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Grand Ocean Advanced Resources Company Limited
弘海高新資源有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 65)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent

帝國國際証券
IMPERIUM INTERNATIONAL SECURITIES

On 5 September 2025 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, a maximum number of 40,920,000 Placing Shares at the Placing Price of HK$0.40 per Placing Share to not less than six Placees who and whose ultimate beneficial owners shall be Independent Third Parties.

Assuming there will be no change in the number of issued Shares between the date of this announcement and the date of Completion, the maximum number of 40,920,000 Placing Shares represent (i) approximately 20.00% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares.

The Placing Price of HK$0.40 per Placing Share represents: (i) a discount of approximately 14.89% to the closing price of HK$0.47 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 18.70% to the average closing price per Share of approximately HK$0.492 as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

Assuming the maximum number of 40,920,000 Placing Shares are fully placed, the gross proceeds and net proceeds (after deducting the placing commission and other related expenses) are estimated to be approximately HK$16.4 million and approximately HK$16.1 million respectively. The Company intends to apply the net proceeds from the Placing for: (i) several identified potential investment opportunities in mining sector; and (ii) the general working capital of the Group.

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

Details of the Placing Agreement are set out as follows:

THE PLACING AGREEMENT

Date

5 September 2025 (after trading hours)

Parties

Issuer: The Company

Placing Agent: Imperium International Securities Limited

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

Placees

The Placing Agent shall procure not less than six Placees on a best effort basis for the subscription of the Placing Shares at the Placing Price unless otherwise agreed by the Company.

The Placing Agent will use its reasonable endeavours to ensure that the Placee(s) (and where applicable, their ultimate beneficial owners) to be procured by or on behalf of the Placing Agent shall be independent of and not connected with the Company, the connected persons of the Company and their respective associates, and who and whose ultimate beneficial owners are Independent Third Parties.

Number of Placing Shares

As at the date of this announcement, the Company has 204,616,916 Shares in issue. Assuming there will be no change in the number of issued Shares between the date of this announcement and the date of Completion, the maximum number of 40,920,000 Placing Shares represent (i) approximately 20.00% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares. The aggregate nominal value of the Placing Shares is HK$4,092,000.

Placing Price

The Placing Price of HK$0.40 per Placing Share represents:

(i) a discount of approximately 14.89% to the closing price of HK$0.47 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and

(ii) a discount of approximately 18.70% to the average closing price per Share of approximately HK$0.492 as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

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 and the terms of the Placing Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Placing Commission

The Placing Agent will receive a placing commission of 1% of the aggregate Placing Price for the Placing Shares successfully placed by the Placing Agent in pursuance of its obligations. The placing commission in respect of the Placing was negotiated on arm's length basis between the Company and the Placing Agent with reference to the prevailing market commission rate charged by other placing agents. The Directors consider that the placing commission is fair and reasonable.

Ranking of Placing Shares

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

General Mandate to allot and issue of the Placing Shares

The Placing Shares will be allotted and issued under the General Mandate granted to the Directors at the annual general meeting of the Company held on 22 August 2025. Pursuant to the General Mandate, the total number of new Shares that the Directors are authorised to allot and issue is 40,923,383 new Shares. Up to the date of this announcement, no new Shares have been issued under the General Mandate.

Condition of the Placing

Completion of the Placing is conditional upon:

(i) the Listing Committee granting the approval for the listing of, and permission to deal in, the Placing Shares and such listing and permission not subsequently being revoked;

(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 hereunder having been obtained;

(iii) there shall not have occurred any material breach or any event which renders any of the representations, warranties or undertakings by the Company under the Placing Agreement untrue, inaccurate or misleading; and

(iv) the Placing Agreement not having been terminated pursuant to the terms of the Placing Agreement.

The Company shall use its best endeavours to procure the satisfaction of the conditions precedent on or before the Long Stop Date, but if any of the conditions shall not be so satisfied, all rights, obligations and liabilities of the Placing Agent and the Company thereunder shall cease and determine and none of the parties shall have any claim against the other in relation thereto save in respect of (i) any antecedent breach of any obligation under the Placing Agreement; and (ii) any liabilities expressed to survive under the terms of the Placing Agreement.

Application for listing

The Company will apply to the Listing Committee for the listing of, and permission to deal in, the Placing Shares.

Completion

The Completion shall take place on a date falling within five Business Days after the fulfillment of all the conditions precedent or such later date as the Company and the Placing Agent may agree in writing.

Termination

If any of the following events occurs at any time prior to 8:00 a.m. on the Completion Date, the Placing Agent shall have the right exercisable at any time by notice in writing to the Company to terminate the Placing Agreement:

(a) there is or will be any change in national, international, financial, exchange control, political, economic conditions in Hong Kong or there is or will be any new law or change in existing laws or any change in the interpretation or application thereof by any court of competent authority which in the reasonable opinion of the Placing Agent would be materially adverse in the consummation of the Placing; or

(b) there is any breach of the warranties, representations and undertakings given by the Company in the Placing Agreement and such breach to be material in the context of the Placing; or

(c) there is any material change (whether or not forming part of a series of changes) in market conditions or the general affairs, management, business, financial, trading or other condition or prospects of the Company which would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed; or

(d) there is any suspension of dealings in the Shares on the Stock Exchange for more than ten (10) consecutive Business Days (other than as a result of or in connection with the Placing), or there is any cancellation of the listing of the Shares on the Stock Exchange; or

(e) any litigation or claim of material importance of any third party being instigated against any member of the Group, which has or may have a material adverse effect on the business or financial prospects of the Group taken as a whole and which would materially prejudice the success of the Placing.

In the event that the Placing is not completed by the Completion Date, the Placing Agreement will terminate unless otherwise agreed between the Company and the Placing Agent.

