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## **Core Economy Investment Group Limited**

**核心經濟投資集團有限公司**

*(Continued into Bermuda with limited liability)*

(Stock Code: 339)

### **PLACING OF NEW SHARES UNDER GENERAL MANDATE**

**Placing Agent**



CHEER UNION SECURITIES LTD

#### **PLACING OF NEW SHARES UNDER GENERAL MANDATE**

On 7 November 2023 (after trading hours of the Stock Exchange), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Placing Agent has conditionally agreed, as agent of the Company, to procure on a best effort basis currently expected to be not less than six Placees who and whose ultimate beneficial owners shall be Independent Third Parties to subscribe for up to 47,520,000 Placing Shares at the Placing Price of HK\$0.15 per Placing Share.

#### **PLACING SHARES**

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 of 47,520,000 Placing Shares represents (i) 19.76% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.50% of the issued share capital of the Company as enlarged by the allotment and issue of all the Placing Shares.

The Placing Shares will be allotted and issued pursuant to the General Mandate and is not subject to further Shareholders' approval. An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

## **PLACING PRICE**

The Placing Price of HK\$0.15 per Placing Share represents: (i) a discount of approximately 14.77% to the closing price of HK\$0.176 per Share as quoted on the Stock Exchange on 7 November 2023, being the date of the Placing Agreement; and (ii) a discount of approximately 11.24% to the average closing price of approximately HK\$0.169 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

## **USE OF PROCEEDS**

Assuming all the Placing Shares are fully placed, the gross proceeds from the Placing will be approximately HK\$7.13 million. The net proceeds, after deduction of all relevant expenses (including but not limited to placing commission, legal expenses and disbursements) incidental to the Placing of approximately HK\$0.12 million, are estimated to be approximately HK\$7.01 million. Of the net proceeds, the Company intends to use (i) approximately HK\$3.51 million for future investment and business development; and (ii) approximately HK\$3.50 million as general working capital of the Company.

**Shareholders and potential investors of the Company should note that completion of the Placing is subject to the fulfilment of the conditions set out in the Placing Agreement. The Placing may or may not proceed. Shareholders and potential investors of the Company are therefore urged to exercise caution when dealing in the Shares and other securities of the Company.**

## **PLACING OF NEW SHARES UNDER GENERAL MANDATE**

On 7 November 2023 (after trading hours of the Stock Exchange), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Placing Agent has conditionally agreed, as agent of the Company, to procure on a best effort basis currently expected to be not less than six Placees who and whose ultimate beneficial owners shall be Independent Third Parties to subscribe for up to 47,520,000 Placing Shares at the Placing Price of HK\$0.15 per Placing Share. Details of the Placing Agreement are set out below:

### **The Placing Agreement**

Date: 7 November 2023

Parties: (i) the Company (as issuer); and  
(ii) Cheer Union Securities Limited (as Placing Agent).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties. As at the date of this announcement, the Placing Agent is not interested in any Shares.

Pursuant to the terms of the Placing Agreement, the Placing Agent will receive a placing commission of 1.5% of the amount which is equal to the Placing Price multiplied by the number of Placing Shares actually placed by the Placing Agent. The placing commission in respect of the

Placing was negotiated on arm's length basis between the Company and the Placing Agent and was determined with reference to, among other things, the prevailing commission rate charged by other placing agents and the price performance of the Shares.

The Directors consider that the placing commission in respect of the Placing are fair and reasonable based on the current market conditions.

### **Placees**

The Placing Shares will be placed to currently expected to be not less than six Placees who shall be professional, institutional or other investors 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. Upon completion of the Placing, it is expected that none of the Placees will become a substantial Shareholder. If any of the Placees will become a substantial Shareholder after completion of the Placing, further announcement will be made by the Company.

### **Placing Shares**

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, a maximum of 47,520,000 Placing Shares represent (i) 19.76% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.50% of the issued share capital of the Company as enlarged by the allotment and issue of all the Placing Shares. The aggregate nominal value of the maximum of 47,520,000 Placing Shares is HK\$950,400.

### **Placing Price**

The Placing Price of HK\$0.15 per Placing Share represents:

- (i) a discount of approximately 14.77% to the closing price of HK\$0.176 per Share as quoted on the Stock Exchange on 7 November 2023, being the date of the Placing Agreement; and
- (ii) a discount of approximately 11.24% to the average of the closing prices of HK\$0.169 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

The net Placing Price (after deducting the costs and expenses of the Placing) is approximately HK\$0.148 per Placing Share. Based on a nominal value of HK\$0.02 per Share, the aggregate nominal value of the Placing Shares is HK\$950,400.

