vii) modification of rights of conversion, exchange, purchase or subscription attaching to any securities of the Company, or (viii) any event or circumstance which is analogous to any of the events referred to above.

For these purposes, the term “**Current Market Price**” means in respect of a Share on a particular date, the average of the daily closing price per Share as quoted on the Stock Exchange on each of the twenty (20) consecutive Trading Days ending on and including the Trading Day immediately preceding such date.

**Conversion Shares** : Based on the principal amount of the Convertible Notes of HK\$52,377,600, the Convertible Notes are convertible into 10,475,520 Conversion Shares at the initial Conversion Price of HK\$5 per Conversion Share (subject to adjustments).

The maximum number of Conversion Shares which may be allotted and issued to the Subscribers are set out below:

Subscriber A: 3,571,200 Conversion Shares

Subscriber B: 3,571,200 Conversion Shares

Subscriber C: 1,190,400 Conversion Shares

Subscriber D: 595,200 Conversion Shares

Subscriber E: 595,200 Conversion Shares

Subscriber F: 595,200 Conversion Shares

Subscriber G: 238,080 Conversion Shares

Subscriber H: 119,040 Conversion Shares

**Events of default**

- : If any of the following events occurs and is continuing, the Noteholders at their discretion may give notice to the Company that the Convertible Notes are, and they shall immediately become due and repayable at their principal amount (without prejudice to the right of the Noteholders to exercise their Conversion Rights):
- (a) failure of the Company to pay the principal or any other amount due in respect of the Convertible Notes when due and the Company fails to rectify such failure within 3 Business Days from the payment due date;
  - (b) any failure by the Company to deliver Conversion Shares;
  - (c) the Company does not perform or comply with any one or more of its other obligations in the Convertible Notes which default is incapable of remedy or, if capable of remedy, is not remedied within 30 days after written notice of such default shall have been given to the Company by the Noteholders;
  - (d) there has been any material breach of and noncompliance with any applicable law, rules or regulations, including the Listing Rules and the Takeovers Code, by the Company which will result in a material adverse effect on the Group as a whole;
  - (e) the Shares cease to be listed on the Stock Exchange or are suspended from trading on the Stock Exchange for a continuous period of 30 Trading Days due to the default of the Company, excluding any suspension in connection with the clearance of any announcement, circular or other documents pursuant to the Listing Rules or the Takeovers Code;
  - (f) there is any cross-default by the Company or any of its subsidiaries of its other indebtedness or the Company or any of its subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or

raised, where the aggregate amount of the relevant indebtedness, guarantees and indemnities equals or exceeds HK\$10,000,000 or its equivalent;

- (g) a distress, attachment, execution or other legal process is levied, enforced or sued out on or against any substantial part of the property, assets or revenues of the Company or any of its subsidiaries and is not discharged or stayed within 30 days;
- (h) any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Company or any of its subsidiaries in respect of any substantial part of the property, assets or revenues of the Company or any of its subsidiaries becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person);
- (i) the winding-up or dissolution, judicial management or administration of the Company or any of its subsidiaries (except for a members' voluntary solvent winding up of a subsidiary), or the cessation of all or substantially all of the business or operations of the Company or any of its Major Subsidiaries (except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (a) on terms approved by the Noteholders, or (b) in the case of a Major Subsidiary, whereby the undertaking and assets of such subsidiary are transferred to or otherwise vested in the Company or another of its subsidiaries). For this purpose, "**Major Subsidiary**" means a subsidiary of the Company whose aggregated total assets, profits or revenue represents 10% or more under any of the percentage ratios as defined under Chapter 14 of the Listing Rules;
- (j) the Company or any of its subsidiaries is involved in any insolvency event;
- (k) any necessary consent, approval, authorisation, etc. required (i) to enable the Company lawfully to perform and comply with its obligations under the Convertible Notes; (ii) to ensure that those obligations

are legally binding and enforceable; and (iii) to make the Convertible Notes admissible in evidence in the courts of Cayman Islands or Hong Kong is not taken, fulfilled or done;

- (l) it is or will become unlawful for the Company to perform or comply with any one or more of its obligations under any of the Convertible Notes; or
- (m) any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in paragraphs (g) to (k) above.

