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## **HUSCOKE HOLDINGS LIMITED**

**和嘉控股有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 704)**

- (I) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL;  
(II) PROPOSED OPEN OFFER ON THE BASIS OF  
TWO (2) OFFER SHARES FOR EVERY  
ONE (1) EXISTING SHARE HELD ON THE RECORD DATE;  
AND  
(III) CONTINUED SUSPENSION OF TRADING**

**Financial Adviser to the Company**

**VEDA | CAPITAL**  
**智 略 資 本**

### **I. THE INCREASE IN AUTHORISED SHARE CAPITAL**

In order to provide the Company with greater flexibility for the issue of the Offer Shares and other possible fund-raising activities in the future as and when necessary, the Board proposes to increase the authorised share capital of the Company from HK\$200,000,000 divided into 2,000,000,000 Shares to HK\$400,000,000 divided into 4,000,000,000 Shares by the creation of an additional 2,000,000,000 Shares. Subject to the passing of an ordinary resolution by the Shareholders at the SGM to approve the Increase in Authorised Share Capital, the Increase in Authorised Share Capital will become effective on the date of the SGM.

## **II. THE OPEN OFFER**

The Board proposes to raise approximately HK\$121.7 million before expenses, by way of Open Offer of a maximum of 574,142,698 Offer Shares at the Subscription Price of HK\$0.212 per Offer Share on the basis of two (2) Offer Shares for every one (1) existing Share held on the Record Date and payable in full on acceptance. The Open Offer is not underwritten and will not be extended to the Non-Qualifying Shareholder(s), if any.

Assuming no change in the number of issued Shares on or before the Record Date and that no new Shares (other than the Offer Shares) will be allotted and issued on or before completion of the Open Offer, the maximum number of 574,142,698 Offer Shares proposed to be issued pursuant to the terms of the Open Offer represent: (i) 200% of the total number of Shares in issue as at the date of this announcement; and (ii) approximately 66.67% of the total number of Shares to be in issue as enlarged by the allotment and issue of the Offer Shares (assuming all the Offer Shares will be taken up).

The Open Offer will only be available to the Qualifying Shareholders. To qualify for the Open Offer, Shareholders must be registered as members of the Company on the Record Date and not be Non-Qualifying Shareholders.

Pursuant to the Irrevocable Undertaking, Shun Wang has irrevocably undertaken to the Company that (i) those 146,841,904 Shares registered in the name of and beneficially owned by it will remain registered in the name of and beneficially owned by it before the date when the announcement of the results of the Open Offer is published; (ii) it will accept its maximum entitlement under the Open Offer, subject to the compliance of Rule 8.08(1)(a) of the Listing Rules by the Company; and (iii) it will lodge the Application Form in respect of its assured entitlement accompanied by appropriate remittance which shall be honoured on first presentation and otherwise comply with the procedures for such acceptance and application as described in the Prospectus Documents prior to the Latest Time for Acceptance.

Save for the Irrevocable Undertaking, the Board has not received any information or irrevocable undertakings from any substantial shareholders of the Company of their intention to take up the securities of the Company to be offered to them under the Open Offer.

The Offer Shares not taken up by the Qualifying Shareholders under the Application Forms or the EAFs will not be allotted and issued and the size of the Open Offer will be reduced accordingly.

## **IMPLICATIONS UNDER THE LISTING RULES**

As the Offer Shares will be issued pursuant to the Specific Mandate, in accordance with Rule 7.24A(1) of the Listing Rules, the Open Offer must be made conditional on approval by the Independent Shareholders at the SGM and, pursuant to Rule 7.27A(1) of the Listing Rules, any controlling shareholders of the Company and their associates shall abstain from voting in favor of the resolution(s) relating to the Open Offer. As such, Shun Wang and its associates are required to abstain from voting on the resolutions in respect of the Open Offer at the SGM.

## **GENERAL**

The SGM will be convened to consider and, if thought fit, among other things, approve the Increase in Authorised Share Capital and the Open Offer (including the grant of the Specific Mandate). The aforementioned resolutions will be voted on by the Shareholders (or the Independent Shareholders in the case of the Open Offer) by way of poll. A circular containing, among other things, (i) further details of the Increase in Authorised Share Capital and the Open Offer (including the grant of the Specific Mandate); (ii) the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Open Offer; (iii) the letter of advice from the Independent Financial Adviser; (iv) other information as required under the Listing Rules; and (v) the notice of the SGM, is expected to be despatched to the Shareholders on or before 29 August 2022.

To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, save for Shun Wang, no other Shareholders have a material interest in the Increase in Authorised Share Capital or the Open Offer (including the grant of the Specific Mandate), and save for Shun Wang and its associates (which shall abstain from voting at the SGM in respect of the Open Offer), no Shareholders would have to abstain from voting at the SGM in respect of the Increase in Authorised Share Capital or the Open Offer (including the grant of the Specific Mandate). No Director has material interest in the Increase in Authorised Share Capital or the Open Offer (including the grant of the Specific Mandate) and accordingly no Director is required to abstain from voting on the resolutions passed by the Board to approve the foregoing matters.

The Independent Board Committee comprising all independent non-executive Directors has been established to make recommendation to the Independent Shareholders regarding the Open Offer and the transactions contemplated thereunder, including the Specific Mandate. SBI China has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Open Offer including the Subscription Price, are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

**The publication of this announcement is only for information purposes and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities.**

**Shareholders and potential investors should note that completion of the Open Offer is conditional upon satisfaction of certain condition precedent as set out in this announcement, including, among others, the Stock Exchange granting the listing of, and permission to deal in the Offer Shares. The Open Offer may or may not proceed. Shareholders and potential investors of the Company should exercise caution when they deal or contemplate dealing in the securities of the Company.**

### **III. CONTINUED SUSPENSION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended from 9:00 a.m. on 29 March 2021, and will remain suspended until further notice.

