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PROSPERITY INVESTMENT HOLDINGS LIMITED

嘉進投資國際有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00310)

**PLACING OF NEW SHARES UNDER SPECIFIC MANDATE
AND
CONTINUED SUSPENSION OF TRADING**

Financial Adviser to the Company



Placing Agent



THE PLACING

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 500,000,000 Placing Shares at the Placing Price of HK\$0.090 per Placing Share to not less than six Placees who and whose ultimate beneficial owner(s) (if applicable) are Independent Third Parties. The Placing is fully underwritten by the Placing Agent.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the Placing Completion Date, the 500,000,000 Placing Shares represent (i) approximately 412.77% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 80.50% of the issued share capital of the Company as enlarged by the allotment and issue of 500,000,000 Placing Shares.

The gross proceeds and net proceeds from the Placing (after deducting the placing commission and other related expenses) are estimated to be approximately HK\$45.0 million and HK\$42.0 million respectively. The Company intends to apply the net proceeds from the Placing totalling HK\$42.0 million for investments acquisitions, redemption of convertible notes and general working capital of the Group.

IMPLICATIONS UNDER THE LISTING RULES

As the Placing Shares will be allotted and issued under the Specific Mandate, the Placing and the Specific Mandate are subject to the Shareholders' approval at the SGM.

A circular containing, among other things, (i) further information relating to the Placing; (ii) a notice convening the SGM; and (iii) other information as required to be disclosed under the Listing Rules, will be despatched to the Shareholders on or before 15 September 2025, as the Company expects that it will require more time to collate the financial information to be included in the circular.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 2 April 2024, in accordance with Rule 13.50A of the Listing Rules, and will remain suspended until further notice.

The Placing is conditional upon satisfaction of the conditions set out in the paragraph headed "Conditions of the Placing" in this announcement. Accordingly, the Placing may or may not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

THE PLACING

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 500,000,000 Placing Shares at the Placing Price of HK\$0.090 per Placing Share to not less than six Placees who and whose ultimate beneficial owner(s) (if applicable) are Independent Third Parties. The Placing is fully underwritten by the Placing Agent.

The principal terms and conditions of the Placing Agreement are set out below:

THE PLACING AGREEMENT

Date: 5 September 2025 (after trading hours)

Parties: Issuer: The Company

Placing Agent: Astrum Capital Management Limited

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

Placees

The Placing Agent has conditionally agreed with the Company to place 500,000,000 Placing Shares to not less than six Placees whom and whose ultimate beneficial owners will be Independent Third Parties, or failing which itself as principal to subscribe for the such number of Placing Shares which have not been placed to the Placees. The Placing Agent shall procure that the Placees will be Professional Investors and none of the Placees nor their associates will become a substantial shareholder of the Company as a result of the Placing.

Placing Shares

As at the date of this announcement, the authorised share capital of the Company is HK\$100,000,000 divided into 100,000,000,000 existing shares of par value of HK\$0.001 each, of which 121,132,020 existing Shares have been issued and fully paid or credited as fully paid. Assuming there will be no change in the number of issued Shares between the date of this announcement and the Placing Completion Date, the 500,000,000 Placing Shares represent (i) 412.77% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 80.50% 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 500,000,000 Placing Shares is HK\$500,000.

Placing Price

The Placing Price of HK\$0.090 represents:

- (i) a discount of approximately 10.00% to the closing price of HK\$0.100 per Share as quoted on the Stock Exchange on 28 March 2024, being the last trading day prior to the suspension of trading in Shares on 2 April 2024;
- (ii) a discount of approximately 9.09% to the average closing price per Share of approximately HK\$0.099 as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately prior to the suspension of trading in Shares on 2 April 2024;
- (iii) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 8.00%, represented by the theoretical diluted price of approximately HK\$0.092 per Share to the benchmarked price of approximately HK\$0.100 per Share which shall be the closing prices of the Shares as quoted on the Stock Exchange on 28 March 2024, which was immediately prior to the suspension of trading in Shares on 2 April 2024; and

- (iv) a cumulative theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 8.00% which is the same as the theoretical dilution effect calculated in (iii) above as the Company had not conducted any fund raising activities (rights issues, open offers and/or specific mandate placings) involving the issue of its equity securities in the 12 months immediately preceding the date of this announcement.