- Voting rights** : The Noteholder(s) shall not have any right to attend or vote in any general meeting of the Company.
- Transferability** : Subject to the terms and conditions to the Convertible Notes and compliance with the relevant laws and regulations, including the Takeovers Code, the Convertible Notes may be transferred or assigned in whole or in part in integral multiples of HK\$500,000 by the holder(s) of the Convertible Notes to any party, save and except that the Convertible Notes shall not be transferred to a connected person (as defined in the Listing Rules) of the Company unless with the prior written consent of the Company.
- Ranking** : The Conversion Shares shall, when allotted and issued, rank pari passu with all other Shares in issue as at the date of delivery of the Conversion Shares and be entitled to all dividends and other distributions paid or made on the Shares on or after the record date which falls on a date on or after the date of delivery of the Conversion Shares.
- Listing** : No application will be made by the Company for the listing of the Convertible Notes on the Stock Exchange.
- Security** : The obligations of the Company under the Convertible Notes are unsecured.

The Conversion Price was determined after arm's length negotiations between the Company and the Subscribers after considering the prevailing market performance of the Shares and current market conditions.

Based on the initial Conversion Price of HK\$5 per Conversion Share, a maximum number of 10,475,520 Conversion Shares will be allotted and issued upon conversion of the Convertible Notes in full, which represent: (i) 2.62% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 2.53% of the issued share capital of the Company as enlarged by the allotment and issue of both the Subscription Shares and the Conversion Shares upon conversion of the Convertible Notes in full, assuming no changes to the number of issued Shares from the date of this announcement up to the date of full conversion of the Convertible Notes other than the issue of the Subscription Shares.

The maximum aggregate nominal value of the Conversion Shares is HK\$104,755.

### **Condition Precedent for Note Subscription**

Completion of each of the Note Subscription Agreements is conditional upon:

- (a) The Stock Exchange having granted approval for listing of, and permission to deal in, the new Shares which may fall to be allotted and issued upon conversion of the Notes (or the Subscriber being reasonably satisfied that such approval will be granted);
- (b) The passing by the directors at a meeting of the Board (or in lieu of such meeting, written resolutions of the Board) of all resolutions required under the relevant laws and regulations and the Listing Rules to approve this Agreement;
- (c) The Subscriber or its nominee having duly executed the Share Subscription Agreement and the Subscription Shares having been issued to the Subscriber; and
- (d) the warranties made by the Company in the CN Subscription Agreement being true, complete and accurate and not misleading in any material respect when made and shall be true, complete and accurate, and not misleading in any material respect as at Completion as if made at Completion.

Save for condition precedent (d), which can be waived by the related Subscriber in writing, none of the above conditions precedent can be waived by any party to the respective CN Subscription Agreement. In the event that the above condition precedents cannot be fulfilled on or before the Long Stop Date, the respective CN Subscription Agreement will lapse and become null and void forthwith and the parties thereto shall be released from all obligations thereunder save in respect of any antecedent breach of any obligation thereof.

### **Completion**

Under each CN Subscription Agreement, the Completion shall take place within five (5) Business Days immediately after the date upon which the last of the condition precedent shall have been satisfied or any other date as agreed by the related Subscriber and the Company in writing.

For the avoidance of doubt, the Share Subscription and the Note Subscription for each Subscriber are inter-conditional, and completion of the Share Subscription and the Note Subscription shall take place simultaneously.

The Note Subscription Agreements among the Subscribers are not conditional upon each other.

## EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately upon Completion (assuming that there will be no other change to the share capital of and shareholding in the Company other than the Subscription Shares); (iii) immediately upon Completion and full conversion of the Convertible Notes by the Subscribers (assuming that there will be no other change to the share capital of and shareholding in the Company other than the Subscription Shares and the Conversion Shares); and (iv) immediately upon Completion and full conversion of the Convertible Notes by the Subscribers (assuming that there will be no other change to the share capital of and shareholding in the Company other than the Subscription Shares and the Conversion Shares, and the 2-year Convertible Notes having been fully converted) is:

Substantial Shareholders	As at the date of this announcement		Immediately upon Completion (Note 1)		Immediately upon Completion and full conversion of the Convertible Notes by the Subscribers (Note 2)		Immediately upon Completion, full conversion of the Convertible Notes and full conversion of the 2-Year Convertible Notes by the Subscribers (Note 3)	
	Approximate		Approximate		Approximate		Approximate	
	Number of shares	shareholding (%)	Number of shares	shareholding (%)	Number of shares	shareholding (%)	Number of shares	shareholding (%)
210K Capital, LP	95,586,240	23.90	95,586,240	23.70	95,586,240	23.10	120,806,020	24.76
Sora Valkyrie Limited	92,774,880	23.19	92,774,880	23.01	92,774,880	22.42	117,252,902	24.03
Allied Top Investments Limited	46,387,440	11.60	46,387,440	11.50	46,387,440	11.21	70,865,462	14.52
Top Legend SPC	46,387,440	11.60	46,387,440	11.50	46,387,440	11.21	46,387,440	9.51
Subscribers	-	-	3,272,000	0.81	13,747,520	3.32	13,747,520	2.82
Other public Shareholders	118,864,000	29.72	118,864,000	29.48	118,864,000	28.74	118,864,000	24.36
<b>Total</b>	<b>400,000,000</b>	<b>100.00</b>	<b>403,272,000</b>	<b>100.00</b>	<b>413,747,520</b>	<b>100.00</b>	<b>487,923,344</b>	<b>100.00</b>

### Notes

- (1) This scenario is for illustrative purpose only on the assumption that there will be no other changes in the issued share capital of the Company since the date of this announcement save for the issue of Subscription Shares.

- (2) This scenario is for illustrative purpose only on the assumption that there will be no other changes in the issued share capital of the Company since the date of this announcement save for the issue of Subscription Shares and full conversion of the Convertible Notes.
- (3) This scenario is for illustrative purpose only on the assumption that there will be no other changes in the issued share capital of the Company since the date of this announcement save for the issue of Subscription Shares and the full conversion of the Convertible Notes and the 2-year Convertible Notes.

## **ADJUSTMENT TO CONVERSION PRICE OF THE 2-YEAR CONVERTIBLE NOTES**

In accordance with the terms and conditions of the 2-Year Convertible Notes, an adjustment will be made to the conversion price upon the issue of further shares or securities (i.e. the Subscription Shares and the Convertible Notes). The conversion price of the 2-Year Convertible Notes will be adjusted from HK\$0.45 per Share to HK\$0.455 per Share with effect from the date of issue of the securities or the issue or grant of such rights, options or warrants (i.e. the date of Completion). Save for the above conversion price adjustment, all other terms and conditions of the 2-Year Convertible Notes remain unchanged.

## **REASONS FOR AND THE BENEFITS OF THE ISSUE OF THE SUBSCRIPTION SHARES**

The Group is principally engaged in the wholesale and retail sales of pre-paid products (i.e. SIM card and top-up voucher) (the “**Pre-paid Products**”) in Hong Kong targeted at Indonesian and Filipino consumers and Pre-paid Products targeted at mobile users who demand for local and international phone call and/or mobile data services in Hong Kong and overseas (the “**Other Users**”).

According to the annual report for the financial year ending 31 March 2024, it is disclosed that the Group is seeking to expand its business and further increase its market share in the sectors of Pre-paid Products targeted at (i) Indonesian and Filipino consumers; and (ii) Other Users. Besides, the Group plans to increase the number of retailers in sales network, increase advertising and marketing activities, and strengthen the Group’s inventory management capability and adopt other alternatives to seize the opportunities brought by the growth of inbound and outbound tourists in Hong Kong and the economic growth after the COVID-19 pandemic.

Further, the Group also intends to leverage its existing Pre-paid Products business and resources to integrate cryptocurrency functionality and enhance user engagement with digital assets. By developing innovative solutions that facilitate seamless transactions and promote financial inclusion, the Group seeks to position itself at the forefront of the evolving Web 3.0 landscape, thereby empowering users to navigate the intersection of traditional finance and emerging blockchain technologies.