**Under Rule 6.01A(1) of the Listing Rules, the Stock Exchange may cancel the listing of any securities that have been suspended from trading for a continuous period of 18 months. In the case of the Company, the 18-month period expires on 28 September 2022. If the Company fails to fulfill all the Resumption Guidance, address all issues arising from time to time causing its trading suspension, and re-comply with the Listing Rules by 28 September 2022, the Stock Exchange is entitled to delist the Company under the Listing Rules.**

**The publication of this announcement and completion of the Open Offer do not indicate any decision or conclusion from the Stock Exchange not to delist the Company nor warrant any approval from the Stock Exchange on the Resumption or indicate any decision or conclusion from the Stock Exchange about the Company's fulfilment of the Resumption Guidance, including compliance with Rule 13.24 of the Listing Rules.**

**The Company will disclose updates on the satisfaction of Resumption Guidance by way of announcement, as and when appropriate. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their positions, they should consult their professional advisers.**

### **I. THE INCREASE IN AUTHORISED SHARE CAPITAL**

In order to provide the Company with greater flexibility for the issue of the Offer Shares and other possible fund-raising activities in the future as and when necessary, the Board proposes to increase the authorised share capital of the Company from HK\$200,000,000 divided into 2,000,000,000 Shares to HK\$400,000,000 divided into 4,000,000,000 Shares by the creation of an additional 2,000,000,000 Shares. Subject to the passing of an ordinary resolution by the Shareholders at the SGM to approve the Increase in Authorised Share Capital, the Increase in Authorised Share Capital will become effective on the date of the SGM.

The Increase in Authorised Share Capital is conditional upon the passing of ordinary resolution by the Shareholders at the SGM. The Directors are of the view that the Increase in Authorised Share Capital is in the interests of the Company and the Shareholders as a whole.

## II. THE OPEN OFFER

The Board proposes to raise approximately HK\$121.7 million before expenses, by way of Open Offer of a maximum of 574,142,698 Offer Shares at the Subscription Price of HK\$0.212 per Offer Share on the basis of two (2) Offer Shares for every one (1) existing Share held on the Record Date and payable in full on acceptance. Details of the Open Offer are summarised as follows:

### Issue statistics

Basis of the Open Offer	:	Two (2) Offer Shares for every one (1) existing Share held on the Record Date
Subscription Price	:	HK\$0.212 per Offer Share
Number of Shares in issue as at the date of this announcement	:	287,071,349 Shares
Number of Offer Shares	:	Up to 574,142,698 Offer Shares
Number of Offer Shares undertaken to be taken up by Shun Wang	:	Up to 293,683,808 Offer Shares
Maximum number of Shares to be in issue upon completion of the Open Offer	:	Up to 861,214,047 Shares (assuming no change in the number of Shares in issue on or before the Record Date and that no new Shares (other than the Offer Shares) will be allotted and issued on or before completion of the Open Offer)
Maximum funds to be raised before expenses	:	Up to approximately HK\$121.7 million (assuming all the Offer Shares will be fully taken up)
Right of excess applications	:	Qualifying Shareholders may apply for Offer Shares in excess of their provisional allotment

As at the date of this announcement, the Company has no outstanding warrants, options or convertible securities or other similar rights which are convertible or exchangeable into Shares. The Company has no intention to issue any new Shares and any other securities before the completion of the Open Offer.

Assuming no change in the number of issued Shares on or before the Record Date and that no new Shares (other than the Offer Shares) will be allotted and issued on or before completion of the Open Offer, the maximum number of 574,142,698 Offer Shares proposed to be issued pursuant to the terms of the Open Offer represent: (i) 200% of the total number of Shares in issue as at the date of this announcement; and (ii) approximately 66.67% of the total number of Shares to be in issue as enlarged by the allotment and issue of the Offer Shares (assuming all the Offer Shares will be taken up). The Offer Shares will be issued pursuant to the Specific Mandate to be sought at the SGM.

## Subscription Price

The Subscription Price is HK\$0.212 per Offer Share, payable in full on application of the relevant assured allotment of the Offer Shares and, where applicable, application for excess Offer Shares under the Open Offer. The Subscription Price represents:

- (i) a discount of approximately 30.5% to the closing price of HK\$0.305 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 31.4% to the benchmarked price of approximately HK\$0.309 per Share (as defined under Rule 13.36(5) of the Listing Rules, taking into account that trading of the Shares have been halted since the Last Trading Day and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five previous consecutive trading days up to and including the Last Trading Day of approximately HK\$0.309 per Share);
- (iii) a discount of approximately 12.8% to the theoretical ex-entitlement price of HK\$0.243 per Share based on the closing price of HK\$0.305 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iv) a discount of approximately 31.4% to the average closing price of HK\$0.309 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day;
- (v) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of a discount of approximately 21.04% represented by the theoretical diluted price of approximately HK\$0.244 to the benchmarked price of HK\$0.309 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the closing price on the Last Trading Day of HK\$0.305 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five previous consecutive trading days up to and including the Last Trading Day of HK\$0.309 per Share), and calculated on the basis that the Open Offer will be fully subscribed; and
- (vi) a premium of approximately HK\$0.714 over the audited consolidated net liabilities value per Share of approximately HK\$0.502 as at 31 December 2021 (based on the latest published audited consolidated net liabilities value of the Group attributable to the Shareholders of approximately HK\$144.23 million and 287,071,349 Shares in issue as at 31 December 2021).

The net price per Offer Share (after deducting the relevant expenses) will be approximately HK\$0.209 per Offer Share.

The Subscription Price was determined by the Company with reference to, among other things, (i) the trading halt of the Shares; (ii) the prevailing market conditions; (iii) the Group's current financial position; and (iv) the funding and working capital needs of the Group as set out in the paragraph headed "Reasons for the Open Offer and Use of Proceeds" below.