The Placing Price was determined with reference to the prevailing market prices prior to the trading suspension of the Shares since 2 April 2024 and was negotiated on an arm's length basis between the Company and the Placing Agent, taking into account (a) the trading in the Shares that has been suspended for over 17 months; (b) the listing of the Shares may be cancelled by the Stock Exchange if the Company cannot fulfill the Resumption Guidance by 1 October 2025; and (c) a discount has to be applied in order to attract the Placees and potential investors to participate in the Placing. The Directors consider that the Placing Price is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

Specific Mandate

The Placing Shares will be allotted and issued under the Specific Mandate to be sought and approved by the Shareholders at the SGM.

Placing Commission

The Company shall pay to the Placing Agent, in respect of the Placing, (i) if Placing Completion occurs, a placing commission of four point five per cent (4.5%) of the amount which is equal to the Placing Price multiplied by the total number of the Placing Shares; or (ii) if Placing Completion does not occur, a fixed fee of HK\$300,000. The fixed fee of HK\$300,000 shall be payable by the Company to the Placing Agent to remunerate the underwriting commitment offered as well as their time and efforts devoted to implement the Placing.

The placing commission was negotiated on an arm's length basis between the Company and the Placing Agent and determined with reference to the prevailing market rates of placing commission, the existing condition of the Company whose Shares have been suspended from trading for more than one (1) year and the disclaimer of opinion issued by the Auditors on the Annual Report 2023 and the Annual Results 2024.

Ranking of the Placing Shares

The Placing Shares, when issued and fully paid, shall rank pari passu in all respects with all other fully paid Shares then in issue.

Conditions of the Placing

Completion of the Placing is conditional upon the following:

- (a) the Proposed Liquidation having commenced;
- (b) the passing of relevant resolution(s) by the Shareholders at the SGM approving the Placing Agreement, the transactions contemplated thereunder and the grant of Specific Mandate to allot and issue the Placing Shares;
- (c) the Stock Exchange having conditionally or unconditionally approved or decided to allow the Company to proceed with the Resumption and all the conditions of the Resumption Guidance to such approval or decision (if any) having been fulfilled or waived by the Stock Exchange (or the Stock Exchange indicating that subject to the fulfilment of all the Resumption Guidance in writing, the trading of the Shares will be resumed);
- (d) the listing of and permission to deal in all of the Placing Shares to be issued under the Placing having been granted by the Stock Exchange (either unconditionally or subject to conditions) and such permission not having been subsequently revoked or withdrawn;
- (e) each of the warranties given by the Company to the Placing Agent being true and accurate in all material respects when made, and being true and accurate in all materials respects for the period from the date of the Placing Agreement and ending on the Placing Completion Date; and
- (f) the Placing Agreement not having been terminated in accordance with its terms.

None of the above conditions could be waived. If the above conditions are not fulfilled on or before 31 October 2025 or the effective date of delisting of the Shares from the Stock Exchange, whichever is earlier, or such other date as the Placing Agent and the Company may agree in writing, the Placing will lapse and all rights, obligations and liabilities of the parties to the Placing Agreement in relation to the Placing shall cease and determine and neither of the parties shall have any claim against the others in respect of the Placing, save for any antecedent breach and/or any rights or obligations which may accrue under the Placing Agreement prior to such termination.

Reference is made to the announcement issued by the Company on 5 September 2025 in relation to the Proposed Liquidation. The Placing is conditional on the Proposed Liquidation having commenced but not vice versa.

Application for listing

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

Placing Completion

Subject to the fulfillment of the conditions of the Placing stated above, Placing Completion shall take place on the Placing Completion Date.