Given the abovementioned intention of the Group, the Directors consider that the Share Subscription Agreement and the CN Subscription Agreement, if completed, would further help strengthen the balance sheet of the Group by providing cash resources to fund its working capital and to enable the Group to further develop and expand its business.

The Directors are of the view that the Share Subscription Agreements and the CN Subscription Agreements are entered into upon normal commercial terms and that the terms of the Share Subscription Agreements and the CN Subscription Agreements (including the Subscription Price and initial Conversion Price) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **USE OF PROCEEDS**

The gross proceeds from the issue of the Subscription Shares will be HK\$13,120,720. The net proceeds from the issue of the Subscription Shares (after deducing expenses) is expected to be approximately HK\$12,858,306 and the net price for each Subscription Share is approximately HK\$3.93. The gross proceeds from the issue of the Convertible Notes will be HK\$52,377,600. The net proceeds from the issue of the Convertible Notes (after deducing expenses) is expected to be approximately HK\$51,330,048 and the net price for each Conversion Share is approximately HK\$4.9. The Company intends to apply the aggregate net proceeds in the following manner:

- (a) approximately up to HK\$6,418,835, representing up to approximately 10% of the aggregate net proceeds, will be used as general working capital; and
- (b) approximately up to HK\$57,769,518, representing up to approximately 90% of the aggregate net proceeds, will be used for capturing potential investment opportunities which may arise in future to explore cryptocurrency investments and opportunities in Web 3.0, and/or for the acquisition of digital assets such as bitcoins. As at the date of this announcement, the Group has not identified any specific potential investment opportunities or targets other than acquiring bitcoins in the open market.

## **FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS**

Set out below is the fund-raising activities conducted by the Company during the past twelve months immediately prior to the date of this announcement:

<b>Dates of announcement</b>	<b>Event</b>	<b>Net proceeds</b>	<b>Intended use of proceeds</b>	<b>Actual use of proceed as at the date of announcement</b>
20 January 2025, 26 March 2025, 14 April 2025	Issue of 2-year Convertible Notes under the specific mandate	HK\$33,250,000	approximately up to HK\$6,650,000 as general working capital; and approximately up to HK\$26,600,000 for capturing potential investment opportunities which may arise in future	All net proceeds remains unutilised and will be used as intended



## GENERAL MANDATE

No Shareholders' approval is required for the issue and subscription of new Shares and Convertible Notes, and the Subscription Shares and the Conversion Shares will be issued and allotted by the Company pursuant to the General Mandate at the annual general meeting of the Company held on 5 September 2024. At that annual general meeting, the Shareholders have granted to the Directors, among others, the General Mandate to issue up to 80,000,000 Shares, representing 20% of the total number of issued Shares as at the date of the passing of the General Mandate. 3,272,000 Subscription Shares will be issued pursuant to the issue and subscription of new Shares and assuming full conversion of the Convertible Notes at the initial Conversion Price of HK\$5 per Conversion Share, up to 10,475,520 Conversion Shares will be issued. Accordingly, up to 80,000,000 new Shares will be allotted and issued under the General Mandate upon completion of the issue and subscription of new Shares and full conversion of the Convertible Notes. As at the date of this announcement, no Shares have been issued pursuant to the General Mandate.

The Company will make an application to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares and the Conversion Shares on the Stock Exchange.

None of the other Directors had any interest in the Share Subscription Agreements or the transactions contemplated thereunder.