The Placing Price was arrived at after arm's length negotiations between the Company and the Placing Agent with reference to the prevailing market price and the recent trading performance 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.

### **Ranking of the Placing Shares**

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

## **Conditions of the Placing**

The Placing is conditional upon the following conditions having been fulfilled:

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

In the event that any of the above conditions is not fulfilled on or before 24 November 2023 (or such other date as may be agreed between the parties to the Placing Agreement in writing), all rights, obligations and liabilities of the parties to the Placing Agreement shall cease and terminate and neither of the parties thereto shall have any claim against the other save for any antecedent breach under the Placing Agreement prior to such termination.

## **Completion of the Placing**

Completion of the Placing shall take place on a date falling within four (4) Business Days after the day on which all the conditions set out in the Placing Agreement have been fulfilled (or such other date as may be agreed between the parties to the Placing Agreement in writing).

## **General Mandate to issue the Placing Shares**

The Placing Shares will be allotted and issued pursuant to the General Mandate granted to the Directors at the annual general meeting of the Company held on 27 June 2023. The maximum number of Shares that can be issued under the General Mandate is 48,096,000 Shares. As at the date of this announcement, no Shares have been allotted and issued under the General Mandate. The General Mandate is sufficient for the allotment and issue of the Placing Shares. Accordingly, no separate approval of Shareholders is required for the Placing.

## **Application for listing**

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

## **Termination**

The Placing Agent may terminate the Placing Agreement without any liability to the Company save for antecedent breach under the Placing Agreement prior to such termination, by notice in writing given to the Company at any time prior to 8:00 a.m. on the date of completion of the Placing upon the occurrence of the following events which, in the absolute opinion of the Placing Agent, has or may have an adverse effect on the business or financial conditions or prospects of the Company or the Group taken as a whole or the success of the Placing or the full placement of all of the Placing Shares or has or may otherwise make it inappropriate, inadvisable or inexpedient to proceed with the Placing on the terms and in the manner contemplated in the Placing Agreement if there develops, occurs or comes into force:

- (i) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date of the Placing Agreement) and including an event

or change in relation to or a development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, resulting in a change in, or which may result in a change in, political, economic, fiscal, financial, regulatory or stock market conditions and which in the Placing Agent's absolute opinion would adversely affect the success of the Placing; or

- (ii) the imposition of any moratorium, suspension (for more than seven (7) trading days) or restriction on trading in the securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise and which in the Placing Agent's absolute opinion, would adversely affect the success of the Placing; or
- (iii) any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other jurisdiction relevant to the Group and if in the Placing Agent's absolute opinion any such new law or change may adversely affect the business or financial prospects of the Group and/or the success of the Placing; or
- (iv) any litigation or claim being instigated against any member of the Group, which has or may have an adverse effect on the business or financial position of the Group and which in the Placing Agent's absolute opinion would adversely affect the success of the Placing; or
- (v) any material adverse change in the business or in the financial or trading position or prospects of the Group as a whole; or
- (vi) any 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 date of completion of the Placing which if had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties untrue or incorrect or there has been a breach by the Company of any other provision of the Placing Agreement; or
- (vii) there is any material change (whether or not forming part of a series of changes) in market conditions which in the absolute opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed.

If notice is given pursuant to the above, the Placing Agreement shall terminate and be of no further effect and neither party shall be under any liability to the other party in respect of the Placing Agreement save for any antecedent breach under the Placing Agreement prior to such termination.

## **REASONS FOR THE PLACING AND THE USE OF PROCEEDS**

The Company is an investment company under Chapter 21 of the Listing Rules and is principally engaged in the investment and trading of listed and unlisted securities. The Board considers that the Placing represents a good opportunity for the Company to raise additional funds as general working capital of the Company and, with additional funds, the Company will also be equipped to capture suitable investment opportunities in a timely manner and the terms of the Placing Agreement are on normal commercial terms. Accordingly, the Directors consider that the terms of the Placing are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Assuming all the Placing Shares are fully placed, the gross proceeds from the Placing will be approximately HK\$7.13 million. The net proceeds, after deduction of all relevant expenses (including but not limited to placing commission, legal expenses and disbursements) incidental to the Placing of approximately HK\$0.12 million, are estimated to be approximately HK\$7.01 million, representing a net issue price of approximately HK\$0.148 per Placing Share. The net proceeds from the Placing are intended to be used for the general working capital of the Company and for future investments pursuant to the investment objectives of the Company. Of the net proceeds, the Company intends to use (i) approximately HK\$3.51 million for future investment and business development; and (ii) approximately HK\$3.50 million as general working capital of the Company.