Each Qualifying Shareholder is entitled to subscribe for the Offer Shares at the same Subscription Price in proportion to his/her/its existing shareholding in the Company. The Directors (excluding the members of the Independent Board Committee whose opinions in respect of the Open Offer will be set forth in the circular after taking into consideration the advice from the Independent Financial Adviser) consider the terms of the Open Offer, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **Status of the Offer Shares**

The Offer Shares (when allotted, fully paid and issued) will rank *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the Offer Shares. Holders of the Offer Shares will be entitled to receive all future dividends and distributions, which are declared, made or paid on or after the date of allotment and issue of the Offer Shares. The Offer Shares will be allotted and issued under the Specific Mandate to be sought at the SGM.

### **Qualifying Shareholders**

The Open Offer will only be available to the Qualifying Shareholders. To qualify for the Open Offer, Shareholders must be registered as members of the Company on the Record Date and not be Non-Qualifying Shareholders. The Company will, subject to compliance with the relevant local laws, regulations and requirements, send (i) the Prospectus Documents to Qualifying Shareholders; and (ii) the Prospectus with the Overseas Letter, for information only, to the Non-Qualifying Shareholders (if any). No Application Form(s) or EAF(s) will be sent to the Non-Qualifying Shareholders.

Shareholders whose Shares are held by nominee companies should note that the Board will regard a nominee company (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company. Shareholders with their Shares held by nominee companies are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

In order to be registered as a member of the Company on the Record Date, Shareholders must lodge any transfers of Shares (with the relevant share certificate(s)) with Tricor Secretaries Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, being the Company's share registrar and transfer office in Hong Kong by the Latest Lodging Time.

### **Rights of Overseas Shareholders and Non-Qualifying Shareholders**

If at the close of business on the Record Date, a Shareholder's address on the Company's register of members is in a place outside of Hong Kong, that Shareholder may not be eligible to take part in the Open Offer. The Prospectus Documents will not be registered or filed under the applicable securities or equivalent legislation of any jurisdiction other than in Hong Kong.

In compliance with Rule 13.36(2)(a) of the Listing Rules, the Directors will make enquiries as to whether the issue of Offer Shares to the Overseas Shareholders may contravene the applicable securities legislation(s) of the relevant overseas place(s) or the requirements of the relevant regulatory body(ies) or stock exchange(s). If, after making such enquiry, the Directors are of the opinion that it would be necessary or expedient, on account either of the legal restrictions under the laws of the relevant place(s) or any requirement of the relevant regulatory body(ies) or stock exchange(s) in that or those place(s), not to offer the Offer Shares to such Overseas Shareholders, no provisional allotment of Offer Shares will be made to such Overseas Shareholders. Accordingly, the Open Offer will not be extended to the Non-Qualifying Shareholders. The Offer Shares which would otherwise have been in the assured allotments of the Non-Qualifying Shareholders will be available under the EAFs. The Company will disclose the results of the enquiry in the Prospectus regarding the legal restrictions on the issue and allotment of Offer Shares to the Overseas Shareholders.

### **Closure of register of members**

The register of members of the Company will be closed from Friday, 23 September 2022 to Thursday, 29 September 2022, both days inclusive, to determine the entitlements to the Open Offer. No transfer of Shares will be registered during this period.

### **Fractions of Offer Shares**

Entitlement to the Open Offer will be rounded down to the nearest whole number. No fractional entitlements to the Offer Shares will be issued to the Qualifying Shareholders. No entitlements of the Non-Qualifying Shareholders to the Offer Shares will be issued to the Non-Qualifying Shareholders. The Non-Qualifying Shareholders (which are excluded from the Open Offer) would not have any entitlement under the Open Offer. All such fractional entitlements will be aggregated and integral numbers of the Offer Shares will be available for excess application by the Qualifying Shareholders. Should there be no excess application by the Qualifying Shareholders, those Offer Shares created from the aggregation of fractional assured entitlements will not be allotted and issued and the size of the Open Offer will be reduced accordingly.

### **Non-underwritten basis**

The Open Offer will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Offer Shares. The Unsubscribed Shares under the Application Forms and the EAFs, if any, will not be issued by the Company and the size of the Open Offer will be reduced accordingly. There are no statutory requirements regarding minimum subscription levels in respect of the Open Offer.

### **Application for excess Offer Shares**

Pursuant to Rule 7.26A of the Listing Rules, the Company must make arrangements to dispose of the Offer Shares not validly applied for by means of EAFs or by offering the same to independent places for the benefit of those Shareholders.



The Offer Shares (i) to which the Non-Qualifying Shareholders would otherwise have been entitled; (ii) not validly applied for by the Qualifying Shareholders under the Open Offer; and (iii) created by aggregation of fractional assured entitlements, will be available for excess application by the Qualifying Shareholders.

The Qualifying Shareholders are entitled to apply for any Offer Shares in excess of their own assured allotments by completing an EAF and lodging the same with a separate remittance for the excess Offer Shares being applied for, but are not assured of being allocated any Offer Shares in excess of their assured allotments under the Application Forms.

The Directors will allocate the excess Offer Shares at their discretion on a fair and equitable basis as far as practicable according to the following principles:

- (i) no preference will be given to applications for topping-up odd-lot holdings to whole-lot holdings as the giving of such preference may potentially be abused by certain investors by splitting their Shares and thereby receiving more Offer Shares than they would receive, which is an unintended and undesirable result; and
- (ii) subject to availability of excess Offer Shares, the excess Offer Shares will be allocated to the Qualifying Shareholders who have applied for excess application on a pro rata basis based on the excess Offer Shares applied for by them.

In the event that the Board notes unusual patterns of excess applications and has reason to believe that any application may have been made with the intention to abuse the mechanism, such application(s) for excess Offer Shares may be rejected at the sole discretion of the Board.

No preference will be given to topping-up odd lots to whole board lots. Shareholders who have been offered odd lots of the Offer Shares should note that there is no guarantee that such odd lots of the Offer Shares will be topped up to create whole board lots pursuant to applications for excess Offer Shares. Any Offer Shares not applied for by the Qualifying Shareholders and not taken by excess application will not be allotted and issued and the size of the Open Offer will be reduced accordingly.