**Completion of the Share Subscription and the Note Subscription are subject to the condition precedent under the Share Subscription Agreements and the Note Subscription respectively. Accordingly, the Share Subscription and the Note Subscription may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing the Shares.**

## DEFINITIONS

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

“2-year Convertible Notes”	the 2-year convertible notes in the aggregate principal amount of HK\$33,750,000 to be issued by the Company to 210K Capital, LP, Sora Valkyrie Limited and Allied Top Investments Limited as subscribers, pursuant to the subscription agreement dated 14 January 2025 amended by the supplemental agreement dated 26 March 2025, as disclosed in the circular of the Company dated 14 April 2025
“Board”	the board of Directors
“Business Day(s)”	a day (excluding Saturday and Sunday) on which banks in Hong Kong are open for business

“CN Subscription Agreement A”	the conditional subscription agreement dated 23 April 2025 and entered into between the Company and Subscriber A in respect of the subscription of the Convertible Notes in the principal amount of HK\$17,856,000
“CN Subscription Agreement B”	the conditional subscription agreement dated 23 April 2025 and entered into between the Company and Subscriber B in respect of the subscription of the Convertible Notes in the principal amount of HK\$17,856,000
“CN Subscription Agreement C”	the conditional subscription agreement dated 23 April 2025 and entered into between the Company and Subscriber C in respect of the subscription of the Convertible Notes in the principal amount of HK\$5,952,000
“CN Subscription Agreement D”	the conditional subscription agreement dated 23 April 2025 and entered into between the Company and Subscriber D in respect of the subscription of the Convertible Notes in the principal amount of HK\$2,976,000
“CN Subscription Agreement E”	the conditional subscription agreement dated 23 April 2025 and entered into between the Company and Subscriber E in respect of the subscription of the Convertible Notes in the principal amount of HK\$2,976,000
“CN Subscription Agreement F”	the conditional subscription agreement dated 23 April 2025 and entered into between the Company and Subscriber F in respect of the subscription of the Convertible Notes in the principal amount of HK\$2,976,000
“CN Subscription Agreement G”	the conditional subscription agreement dated 23 April 2025 and entered into between the Company and Subscriber G in respect of the subscription of the Convertible Notes in the principal amount of HK\$1,190,400
“CN Subscription Agreement H”	the conditional subscription agreement dated 23 April 2025 and entered into between the Company and Subscriber H in respect of the subscription of the Convertible Notes in the principal amount of HK\$595,200

“CN Subscription Agreements”	collectively, the CN Subscription Agreement A, the CN Subscription Agreement B, the CN Subscription Agreement C, the CN Subscription Agreement D, the CN Subscription Agreement E, the CN Subscription Agreement F, the CN Subscription Agreement G and the CN Subscription Agreement H, and “CN Subscription Agreement” means any one of them
“Company”	HK Asia Holdings Limited (港亞控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 5 May 2016, the ordinary shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the issue of the Subscription Shares pursuant to Share Subscription Agreements and the completion of the CN Subscription Agreements
“Conversion Price”	the conversion price of the Convertible Notes, being HK\$5 per Conversion Share initially (subject to adjustments pursuant to the terms of the instrument of the Convertible Notes)
“Conversion Shares”	new Share(s) to be issued upon the exercise of the conversion rights attaching to the Convertible Notes
“Convertible Notes”	the Convertible Notes in the aggregate principal amount of HK\$52,377,600 to be issued by the Company to Subscribers pursuant to the CN Subscription Agreements
“connected person(s)”	has the same meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate granted to the Directors at the annual general meeting held on 5 September 2024 pursuant to which a maximum of 80,000,000 Shares, being 20% of the total number of Shares in issue as at 5 September 2024, may fall to be allotted and issued
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong

“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person or company and their respective ultimate beneficial owner(s) (if applicable) who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons
“Issue Date”	the date on which the Convertible Notes are issued, being the day of Completion unless otherwise agreed between the Company and the Subscribers
“Last Trading Day”	23 April 2025
“Long Stop Date”	six months from the date of the CN Subscription Agreement or the Share Subscription Agreement (as applicable) or such other date that the Company and the Subscriber may agree upon in writing
“Listing Committee”	the listing committee of the Stock Exchange for considering applications for listing and the granting of listing
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Maturity Date”	The date of the third anniversary of the date of issue of the Convertible Notes
“Noteholders”	holder of the Convertible Notes
“Note Subscription”	the subscription of the Convertible Notes by the related Subscriber under the related CN Subscription Agreement;
“Share Subscription”	the subscription of the Subscription Shares by the related Subscriber under the related Share Subscription Agreement;
“Share Subscription Agreement A”	the conditional share subscription agreement dated 23 April 2025 entered into by the Company with the Subscriber A
“Share Subscription Agreement B”	the conditional share subscription agreement dated 23 April 2025 entered into by the Company with the Subscriber B