Upon termination of the Placing Agreement, all rights, obligations and liabilities of the parties thereto thereunder shall cease and determine and no party thereto 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 (i) any antecedent breach of any obligation under the Placing Agreement; and (ii) any liabilities expressed to survive under the terms of the Placing Agreement.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Company is an investment holding company and the Group is principally engaged in the production and sale of coal in the PRC.

Assuming the maximum number of 40,920,000 Placing Shares are fully placed, the gross proceeds from the Placing will be approximately HK$16.4 million. The net proceeds, after deduction of all relevant expenses (including but not limited to placing commission, professional fees and other related expenses) incidental to the Placing, are estimated to be approximately HK$16.1 million, representing a net issue price of approximately HK$0.394 per Placing Share. The Company intends to apply the net proceeds from the Placing as follows:

(1) approximately HK$4.8 million (representing approximately 30% of the net proceeds) will be applied to the exploration fees, technician fees, professional fees, and other related expenses incurred for several identified potential investment opportunities in mining sector; and

(2) Approximately HK$11.3 million (representing approximately 70% of the net proceeds) will be used for general working capital of the Group. These proceeds will be applied to the legal and professional fees for business development and headquarters overheads, including staff costs and other corporate expenses.

The Directors consider that the net proceeds from the Placing will raise additional funds for the Group's operation and future development and strengthen its financial position, and also broaden the shareholders and capital base of the Company, providing working capital to the Group to meet any financial needs of the Group without any interest burden. The Company expects that the net proceeds from the Placing will be utilised in the next twelve months.

The Directors consider that the terms of the Placing Agreement (including the Placing Price and the placing commission) are on normal commercial terms after arm's length negotiations between the Company and the Placing Agent and are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS

The Company has not conducted any other fund raising activities involving the issue of its equity securities in the past twelve months immediately preceding the date of this announcement.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after the Completion, assuming that the maximum number of 40,920,000 Placing Shares are to be issued and there is no change in the issued share capital of the Company between the date of this announcement and the Completion:

	As at the date of this announcement		**Immediately after completion of the Placing**	
Shareholder	*Number of Shares*	*Approximately %*	*Number of Shares*	*Approximately %*
Liu Chang Deng	15,615,431	7.63%	15,615,431	6.36%
Sungold Developments Group Limited *(note)*	14,999,600	7.33%	14,999,600	6.11%
The Placees	–	N/A	40,920,000	16.67%
Other public Shareholders	174,001,885	85.04%	174,001,885	70.86%
Total	204,616,916	100.00%	245,536,916	100.00%

Note:

Mr. Cao Min is the beneficial owner of 100% shareholding in Prosperous Eve International Limited. Prosperous Eve International Limited is the beneficial owner of 100% shareholding in Sungold Developments Group Limited.

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

DEFINITIONS

Unless the context requires otherwise, the following terms have the following meanings in this announcement:

"associates"	has the meaning ascribed thereto under the Listing Rules
"Board"	the board of Directors
"Business Day(s)"	any day (not being a Saturday, Sunday or public holiday in Hong Kong or any day on which a tropical cyclone warning no. 8 or above or a black rainstorm warning signal is issued in Hong Kong at any time between 9:00 a.m. and 5:00 p.m. on weekdays) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours and the Stock Exchange is open for business of dealing in securities throughout its normal trading hours

"Company"	Grand Ocean Advanced Resources Company Limited, 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: 65)
"Completion"	the completion of the placing of the Placing Shares in accordance with the terms and conditions as set out in the Placing Agreement
"Completion Date"	a date falling within five Business Days after the conditions precedent of the Placing Agreement have been fulfilled or such later date as may be agreed between the Company and the Placing Agent in writing
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"General Mandate"	the general mandate granted to the Directors by a resolution of the Shareholders passed at the annual general meeting of the Company held on 22 August 2025 to allot and issue up to 20% of the total number of Shares of the Company in issue on the same date
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Third Party(ies)"	person(s) or company(ies) and their respective ultimate beneficial owner(s) which, to the best knowledge, information and belief of the Directors having made all reasonable enquiries, are third parties independent of and not connected with the Company and its connected persons as defined in the Listing Rules
"Listing Committee"	the listing committee appointed by the Stock Exchange for considering applications for listing and approving the listing of and dealing with securities on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Long Stop Date"	26 September 2025 or such other date as the Company and the Placing Agent may agree in writing

"Placee(s)"	any individual, corporate, institutional investors or other investors procured and selected by the Placing Agent to subscribe for any Placing Shares pursuant to its obligations thereunder
"Placing"	the placing by or on behalf of the Placing Agent of the Placing Shares and subject to the terms and conditions set out in the Placing Agreement
"Placing Agent"	Imperium International Securities Limited, a licensed corporation (CE No.: AVI905) to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts) and Type 4 (advising on securities) regulated activities under the SFO
"Placing Agreement"	the conditional placing agreement dated 5 September 2025 entered into between the Company and the Placing Agent in relation to the Placing
"Placing Price"	HK$0.40 per Placing Share
"Placing Share(s)"	up to 40,920,000 new Shares to be placed pursuant to the Placing Agreement
"PRC"	the People's Republic of China, which for the purpose of this announcement, shall exclude 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 share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"%"	per cent

By Order of the Board
Grand Ocean Advanced Resources Company Limited
Ng Ying Kit
Executive Director

Hong Kong, 5 September 2025

As at the date of this announcement, the Board comprises one executive Director, namely Mr. Ng Ying Kit; one non-executive Director, namely Ms. Kwong Pui Yin; and three independent non-executive Directors, namely Mr. Lee Wai Ming, Mr. Chang Xuejun and Mr. Li Juhui.