Shareholders with their Shares held by a nominee (including HKSCC) should note that the Directors will regard the nominee (including HKSCC) as a single Shareholder according to the register of members of the Company. Accordingly, investors whose Shares are registered in the name of a nominee (including HKSCC) should note that the aforesaid arrangements in relation to the allocation of excess Offer Shares will not be extended to them individually. Shareholders should consult their professional advisers if they are in any doubt as to whether they should register their shareholding in their own names prior to the book closure period and apply for the Offer Shares themselves.

The Application Form and the EAF will be enclosed with the Prospectus entitling the Qualifying Shareholders to whom it is addressed to accept the Offer Shares as shown therein subject to payment in full by the Latest Time for Acceptance.

Application may be made only by the Qualifying Shareholders by completing an EAF and lodging the same with a separate remittance for the excess Offer Shares being applied for.

The Offer Shares not taken up by the Qualifying Shareholders will not be allotted and issued and the size of the Open Offer will be reduced accordingly.

**Those Qualifying Shareholders who do not take up the Offer Shares in full to which they are entitled to and the Non-Qualifying Shareholders should note that their shareholdings in the Company will be diluted upon completion of the Open Offer.**

### **Application for listing**

The Company shall make an application to the Stock Exchange for the listing of, and permission to deal in, the Offer Shares. Subject to the granting of listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Dealings in the Offer Shares on the Stock Exchange will be subject to the payment of stamp duty (if any) in Hong Kong and any other applicable fees and charges in Hong Kong.

### **Share certificates and refund cheques for the Offer Shares**

Subject to the fulfillment of the conditions of the Open Offer, share certificates for all Offer Shares are expected to be posted to the Qualifying Shareholders who have accepted and applied for (where appropriate), and paid for the Offer Shares by ordinary post at their own risk on or before Tuesday, 25 October 2022.

Refund cheques in respect of wholly or partially unsuccessful applications for excess Offer Shares, or if the Open Offer is terminated, refund cheques in respect of the applications for Offer Shares are expected to be posted on or before Tuesday, 25 October 2022 by ordinary post to the applicants at their own risk.

**Qualifying Shareholders who do not take up the Offer Shares to which they are entitled and the Non-Qualifying Shareholders should note that their shareholdings in the Company will be diluted.**

### **Odd lots trading arrangement and matching services**

In order to facilitate the trading of odd lots of new Shares arising from the Open Offer, the Company will appoint a designated broker as matching agent to provide matching service, on a best effort basis, to those Shareholders who wish to top-up or sell their shareholdings of odd lots of the Shares during such period to be further announced by the Company. Any Shareholder who is in any doubt about the odd lots trading arrangement is recommended to consult his/her/its own professional advisers. Further details of the odd lot arrangements will be set out in the Prospectus. Holders of odd lots of the Shares should note that the matching of sale and purchase of odd lots of the Shares is not guaranteed.

## **The Irrevocable Undertaking**

Pursuant to the Irrevocable Undertaking, Shun Wang has irrevocably undertaken to the Company that (i) those 146,841,904 Shares registered in the name of and beneficially owned by it will remain registered in the name of and beneficially owned by it before the date when the announcement of the results of the Open Offer is published; (ii) it will accept its maximum entitlement of up to 293,683,808 Offer Shares under the Open Offer, subject to the compliance of Rule 8.08(1)(a) of the Listing Rules by the Company; and (iii) it will lodge the Application Form in respect of its assured entitlement accompanied by appropriate remittance which shall be honoured on first presentation and otherwise comply with the procedures for such acceptance and application as described in the Prospectus Documents prior to the Latest Time for Acceptance.

Save for the Irrevocable Undertaking, the Board has not received any information or irrevocable undertakings from any substantial shareholders of the Company of their intention to take up the securities of the Company to be offered to them under the Open Offer.

## **Conditions of the Open Offer**

The Open Offer is conditional upon:

- (a) the Listing Committee granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in the Offer Shares by no later than the first day of their dealings;
- (b) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by all Directors (or by their agents duly authorised in writing) and otherwise in compliance with the Listing Rules and the CWUMPO not later than the Prospectus Posting Date;
- (c) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus and a letter in the agreed form to the Non-Qualifying Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Open Offer on or before the Prospectus Posting Date;
- (d) compliance with and performance of all undertakings and obligations of Shun Wang with the Irrevocable Undertaking in all material respects;

- (e) where applicable, all necessary approvals, permissions, consents, waivers (including Shareholders or Independent Shareholders, regulators and creditors of the Company) required under the memorandum and bye-laws the Company, applicable laws (including the Listing Rules, the SFO and otherwise) having been obtained in respect of transaction(s) or matter(s) in connection with or relating to or otherwise for the purpose of the Resumption (including without limitation, any open offer, subscription and debt restructuring of the Company);
- (f) the transactions contemplated under the Cooperation Agreement and the Agreement having completed; and
- (g) the Increase in the Authorised Share Capital of the Company having become effective.

The Company shall use its reasonable endeavours to procure the fulfilment of the conditions above (to the extent it is within its power to do so), and shall do all the things required to be done by it pursuant to the Prospectus Documents or otherwise reasonably necessary to give effect to the Open Offer. The Company expects that condition (f) above will be fulfilled around the end of September 2022, or such later dates as may be delayed due to the COVID-19 pandemic or any force majeure events. If any of the conditions referred to above are not fulfilled at or before 4:00 p.m. on 28 January 2023 (or such later date as the Company may determine), the Open Offer will not proceed. As at the date of this announcement, none of the above conditions has been fulfilled.