#### **FUND RAISING ACTIVITIES INVOLVING ISSUE OF SECURITIES IN THE PAST 12 MONTHS**

The Company has not carried out any fund-raising exercises during the 12 months immediately preceding the date of this announcement.

## EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The following table illustrates the shareholding structure of the Company as at the date of this announcement and immediately upon issue of the Placing Shares (assuming that there is no change in the issued share capital of the Company from the date of this announcement and up to the completion of the Placing (other than as a result of the allotment and issue of the Placing Shares)):

Shareholders	As at the date of this announcement		Immediately upon Completion of the Placing	
	No. of Shares	Approx. %	No. of Shares	Approx. %
Ms. LIU Li <sup>1</sup>	57,950,000	24.10	57,950,000	20.12
Mr. YANG Zhicheng <sup>2</sup>	38,800,000	16.13	38,800,000	13.47
Ms. LIU Sihan <sup>3</sup>	27,580,000	11.47	27,580,000	9.58
Mr. SUN Bo <sup>4</sup>	22,275,000	9.26	22,275,000	7.73
<b>Public Shareholders</b>				
Placees	-	-	47,520,000	16.50
Other public Shareholders	93,875,000	39.04	93,875,000	32.60
<b>Total</b>	<u>240,480,000</u>	<u>100.00</u>	<u>288,000,000</u>	<u>100.00</u>

### Notes:

1. These shares were held by HK Jin Tai Feng Group Limited. Ms. LIU Li holds 99% of Zhongqing Keji Shiye Development Limited\* (中擘科技實業發展有限公司) which holds 80% of HK Jin Tai Feng Group Limited, which holds the 57,950,000 shares of the Company. By virtue of the Securities and Futures Ordinance, Ms. LIU Li is deemed to be interested in the 57,950,000 shares of the Company.
2. These shares were held by Zhongjin Technology Industrial Co., Limited, which was solely and wholly owned by Mr. YANG Zhicheng, who is a non-executive Director and deputy chairman of the Board of the Company. By virtue of the Securities and Futures Ordinance, Mr. YANG Zhicheng is deemed to be interested in the 38,800,000 shares of the Company.
3. These shares were held by Master Star Holding Group Co. Limited, which was solely and wholly owned by Ms. LIU Sihan. By virtue of the Securities and Futures Ordinance, Ms. LIU Sihan is deemed to be interested in the 27,580,000 shares of the Company.
4. Mr. SUN Bo is an executive Director and the chairman of the Board.

\* For identification purpose only

## DEFINITIONS

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

“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day on which licensed banks in Hong Kong are open for business throughout their normal business hours (other than a Saturday, Sunday or public holiday in Hong Kong)
“Company”	Core Economy Investment Group Limited, a company continued into Bermuda with limited liability, the Shares of which are listed on the Stock Exchange (stock code: 339)
“connected person(s)”	has the meaning as ascribed to it in the Listing Rules
“Director(s)”	director(s) 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 27 June 2023 among other things, to allot, issue and deal with up to 48,096,000 Shares, being 20% of the then issued share capital of the Company on 27 June 2023
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any persons or company(ies) and their respective ultimate beneficial owners (if applicable) who, to the best of the Director’s knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third parties independent of and not connected or acting in concert with the Company and its connected persons
“Listing Committee”	has the meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	any independent professional, institutional or other investor(s) or any of their respective subsidiaries or associates procured by the Placing Agent to subscribe for any of the Placing Shares pursuant to the Placing Agreement

“Placing”	the placing of the Placing Shares pursuant to the terms of the Placing Agreement
“Placing Agent”	Cheer Union Securities Limited, a licensed corporation to carry on business in Type 1 regulated activity (dealing in securities) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	the conditional placing agreement entered into between the Company and the Placing Agent dated 7 November 2023 in relation to the Placing
“Placing Price”	HK\$0.15 per Placing Share (exclusive of any brokerage, Securities and Futures Commission transaction levy and Stock Exchange trading fee as may be payable)
“Placing Share(s)”	up to 47,520,000 new Shares to be placed pursuant to the Placing Agreement, each a “Placing Share”
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Share(s)”	ordinary share(s) of nominal value of HK\$0.02 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%” or “per cent.”	percentage or per centum

By order of the Board  
**Core Economy Investment Group Limited**  
**SUN Bo**  
*Chairman*

Hong Kong, 7 November 2023

*As at the date of this announcement, the executive Directors are Mr. SUN Bo (Chairman) and Mr. WANG Daming; the non-executive Directors are Mr. YANG Zhicheng (Deputy Chairman), Mr. HE Yu and Ms. YAN Jia; and the independent non-executive Directors are Mr. CHEN Ming, Mr. MOK Ho Ming and Mr. WONG Yan Wai George.*