Termination of the Placing Agreement

Pursuant to the Placing Agreement, the Placing Agent is entitled to terminate the Placing Agreement by giving a written notice to the Company, prior to 9:00 a.m. on the Placing Completion Date, if any of the following events occur at any time prior to 9:00 a.m. on the Placing Completion Date:

- (i) in the reasonable opinion of the Placing Agent, there shall have been since the date of the Placing Agreement such a change in national or international financial, political or economic conditions or taxation or exchange controls as would be likely to prejudice materially the consummation of the Placing; or
- (ii) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any matter whatsoever which may adversely affect the business or the financial or trading position or prospects of the Group as a whole; or

- (iii) any material 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 of the Placing Agreement and prior to the Placing 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 any material respect or there has been a material breach by the Company of any other provision of the Placing Agreement; or
- (iv) any moratorium, suspension or restriction on trading in shares or securities generally on the Stock Exchange due to exceptional financial circumstances; or
- (v) there is any adverse change in the financial position of the Company which in the reasonable opinion of the Placing Agent is material in the context of the Placing; or
- (vi) the Company would be delisted from the Stock Exchange.

In the event that the Resumption Guidance will likely not be fulfilled by the Company, in the reasonable opinion of the Placing Agent, the Placing Agent may elect, in its sole discretion, to terminate the Placing Agreement.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Company is an investment holding company principally engaged in investment business. The main businesses of the Company include the investment in listed and unlisted companies, as well as the investment in other financial assets.

The gross proceeds and net proceeds from the Placing (after deducting the placing commission and other related expenses) are estimated to be approximately HK\$45.0 million and HK\$42.0 million respectively and the net placing price per Placing Share is approximately HK\$0.084. The Company intends to apply the net proceeds from the Placing for investments acquisitions, redemption of convertible notes and general working capital of the Group.

The Board considers the Placing to be a suitable financial option as compared to other means of financing as it enables the Group to raise capital in an efficient manner without increasing interest burden on the Group, strengthen the financial position of the Company and represents a good opportunity to broaden the Shareholders' base and capital base of the Company. The Placing, in particular, will assist the Company to return to a positive shareholders' equity position from a net liability position as at 31 December 2024. This will also resolve the material uncertainty relating to the Group's ability to continue as a going concern.

The Board considers that the terms of the Placing Agreement and the transactions contemplated thereunder (including the Placing, the Placing Price and the placing commission) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES BY THE COMPANY IN THE PAST TWELVE MONTHS

The Company had not conducted any fund raising activities involving the issue of its equity or convertible securities in the 12 months immediately preceding the date of this announcement.

EFFECTS ON SHAREHOLDING STRUCTURE

The shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after the Placing Completion, assuming that there is no change in the issued share capital of the Company between the date of this announcement and the Placing Completion Date:

	As at the date of this announcement		Immediately after the Placing Completion (assuming the Placing Shares are fully placed)	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
All Fame Developments Limited (<i>Note</i>)	26,689,084	22.03	26,689,084	4.30
Lau Tom Ko Yuen	5,340,000	4.41	5,340,000	0.86
The Placees	–	–	500,000,000	80.50
Other public Shareholders	<u>89,102,936</u>	<u>73.56</u>	<u>89,102,936</u>	<u>14.34</u>
Total	<u>121,132,020</u>	<u>100.00</u>	<u>621,132,020</u>	<u>100.00</u>

Note:

All Fame Developments Limited, a company controlled as to 100% by Sun Matrix Limited. Sun Matrix Limited was controlled as to 50% by Mr. Lau Tom Ko Yuen and 50% by Ms. Lan Yi, the spouse of Mr. Lau Tom Ko Yuen. Mr. Lau Tom Ko Yuen is a non-executive Director and Chairman of the Company.

The Placing Agent has undertaken that no Placee will become a substantial shareholder of the Company immediately upon Placing Completion.

IMPLICATIONS UNDER THE LISTING RULES

As the Placing Shares will be allotted and issued under the Specific Mandate, the Placing and the Specific Mandate are subject to the Shareholders' approval at the SGM.

None of the Directors has a material interest in the Placing. Accordingly no Director is required to abstain from voting on the relevant Board resolution(s) approving the Placing.