**Under Rule 6.01A(1) of the Listing Rules, the Stock Exchange may cancel the listing of any securities that have been suspended from trading for a continuous period of 18 months. In the case of the Company, the 18-month period expires on 28 September 2022. If the Company fails to fulfill all the Resumption Guidance, address all issues arising from time to time causing its trading suspension, and re-comply with the Listing Rules by 28 September 2022, the Stock Exchange is entitled to delist the Company under the Listing Rules.**

**Shareholders and potential investors should note that completion of the Open Offer is conditional upon satisfaction of certain condition precedent as set out in this announcement, including, among others, the Stock Exchange granting the listing of, and permission to deal in the Offer Shares. The Open Offer may or may not proceed. Shareholders and potential investors of the Company should exercise caution when they deal or contemplate dealing in the securities of the Company.**

## Expected timetable

The expected timetable for the Open Offer set out below is indicative only and has been prepared on the assumption that the Open Offer will be approved by the Independent Shareholders at the SGM. The expected timetable is subject to change, and any such change will be announced in a separate announcement by the Company as and when appropriate.

Event	Date and time
Despatch of Company's circular in relation to the Increase in Authorised Share Capital and the Open Offer, and the notice of SGM . . . . .	Monday, 29 August 2022
Latest time for registration of Shares to qualify for attendance and voting at the SGM . . . . .	4:30 p.m. on Friday, 9 September 2022
Register of members of the Company closed for SGM . . . . .	Tuesday, 13 September to Monday, 19 September 2022 (both days inclusive)
Latest time for lodging forms of proxy for the purpose of the SGM . . . . .	3:00 p.m. on Saturday, 17 September 2022
SGM for approving the Increase in Authorised Share Capital and the Open Offer . . . . .	3:00 p.m. on Monday, 19 September 2022
Announcement of results of SGM to be published on the Stock Exchange website . . . . .	Monday, 19 September 2022
Register of members of the Company re-opens . . . . .	Tuesday, 20 September 2022
Last day of dealings in Shares on a cum-entitlement basis . . . . .	Tuesday, 20 September 2022
First day of dealings in Shares on an ex-entitlement basis . . . . .	Wednesday, 21 September 2022
Latest Lodging Time . . . . .	4:30 p.m. on Thursday, 22 September 2022
Register of members of the Company closed for Open Offer . . . . .	Friday, 23 September 2022 to Thursday, 29 September 2022 (both days inclusive)

Record Date .....	Thursday, 29 September 2022
Register of members of the Company re-opens .....	Friday, 30 September 2022
Despatch of the Prospectus Documents (in case of the Non-Qualifying Shareholders, the Prospectus and the Overseas Letter only) .....	Friday, 30 September 2022
Latest Time for Acceptance .....	4:00 p.m. on Monday, 17 October 2022
Announcement of results of the Offer Shares and excess application to be published on the Stock Exchange website .....	On or before Monday, 24 October 2022
Despatch of share certificates and refund cheques (if applicable) for Offer Shares .....	On or before Tuesday, 25 October 2022
Dealings in Offer Shares commence .....	9:00 a.m. on Wednesday, 26 October 2022

### **Fund raising activities in the past twelve months**

The Company has not conducted any equity fund raising activity in the past twelve months before the date of this announcement.

### **REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS**

The Group is principally engaged in (i) trading of coke; (ii) washing of raw coal into refined coal for sale and for further processing and the sale of electricity and heat generated as by-products produced during the washing of raw coal; and (iii) processing of refined coal into coke for sale, and sale of coke by products of coke production.

#### **The Cinda Facility**

This section is announced by the Company pursuant to Rule 13.09(2)(a) and Rule 13.19 of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO.

On 27 June 2019, the Company has entered into a facility agreement of HK\$200,000,000 with Cinda (as amended and restated on 8 July 2019), pursuant to which Cinda would make available the facility of HK\$200 million to the Company with the maturity date on 8 July 2022 and interest rate of 10% per annum. The Company has made the facility drawdown in full amount in July 2019 and the facility has not yet been settled as at the date of this announcement. On 16 August 2022, the Company received the Repayment Demand Letter alleging a breach of the facility agreement on the part of the Company for failure to duly repay the principal amount of the Cinda Facility and interests accrued thereon, and that such alleged breach constituted an event of default under the



facility agreement, which would entitle Cinda as lender to declare that the outstanding principal amount under the Cinda Facility, together with the unpaid accrued interest, be immediately due and payable, and demanded the immediate repayment of the outstanding principal and accrued interest in respect of the Cinda Facility in the aggregate amount of HK\$226,056,236.52 to Cinda by 23 August 2022. The Company has thoroughly communicated with Cinda regarding the arrangement and the payment schedule of repaying the Cinda Facility with proceeds from Open Offer and the subscription of convertible bonds and Cinda has expressed its affirmation and continues to support the Company's Resumption work. The Company will continue to maintain good communication and negotiation with Cinda to seek proper solution of Cinda Facility under the consensus of completing the Resumption as soon as possible.

As at the date of this announcement, the cash and bank balance of the Company in Hong Kong is insufficient to repay the Cinda Facility owed by the Group to Cinda and meet the general working capital requirement of the Group, including staff costs, rental costs, professional fees and other overhead expenses. As such, the net proceeds of the proposed Open Offer are intended to be applied for the partial repayment of the Cinda Facility.

Assuming that there is no change in the number of issued Shares on or before the Record Date and all Offer Shares to be issued under the Open Offer have been taken up in full, the gross proceeds from the Open Offer (assuming that all Shareholders subscribe for their respective entitlement of Offer Shares under the Open Offer) will be approximately HK\$121.7 million. The net proceeds from the Open Offer (assuming that all Shareholders subscribe for their respective entitlement of Offer Shares under the Open Offer) (after deduction of estimated professional fees and other related expenses of approximately HK\$1.5 million) are estimated to be approximately HK\$120.2 million (assuming no other change in the number of Shares in issue on or before the Record Date), which are intended to be applied for the partial repayment of the Cinda Facility.

Pursuant to the terms of the Open Offer, the Offer Shares not taken up by the Qualifying Shareholders will be offered under the EAF, and any Unsubscribed Shares will not be allotted and issued and the size of the Open Offer will be reduced accordingly. All net proceeds from the Open Offer will be applied for the settlement of debt owed by the Group to Cinda, which is the most significant and pressing funding need of the Group as at the date of this announcement.