“Share Subscription Agreement C”	the conditional share subscription agreement dated 23 April 2025 entered into by the Company with the Subscriber C
“Share Subscription Agreement D”	the conditional share subscription agreement dated 23 April 2025 entered into by the Company with the Subscriber D
“Share Subscription Agreement E”	the conditional share subscription agreement dated 23 April 2025 entered into by the Company with the Subscriber E
“Share Subscription Agreement F”	the conditional share subscription agreement dated 23 April 2025 entered into by the Company with the Subscriber F
“Share Subscription Agreement G”	the conditional share subscription agreement dated 23 April 2025 entered into by the Company with the Subscriber G
“Share Subscription Agreement H”	the conditional share subscription agreement dated 23 April 2025 entered into by the Company with the Subscriber H
“Share Subscription Agreements”	collectively, the Share Subscription Agreement A, the Share Subscription Agreement B, the Share Subscription Agreement C, the Share Subscription Agreement D, the Share Subscription Agreement E, the Share Subscription Agreement F, the Share Subscription Agreement G and the Share Subscription Agreement H, and “Share Subscription Agreement” means any one of them
“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 A”	the subscriber under Subscription Agreement A, being an exempted limited partnership registered in the Cayman Islands, acting through its general partner
“Subscriber B”	the subscriber under Subscription Agreement B, being an individual
“Subscriber C”	the subscriber under Subscription Agreement C, being an individual

“Subscriber D”	the subscriber under Subscription Agreement D, being an individual
“Subscriber E”	the subscriber under Subscription Agreement E, being an individual
“Subscriber F”	the subscriber under Subscription Agreement F, being an exempted company incorporated in the Cayman Islands
“Subscriber G”	the subscriber under Subscription Agreement G, being a business company incorporated in the British Virgin Islands
“Subscriber H”	the subscriber under Subscription Agreement H, being a company incorporated in the British Virgin Islands
“Subscribers”	collectively, Subscriber A, Subscriber B, Subscriber C, Subscriber D, Subscriber E, Subscriber F, Subscriber G and Subscriber H, and “Subscriber” means any one of them
“Subscription Price”	HK\$4.01 per Subscription Share
“Subscription Shares”	3,272,000 new Shares to be subscribed by Subscribers pursuant to the Share Subscription Agreements
“substantial shareholder(s)”	has the same meaning ascribed to it in the Listing Rules
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“Tranche 1 Conversion Period”	means the period commencing from the beginning of the 7th calendar month from the Issue Date up to and including the date falling the end of the 7th calendar month
“Tranche 2 Conversion Period”	means the period commencing from the beginning of the 8th calendar month from the Issue Date up to and including the date falling the end of the 8th calendar month
“Tranche 3 Conversion Period”	means the period commencing from the beginning of the 9th calendar month from the Issue Date up to and including the date falling the end of the 9th calendar month
“Tranche 4 Conversion Period”	means the period commencing from the beginning of the 10th calendar month from the Issue Date up to and including the date falling the end of the 10th calendar month

“Tranche 5 Conversion Period”	means the period commencing from the beginning of the 11th calendar month from the Issue Date up to and including the date falling the end of the 11th calendar month
“Tranche 6 Conversion Period”	means the period commencing from the beginning of the 12th calendar month from the Issue Date up to and including the Maturity Date
“%”	per cent

By order of the Board  
**HK Asia Holdings Limited**  
**Mr. Fang Jason Kin Hoi**  
*Chairman and Executive Director*

Hong Kong, 23 April 2025

*As at the date of this announcement, the Board comprises Mr. David Forrest Bailey, Mr. John Edwin Riggins, Mr. Jason Kin Hoi Fang and Ms. Wong Fung Yee Mary as executive Directors; Mr. Sit Hon as non-executive Director; and Ms. Yen Jung-Hui, Mr. Chen Xiaobing and Mr. Wong Yun Pun as independent non-executive Directors.*