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World Super Holdings Limited

維亮控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8612)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

PLACING AGENT



Sun International Securities Limited

PLACING OF NEW SHARES

On 23 July 2020 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Placing Agent has agreed to place, on a best effort basis, the Placing Shares comprising up to 120,000,000 new Shares at the Placing Price of HK\$0.061 per Placing Share to not less than six independent Placees. The maximum number of 120,000,000 Placing Shares represents (i) 20.00% of the existing issued share capital of the Company as at the date of the Placing Agreement; and (ii) approximately 16.67% of the existing issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares. Assuming all the Placing Shares were allotted and issued, the gross proceeds of the Placing will amount to approximately HK\$7.3 million and the net proceeds receivable by the Company under the Placing are estimated to be approximately HK\$7.0 million after deducting relevant expenses incurred in relation to the Placing. It is presently expected that the net proceeds will be applied for as general working capital of the Group.

GENERAL

The Placing Shares are to be issued under the General Mandate and therefore the issue of the Placing Shares is not subject to any further approval by the Shareholders.

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

THE PLACING AGREEMENT

Date: 23 July 2020 (after trading hours)

Parties: (1) Issuer: the Company

(2) Placing Agent: Sun International Securities Limited

The Placing Agent has been appointed to place, on a best effort basis, the Placing Shares at the Placing Price. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placing Agent is an Independent Third Party.

The Placees

The Placing Shares will be placed on a best effort basis to not less than six Placees which will be institutional, professional and/or private investors who and whose ultimate beneficial owners shall be Independent Third Parties. It is not expected that any Placee will become a Substantial Shareholder immediately after completion of the Placing.

Number of Placing Shares

The number of Placing Shares shall be up to 120,000,000 new Shares, representing 20.00% of the existing issued share capital of the Company as at the date of the Placing Agreement, and approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares.

The Placing Shares will rank, upon issue, pari passu in all respects among themselves and with the Shares in issue as at the date of allotment and issue of the Placing Shares.

Placing Price

The Placing Price is HK\$0.061 per Placing Share, representing:

- (i) a discount of approximately 4.69% to the closing price of HK\$0.064 per Share as quoted on the Stock Exchange on 23 July 2020, being the date of the Placing Agreement; and
- (ii) a discount of approximately 2.56% to the average of the closing prices of approximately HK\$0.0626 per Share as quoted on the Stock Exchange for the last five trading days immediately prior to the date of the Placing Agreement.

The Placing Price was determined and negotiated on an arm's length basis between the Company and the Placing Agent with reference to, among other things, the prevailing market price of the Shares and the liquidity of the Shares. 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.

Based on the estimated expenses for the Placing, the net Placing Price is approximately HK\$0.0588 per Placing Share.

Assuming the 120,000,000 Placing Shares are subscribed in full, the aggregate nominal value of the Placing Shares is HK\$1,200,000.

Placing commission payable to the Placing Agent

The placing commission payable to the Placing Agent under the Placing Agreement is equal to 3% of the aggregate Placing Price of the Placing Shares.

The placing commission payable to the Placing Agent under the Placing Agreement is arrived at after arm's length negotiations between the Company and the Placing Agent with reference to the market rate. The Directors consider that the terms of the Placing Agreement (including the placing commission) are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Mandate to issue the Placing Shares

The Placing Shares are to be issued under the General Mandate. Under the said General Mandate, up to 120,000,000 Shares may be issued by the Company. As at the date of this announcement, such General Mandate has not been utilised. There shall be sufficient General Mandate for the Placing.

Conditions of the Placing

The Placing is conditional upon:

- (a) the Placing Agent successfully places, or procures Placees to subscribe for, the Placing Shares during the Placing Period (or prior to the expiration of such later time and date as the Placing Agent and the Company shall agree in writing);
- (b) the Stock Exchange has granted approval for the listing of and permission to deal in the Placing Shares (and such approval and permission not having been revoked prior to Completion); and
- (c) further, the Company's compliance with and procurement of the compliance of all conditions imposed by the Stock Exchange or by any other competent authority (in Hong Kong or elsewhere) for permission to deal in the Placing Shares issued or to be issued and ensure the continued compliance thereof (provided in each case that the Placees comply with and satisfy all such conditions).

If the conditions are not fulfilled on or before 13 August 2020 or such later date as may be agreed in writing between the parties, the Placing Agreement shall lapse and become null and void and the parties shall be released from all obligations hereunder, save the liabilities for any antecedent breaches hereof.