In addition to the Open Offer, the Company is preparing to enter into a conditional subscription agreement with a subscriber in relation to the subscription of convertible bonds in the principal amount of approximately HK\$153.9 million to be issued by the Company, the conversion price of which shall be approximately equal to but not lower than the Subscription Price. The net proceeds of the subscription of convertible bonds, when materialized, will also be applied for the partial repayment of the Cinda Facility to Cinda. As at the date of this announcement, the terms of the abovementioned condition subscription agreement have not been finalized. The Company will keep the Shareholders informed of developments in relation to, among other matters, the Repayment Demand Letter and the settlement of the Cinda Facility and further announcement(s) will be made by the Company as and when appropriate in accordance with the requirements under the Listing Rules.

## **Other fundraising alternatives**

The Company has considered other fund-raising alternatives before resolving to the Open Offer, including but not limited to debt financing, placing of new Shares and rights issue. Debt financing or bank loans would result in additional interest burden to and higher gearing ratio of the Group. Placing of new Shares would only be available to certain places who were not necessarily the existing Shareholders and would dilute the shareholding of the existing Shareholders in the Company.

Although rights issue, as compared to an open offer, can provide an additional option to those Shareholders who do not wish to take up the entitlements by selling their entitled nil-paid rights, rights issue would involve extra administrative work and cost for the preparation, printing, posting and processing of trading arrangements in relation to the nil-paid rights. The Company will also incur additional resources to administer the trading of the nil-paid rights including communication between the Company and other parties such as the registrar or financial printer. In addition, since trading in the Shares has been suspended since 29 March 2021, there would be high uncertainty of the existence of an active market to trade the nil-paid rights. In view of the above, the Board considers raising funds by way of the Open Offer is more cost-effective and efficient as compared to a rights issue.

The objective of the Open Offer is to enable the Shareholders to maintain their proportionate shareholding interests in the Company should they wish to do so, ensuring stability in the Shareholders' base in the Company, and to participate in the Company's future growth and development. The Board therefore considers, since the Open Offer will give the Qualifying Shareholders an equal and fair opportunity to maintain their respective pro-rata shareholding interests in the Company, even without the right to trade their nil-paid rights as in a rights issue, on balance, to conduct an Open Offer instead of a rights issue will be more beneficial to the Company and the Shareholders in the current circumstances.

However, the No Action Shareholders should note that their shareholding interest in the Company will be diluted. The Board has considered that the potential dilution impact on the shareholding interests of the Qualifying Shareholders, which may only happen when the Qualifying Shareholders do not subscribe for their pro-rata Offer Shares, to be acceptable.

Having taken into account the terms and conditions of the Open Offer, the Directors (excluding the members of the Independent Board Committee in respect of the Open Offer whose opinions in respect of the Open Offer will be set forth in the circular after taking into consideration the advice from the Independent Financial Adviser) consider that the terms of the Open Offer are fair and reasonable, and in the interests of the Company and the Shareholders as a whole. In addition, the Company is aware that any fund-raising activities by way of issuing securities of the Company will cause potential dilution impact to the shareholding of the existing Shareholders. However, the Open Offer would allow the Company to strengthen its capital base and provide an opportunity to all Shareholders (other than the Non-Qualifying Shareholders) to participate in the growth of the Company in proportion to their shareholdings.

Having considered the above factors, the Directors (excluding the members of the Independent Board Committee whose opinions in respect of the Open Offer will be set forth in the circular after taking into consideration the advice from the Independent Financial Adviser) consider that the Open Offer is an appropriate methods to raise the necessary funding for the Company which will allow the Qualifying Shareholders to have the right to participate in the new share issue to maintain their pro rata shareholdings interest in the Company should they wish to do so and is also in the interest of the Company and Shareholders as a whole.

## EFFECTS ON SHAREHOLDING STRUCTURE

The shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after the completion of the Open Offer (assuming all Shareholders have taken up their respective entitlement of Offer Shares under the Open Offer); and (iii) immediately after completion of the Open Offer, assuming no Qualifying Shareholders have taken up any of his/her/its entitlement under the Open Offer except for Shun Wang pursuant to the Irrevocable Undertaking, are illustrated in the below table:

	As at the date of this announcement		Immediately after completion of the Open Offer (assuming all Shareholders have taken up their respective entitlement of Offer Shares under the Open Offer)		Immediately after completion of the Open Offer (assuming no Qualifying Shareholders have taken up any of his/her/its entitlement under the Open Offer except for Shun Wang pursuant to the Irrevocable Undertaking)	
	<i>Number of Shares held</i>	<i>Approximate % of total Shares in issue</i>	<i>Number of Shares held</i>	<i>Approximate % of total Shares in issue</i>	<i>Number of Shares held</i>	<i>Approximate % of total Shares in issue</i>
<b>Substantial shareholder</b>						
Shun Wang ( <i>Note</i> )	146,841,904	51.15	440,525,712	51.15	440,525,712	75.85
<b>Director</b>						
To Wing Tim, Paddy	24,333	0.01	72,999	0.01	24,333	0.00
<b>Public shareholders</b>						
Public Shareholders	140,205,112	48.84	420,615,336	48.84	140,205,112	24.15
Total	<u>287,071,349</u>	<u>100.00</u>	<u>861,214,047</u>	<u>100.00</u>	<u>580,755,157</u>	<u>100.00</u>

### Notes:

1. Shun Wang is a company incorporated in the British Virgin Islands and indirectly wholly-owned by Mr. Zhao.
2. The figures are provided for illustrative purposes only. Shun Wang will only accept its maximum entitlement under the Open Offer, subject to the compliance of Rule 8.08(1)(a) of the Listing Rules by the Company.