GENERAL

A circular containing, among other things, (i) further information relating to the Placing together with information relating to the Proposed Liquidation as announced by the Company on 5 September 2025; (ii) a notice convening the SGM; and (iii) other information as required to be disclosed under the Listing Rules, will be despatched to the Shareholders on or before 15 September 2025.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 2 April 2024, in accordance with Rule 13.50A of the Listing Rules, and will remain suspended until further notice.

The Placing is conditional upon satisfaction of the conditions set out in the paragraph headed “Conditions of the Placing” in this announcement. Accordingly, the Placing may or may not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, unless the context specifies otherwise, the following defined expressions have the following meanings:

“Annual Report 2023”	the annual report of the Company for the financial year ended 31 December 2023
“Annual Results 2024”	the annual results announcement of the Company for the financial year ended 31 December 2024 announced by the Company on 29 August 2025
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Auditors”	Rongcheng (Hong Kong) CPA Limited (<i>formally known as CL Partners CPA Limited</i>), the auditors of the Company
“Board”	board of Directors

“Business Day”	a day (excluding Saturday and Sunday and any day on which “extreme conditions” is announced by the Government of Hong Kong or 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 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 general business
“Company”	Prosperity Investment Holdings Limited, a company incorporated in Bermuda with limited liability, with its issued Shares listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“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 People’s Republic of China
“Independent Third Party(ies)”	any person or company and their respective ultimate beneficial owners (if applicable) who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of and not connected with the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Placee(s)”	means any Professional Investor(s) procured by or on behalf of the Placing Agent to subscribe for any of the Placing Shares pursuant to and in accordance with the Placing Agreement
“Placing”	the placing, on a fully underwritten basis, of the Placing Shares on the terms and subject to the condition set out in the Placing Agreement
“Placing Agent”	Astrum Capital Management Limited, a licensed corporation to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“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 Completion”	the completion of the Placing in accordance with the terms and conditions set out in the Placing Agreement
“Placing Completion Date”	means any day falling within ten Business Days following the satisfaction of the conditions of the Placing (or such other date as the Company and the Placing Agent may agree) at which completion of the Placing shall take place pursuant to the Placing Agreement
“Placing Price”	the placing price of HK\$0.090 per Placing Share
“Placing Share(s)”	500,000,000 new Shares to be placed by or through the Placing Agent as agent for the Company pursuant to the Placing Agreement

“Professional Investor(s)”	has the meaning as ascribed thereto in Part 1 of Schedule 1 to the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and any rules made thereunder
“PRC”	the People’s Republic of China which, for the purpose of this announcement only, does not include Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Proposed Liquidation”	the proposed placing of Easy Ace Investments Limited, an indirect wholly owned subsidiary of the Company, into a solvent voluntary liquidation, details of which were disclosed in the announcement of the Company dated 5 September 2025
“Resumption”	the resumption of trading in the Shares on the Stock Exchange
“Resumption Guidance”	the resumption guidance set out in the letters issued by the Stock Exchange to the Company on 18 June 2024 and 1 April 2025 (and any other additional resumption guidance(s) as the Stock Exchange may impose from time to time)
“Specific Mandate”	the specific mandate to be sought from the Shareholders at the SGM to grant the authority to the Board for the allotment and issue of the 500,000,000 Placing Shares
“SGM”	the special general meeting of the Company to be convened for the purpose of considering and, if thought fit, to approve the the Placing Agreement and the transactions contemplated thereunder, including the grant of the Specific Mandate for the allotment and issue of the Placing Shares
“Share(s)”	ordinary share(s) of par value of HK\$0.001 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
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“%” or “per cent.”	percentage or per centum

By order of the Board
Prosperity Investment Holdings Limited
Wan Tat Kay Dominic Savio
Company Secretary

Hong Kong, 5 September 2025

As at the date of this announcement, the Board comprises one non-executive director, namely Mr. Lau Tom Ko Yuen and four independent non-executive directors, namely Mr. Feng Nien Shu, Mr. Lui Siu Tsuen, Richard, Ms. Wong Lai Kin, Elsa, and Mr. Ip Kwok Kwong.

This announcement is made in English and Chinese. In case of any inconsistency, the English version shall prevail.

* *For identification purpose only*