Completion of the Placing

Completion of the Placing will take place on a date within five Business Days after the fulfillment of the conditions of the Placing or such other date agreed by the Company and the Placing Agent.

Termination

If at any time between the date of the Placing Agreement and at 10:00 a.m. of the Business Day immediately preceding the Completion Date:

- (a) there develops, occurs or comes into force:
 - (i) any new law or regulation or any change in existing laws or regulations or the interpretation thereof which may in the opinion of the Placing Agent and in its absolute discretion may materially and adversely affect the business or financial condition or prospects of the Group as a whole; or

- (ii) any local, regional, national or international event or change (whether or not permanent or forming part of a series of events or changes occurring or continuing, on and/or after the date hereof) of a political, military, economic or other nature (whether or not ejusdem generis with the foregoing) which, in the sole opinion of the Placing Agent and in its absolute discretion will, or may be expected to, have a material adverse effect on the Placing; or
 - (iii) any significant change (whether or not permanent) in local, regional, national or international market conditions (or in conditions affecting a sector of the market) which in the sole opinion of the Placing Agent and in its absolute discretion has or may have a material adverse effect on the Placing; or
- (b) any breach of any of the warranties set out in the Placing Agreement which in the sole opinion of the Placing Agent and in its absolute discretion is material in the context of the Placing, comes to the knowledge of the Placing Agent or there has been a breach by the Company of any other provision of the Placing Agreement which in the sole opinion of the Placing Agent and in its absolute discretion is material in the context of the Placing; or
- (c) trading in the Shares having been suspended or limited on, or by, the Stock Exchange, which in the sole and absolute opinion of the Placing Agent is or is likely to prejudice the success of the Placing or distribution of the Placing Shares or dealings in the Placing Shares in the secondary market, or makes it unfavourable or impracticable to proceed with the Placing

then and in any such case, the Placing Agent may, in its sole and absolute discretion, terminate the Placing Agreement without liability to the Company by giving notice in writing to the Company, which notice may be given at any time prior to the Completion Date.

In the event that the Placing Agreement is terminated pursuant to the above mentioned factors, responsibilities and obligations of each party under the Placing Agreement shall cease and determine and no party shall have any claim against the other party in respect of any matter arising out of or in connection with the Placing Agreement except for (i) any antecedent breach of the Placing Agreement and (ii) the payment by the Placing Agent to the Company of the aggregate amount received through Placing.

The Directors are not aware of the occurrence of any of the above events as at the date of this announcement.

Application for listing

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

REASONS FOR THE PLACING

The Group mainly undertakes (i) provision of rental services of crawler cranes, oscillators, RCDs and hydromill trench cutter for construction projects in Hong Kong and/or Macau; (ii) trading of new or used crawler cranes, RCDs, trench cutters, oscillators and/or related spare parts to customers in Hong Kong, Macau and Philippines; and (iii) to a lesser extent, provision of transportation services in delivering the Group's machinery to and from customers' designated sites and other services such as arrangement of set-up and repair of machinery for customers of the Group's plant hire service, arrangement of insurance for customers of the Group's plant hire service for projects outside Hong Kong and marketing of construction machinery for the Group's machinery suppliers. The Directors are of the view that the Placing represents a good opportunity for the Group to raise additional capital, which would raise additional funds to strengthen the financial position and broaden the shareholder and capital base of the Group.

Due to the outbreak of the coronavirus pandemic, many countries/regions have imposed varying degrees of travel restrictions. As a result, our certain customers' business activities outside Hong Kong have been disrupted, leading to delays in their payments of the Group's trade receivables. This has impacted the Group's operating cash flow. The Directors consider that the Placing can improve the cash position of the Group.

USE OF PROCEEDS

Assuming all the Placing Shares were allotted and issued, the gross proceeds of the Placing will amount to approximately HK\$7.3 million and the net proceeds receivable by the Company under the Placing are estimated to be approximately HK\$7.0 million after deducting relevant expenses incurred in relation to the Placing.

It is presently expected that the net proceeds will be used as general working capital of the Group.

EQUITY FUND RAISING ACTIVITY IN PAST 12 MONTHS BEFORE THE DATE OF THIS ANNOUNCEMENT

There had not been other equity fund raising activity conducted by the Group after the listing of the Group on the Stock Exchange on 12 July 2019.