## **IMPLICATIONS UNDER THE LISTING RULES**

As the Offer Shares will be issued pursuant to the Specific Mandate, in accordance with Rule 7.24A(1) of the Listing Rules, the Open Offer must be made conditional on approval by the Independent Shareholders at the SGM and, pursuant to Rule 7.27A(1) of the Listing Rules, any controlling shareholders of the Company and their associates shall abstain from voting in favor of the resolution(s) relating to the Open Offer. As such, Shun Wang and its associates are required to abstain from voting on the resolutions in respect of the Open Offer at the SGM.

## **GENERAL**

The SGM will be convened to consider and, if thought fit, among other things, approve the Increase in Authorised Share Capital and the Open Offer (including the grant of the Specific Mandate). The aforementioned resolutions will be voted on by the Shareholders (or the Independent Shareholders in the case of the Open Offer) by way of poll. A circular containing, among other things, (i) further details of the Increase in Authorised Share Capital and the Open Offer (including the grant of the Specific Mandate); (ii) the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Open Offer; (iii) the letter of advice from the Independent Financial Adviser; (iv) other information as required under the Listing Rules; and (v) the notice of the SGM, is expected to be despatched to the Shareholders on or before 29 August 2022.

To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, save for Shun Wang and its associates, no other Shareholders have a material interest in the Increase in Authorised Share Capital or the Open Offer (including the grant of the Specific Mandate), and save for Shun Wang and its associates (which shall abstain from voting at the SGM in respect of the Open Offer), no Shareholders would have to abstain from voting at the SGM in respect of the Increase in Authorised Share Capital or the Open Offer (including the grant of the Specific Mandate). No Director has material interest in the Increase in Authorised Share Capital or the Open Offer (including the grant of the Specific Mandate) and accordingly no Director is required to abstain from voting on the resolutions passed by the Board to approve the foregoing matters.

The Independent Board Committee comprising all the independent non-executive Directors, has been established to make recommendation to the Independent Shareholders regarding the Open Offer and the transactions contemplated thereunder, including the Specific Mandate. SBI China has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Open Offer including the terms of the Subscription Price, are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **WARNING OF THE RISK OF DEALINGS IN THE SHARES**

**Shareholders and potential investors should note that completion of the Open Offer is conditional upon satisfaction of certain condition precedent as set out in this announcement, including, among others, the Stock Exchange granting the listing of, and permission to deal in the Offer Shares. The Open Offer may or may not proceed. Shareholders and potential investors of the Company should exercise caution when they deal or contemplate dealing in the securities of the Company.**

### III. CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended from 9:00 a.m. on 29 March 2021, and will remain suspended until further notice.

**Under Rule 6.01A(1) of the Listing Rules, the Stock Exchange may cancel the listing of any securities that have been suspended from trading for a continuous period of 18 months. In the case of the Company, the 18-month period expires on 28 September 2022. If the Company fails to fulfill all the Resumption Guidance, address all issues arising from time to time causing its trading suspension, and re-comply with the Listing Rules by 28 September 2022, the Stock Exchange is entitled to delist the Company under the Listing Rules.**

**The publication of this announcement and completion of the Open Offer do not indicate any decision or conclusion from the Stock Exchange not to delist the Company nor warrant any approval from the Stock Exchange on the Resumption, or indicate any decision or conclusion from the Stock Exchange about the Company’s fulfilment of the Resumption Guidance, including compliance with Rule 13.24 of the Listing Rules.**

**The Company will disclose updates on the satisfaction of Resumption Guidance by way of announcement, as and when appropriate. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their positions, they should consult their professional advisers.**

### DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein,

“Agreement”	the agreement dated 15 March 2022 (as supplemented on 14 April 2022) entered into among GRG Huscoke, Energy Technology, Jinyan Electricity, the Company and Xiaoyi ILNG Natural Gas Production Company Limited * (孝義市愛路恩濟天然氣製造有限公司) to supplement the Cooperation Agreement and to set out, among other matters, the settlement arrangement in favor of the Group as a result of the Incident
“Application Form(s)”	the form(s) of application to be issued to the Qualifying Shareholders to apply for the Offer Shares for their assured entitlement under the Open Offer
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC

“Chairman”	the chairman of the Company
“Cinda”	China Cinda (HK) Asset Management Co., Limited
“Cinda Facility”	the loan facility in the principal amount of HK\$200 million made available by Cinda to the Company with the maturity date of 8 July 2022 and interest rate of 10% per annum
“Company”	Huscoke Holdings Limited, a company incorporated in Bermuda with limited liability and the issued Shares are listed and traded on the Main Board of the Stock Exchange (stock code: 704)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Cooperation Agreement”	the cooperation agreement entered into between GRG Huscoke, Energy Technology and Jinyan Electricity on 26 March 2021
“CWUMPO”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) (as amended from time to time)
“Director(s)”	director(s) of the Company from time to time
“EAF(s)”	the excess application form(s) to be issued to the Qualifying Shareholders, pursuant to which the Qualifying Shareholders may apply for the Offer Shares in excess of their assured entitlement under the Open Offer
“Energy Technology”	Shanxi Jinyan Energy Technology Company Limited* (山西金岩能源科技有限公司), a company established in the PRC with limited liability and is principally engaged in coke production and coke trading business
“GRG Huscoke”	GRG Huscoke (Shanxi) Limited* (山西金岩和嘉能源有限公司), a company established in the PRC with limited liability and is an indirect 90% owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China



“Incident”	the incident that involves the speculation by the Company that the relevant management and personnel of GRG Huscoke to inappropriately conduct loans from the banks without authorization and to exclude such loans from the financial statements of the Group since July 2012, (i.e. the Possible Loan and the Loans)
“Increase in the Authorised Share Capital”	the proposed increase in authorised share capital of the Company from HK\$200,000,000 divided into 2,000,000,000 Shares to HK\$400,000,000 divided into 4,000,000,000 Shares
“Independent Board Committee”	an independent board committee which comprises all the independent non-executive Directors, namely Mr. Lam Hoy Lee, Laurie, Mr. To Wing Tim, Paddy and Dr. Wang Wei Hsin, to advise the Independent Shareholders as to the fairness and reasonableness of the terms of the Open Offer
“Independent Financial Adviser” or “SBI China”	SBI China Capital Hong Kong Securities Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed by the Company for the purpose of advising the Independent Board Committee and the Independent Shareholders in respect of the Open Offer
“Independent Shareholder(s)”	the Shareholder(s) other than: (i) Shun Wang, Mr. Zhao and its/ his respective associate(s); and (ii) any other Shareholders who are involved in, or interested in, or have a material interest in the Open Offer and the transactions contemplated thereunder
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons
“Irrevocable Undertaking”	the irrevocable undertaking given by Shun Wang in favour of the Company
“Jinyan Electricity”	Xiaoyi Jinyan Electricity Coke Chemical Company Limited* (孝義市金岩電力煤化工有限公司), a company established in the PRC with limited liability and is a 9% minority shareholder of GRG Huscoke
“Last Trading Day”	26 March 2021, being the last trading day of the Shares prior to the date of release of this announcement (i.e. prior to the suspension of trading of the Shares from 9:00 a.m. on 29 March 2021)
“Latest Lodging Time”	4:30 p.m. on 22 September 2022 or such date and/or time as the Company may determine as the latest time for lodging transfer of Shares in order to qualify for the Open Offer

“Latest Time for Acceptance”	4:00 p.m. on 17 October 2022 or such date and/or time as the Company may determine as the latest time for acceptance of, and payment for, the Offer Shares under the Open Offer
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loans”	the outstanding bank loans of GRG Huscoke
“Mr. Zhao”	Mr. Zhao Xu Guang, the Chairman, chief executive officer and an executive Director, who is also the beneficial owner of the entire issued share capital of Shun Wang
“No Action Shareholder(s)”	Qualifying Shareholders who do not subscribe for the Offer Shares (whether partially or fully) in their assured entitlements
“Non-Qualifying Shareholder(s)”	those Overseas Shareholder(s) to whom the Board, after making enquires, considers it necessary or expedient on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place not to offer the Offer Shares to them
“Offer Share(s)”	up to 574,142,698 new Share(s), proposed to be offered to the Qualifying Shareholders for subscription under the Open Offer on the terms and subject to the conditions set out in the Prospectus
“Open Offer”	the proposed issue of the Offer Shares by way of open offer at the Subscription Price to be made by the Company to the Qualifying Shareholders on the basis of two (2) Offer Shares for every one (1) existing Share held on the Record Date in accordance with the terms and conditions set out in the Prospectus
“Overseas Letter”	a letter from the Company to the Non-Qualifying Shareholders, if any, explaining the circumstances in which the Non-Qualifying Shareholders are not permitted to participate in the Open Offer
“Overseas Shareholders(s)”	the Shareholder(s) with registered addresses on the register of members of the Company which are outside Hong Kong on the Record Date

“Possible Loan”	the loan in the aggregate principal amount of RMB122.50 million borrowed by GRG Huscoke from Lüliang Rural Credit Union* (呂梁市農村信用合作社聯合社) on 15 October 2014 that was not previously recorded on the financial statements of the Group
“PRC”	the People’s Republic of China and for the purpose of this announcement, excludes Hong Kong, the Special Administrative Region of Macau and Taiwan
“Prospectus”	the prospectus to be issued by the Company in relation to the Open Offer
“Prospectus Documents”	the Prospectus, the Application Form and the EAF to be used by the Qualifying Shareholders to apply for the Offer Shares
“Prospectus Posting Date”	30 September 2022 or such date as the Company may determine for the despatch of the Prospectus Documents
“Qualifying Shareholder(s)”	the Shareholder(s), other than the Non-Qualifying Shareholder(s), whose name(s) appear(s) on the register of members of the Company on the Record Date
“Record Date”	29 September 2022 or such date as the Company may determine, being the date by reference to which entitlements to the Open Offer are to be determined
“Repayment Demand Letter”	the repayment demand letter dated 16 August 2022 from the legal advisers of Cinda to the Company demanding for the immediate repayment of the principal and interest in respect of the outstanding Cinda Facility by 23 August 2022
“Resumption”	the resumption of trading of the Shares on the Stock Exchange
“Resumption Guidance(s)”	the resumption guidance(s) set out by the Stock Exchange on the Company from time to time
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Law of Hong Kong)
“SGM”	the special general meeting of the Company to be convened for the purpose of, among other things, considering and approving, if thought fit, the Increase in Authorised Share Capital and the Open Offer (including the grant of the Specific Mandate)

“Share(s)”	ordinary share(s) of par value of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Shun Wang”	Shun Wang Investments Limited, a company incorporated in the British Virgin Islands and a controlling shareholder of the Company interested in 146,841,904 Shares as at the date of this announcement, which is indirectly wholly-owned by Mr. Zhao
“Specific Mandate”	the specific mandate to be granted to the Directors by the requisite majority of the Independent Shareholders at the SGM for the allotment and issuance of the Offer Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$0.212 per Offer Share
“Unsubscribed Shares”	the Offer Share(s) that are not subscribed by the Qualifying Shareholders, the aggregated fractional Offer Shares and the Offer Shares which would otherwise have been allotted to the Non-Qualifying Shareholders (as the case may be)
“%”	per-cent

By order of the Board  
**Husoke Holdings Limited**  
**Au Wing Sze**  
*Company Secretary*

Hong Kong, 19 August 2022

*As at the date of this announcement, the Board comprises Mr. Zhao Xu Guang (Chairman) and Mr. Wang Yijun as executive Directors; Mr. Wong Siu Hung, Patrick, Mr. Huang Man Yem, Mr. Jiang Jiansheng and Mr. Tang Ching Fai as non-executive Directors; Mr. Lam Hoy Lee, Laurie, Mr. To Wing Tim, Paddy and Dr. Wang Wei Hsin as independent non-executive Directors.*

\* *For identification purpose only*