CHANGES OF SHAREHOLDING STRUCTURE

As at the date of this announcement, the Company has 600,000,000 Shares in issue. The shareholding structure of the Company as at the date of this announcement and immediately after completion of the Placing is as follows:

	As at the date of this announcement		Immediately after completion of the Placing	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Shareholders				
Bao Han Holdings Limited (<i>Note 1</i>)	228,125,000	38.02	228,125,000	31.68
Emerald Surplus International Limited (<i>Note 2</i>)	34,375,000	5.73	34,375,000	4.77
Public Shareholders				
Other public Shareholders	337,500,000	56.25	337,500,000	46.88
Placees	—	0.00	120,000,000	16.67
Total	600,000,000	100.00	720,000,000	100.00

Notes:

1. Bao Han Holdings Limited is wholly-owned by Mr. Sou Peng Kan Albert (“Mr. Sou”). As Mr. Sou and Ms. Chu Wing Yee (“Ms Chu”) are spouses to each other, each of them is deemed to be interested in the Shares in which his/her spouse is interested under the SFO.
2. Emerald Surplus International Limited is wholly-owned by Ms. Chu. As Ms. Chu and Mr. Sou are spouses to each other, each of them is deemed to be interested in the Shares in which his/her spouse is interested under the SFO.

DEFINITIONS

Terms or expressions used in this announcement shall, unless the context otherwise requires, have the meanings ascribed to them below:

“Associate(s)”	has the meaning ascribed to this term under the GEM Listing Rules
“Board”	the board of Directors

“Business Day(s)”	any day (excluding Saturdays, Sundays or public holidays) on which licensed banks in Hong Kong are generally open for business in Hong Kong
“Company”	World Super Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose issued Shares are listed on GEM
“Completion Date”	the date of completion of the Placing which will take place on a date within five Business Days after the fulfillment of the conditions of the Placing or such other date agreed by the Company and Placing Agent
“Connected Person(s)”	has the meanings as ascribed thereto under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“General Mandate”	the general mandate granted to the Directors pursuant to a resolution passed by the Shareholders at the annual general meeting of the Company convened and held on 28 May 2020 to allot and issue up to 120,000,000 new Shares
“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)”	independent third party(ies) who is/are not Connected Person(s) of the Company and is/are independent of and not acting in concert (within the meaning of the Takeovers Code) or not connected with the Company and the Directors, chief executive, and Substantial Shareholders of the Company or any of its subsidiaries or their respective Associates
“Placees(s)”	any institutional, professional and/or private investors procured by the Placing Agents to subscribe for any of the Placing Shares pursuant to the Placing Agreement
“Placing”	the placing by the Placing Agent, on a best effort basis, of up to an aggregate of 120,000,000 new Shares to be allotted and issued to the Placees pursuant to the terms of the Placing Agreement
“Placing Agent”	Sun International Securities Limited, a licensed corporation to carry on type 1, 2 and 4 regulated activities (dealing in securities, dealing in future contracts and advising on securities) under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Placing Agreement”	the conditional placing agreement dated 23 July 2020 and entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	the placing price of HK\$0.061 per Placing Share
“Placing Period”	means the period commencing upon the execution of the Placing Agreement and terminating at 6:00 p.m. on 27 July 2020 (both days inclusive) or such later date as may be agreed by the Company and the Placing Agent
“Placing Shares”	up to an aggregate of 120,000,000 new Shares to be placed under the Placing
“RCD(s)”	a kind of bored piling machine working with drill-string to drill through the hard rock to the designated depth

“Share(s)”	ordinary share(s) of nominal value of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holders of the issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“SFO”	Securities and Future Ordinance of Hong Kong (Chapter 571 of the Laws of Hong Kong)
“Substantial Shareholder”	has the meaning as ascribed thereto under the GEM Listing Rules
“Takeovers Code”	the Code on Takeovers and mergers in Hong Kong
“%”	per cent

By Order of the Board
World Super Holdings Limited
Sou Peng Kan Albert
Chairman and executive Director

Hong Kong, 23 July 2020

As at the date of this announcement, the Board of Directors comprises Mr. Sou Peng Kan Albert and Mr. Fok Hei Yuen Paul as executive Directors; and Mr. Lee Tak Fai Thomas, Mr. Yau Lut Pong Leo and Mr. Yue Wai Leung Stan as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least of 7 days from the date of its publication and on the Company’s website at www.worldsuperhk.com.