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Min Fu International Holding Limited
民富國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8511)

**(I) PROPOSED RIGHTS ISSUE ON THE BASIS OF
ONE (1) RIGHTS SHARE FOR EVERY TWO (2) SHARES
HELD ON THE RECORD DATE
ON A NON-UNDERWRITTEN BASIS;
(II) CLOSURE OF REGISTER OF MEMBERS;
AND
(III) PROPOSED CHANGE IN BOARD LOT SIZE**

Placing Agent to the Rights Issue



Yuet Sheung International Securities Limited

PROPOSED RIGHTS ISSUE

The Board proposes to conduct the Rights Issue on the basis of one (1) Rights Share for every two (2) Shares held as at the Record Date at the Subscription Price of HK\$0.1 per Rights Share, to raise up to HK\$24 million before expenses by way of issuing up to 240,000,000 Rights Shares. Assuming that there is no change in the number of issued Shares on or before the Record Date, the estimated net proceeds of the Rights Issue will be approximately HK\$22.34 million.

The Company will provisionally allot to the Qualifying Shareholders one (1) Rights Share in nil-paid form for every two (2) Shares in issue and held on the Record Date, which is currently expected to be on Thursday, 15 June 2023. The Rights Issue will not be available to the Non-Qualifying Shareholders.

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non- underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. In the event of an undersubscription of the Rights Issue, the size of the Rights Issue will be reduced accordingly. The Cayman Islands legal adviser of the Company has confirmed that there are no applicable statutory requirements under the Cayman Companies Act regarding minimum subscription levels in respect of the Rights Issue.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 9 June 2023 to Thursday, 15 June 2023 (both days inclusive) for determining the entitlements to the Rights Issue during which period no transfer of Shares will be registered.

PROPOSED CHANGE IN BOARD LOT SIZE

The Board proposes that the board lot size of the Shares for trading on the Stock Exchange will be changed from 4,000 Shares to 20,000 Shares with effect from 9:00 am on Friday, 16 June 2023. Shareholders should note that Shareholder's approval is not required for the Change in Board Lot Size. The Company will arrange odd lot matching services in order to facilitate the trading of odd lots.

GEM LISTING RULES IMPLICATIONS

The Rights Issue

As (i) the Company has not conducted any rights issue, open offer or specific mandate placing within the 12-month period immediately preceding the date of this announcement, or prior to such 12-month period where dealing in respect of the Shares issued pursuant thereto commenced within such 12-month period, nor has it issued any bonus securities, warrants or other convertible securities as part of any rights issue, open offer and/or specific mandate placings within such 12-month period; (ii) the Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50%; and (iii) the Rights Issue is not underwritten by a Director, chief executive or substantial Shareholder of the Company (or any of their respective close associates), the Rights Issue is not subject to Shareholders' approval under Rule 10.29(1) of the GEM Listing Rules.

The Rights Issue will not result in a theoretical dilution effect of 25% or more. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 10.44A of the GEM Listing Rules.

GENERAL

Subject to the fulfillment of certain conditions of the Rights Issue, the Company will despatch the Prospectus Documents containing, among other matters, details of the Rights Issue, to the Qualifying Shareholders. The Company will despatch the Prospectus to the Non-Qualifying Shareholders for their information only, but the Company will not send the PAL to the Non-Qualifying Shareholders.

WARNING OF THE RISKS OF DEALING IN THE SHARES

The Rights Issue is subject to the fulfilment of conditions including, among other things, the GEM Listing Committee granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Please refer to the section headed “Conditions of the Rights Issue” in this announcement. Shareholders and potential investors of the Company should note that if the conditions to the Rights Issue are not satisfied, the Rights Issue and/or the Placing will not proceed. The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. Any dealings in the Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled or the Placing Long Stop Date, which is expected to be 4:00 p.m. on the Rights Issue Settlement Date will accordingly bear the risk that the Rights Issue may not become unconditional and that the Rights Issue and/or Placing may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares and/or Rights Shares in nil-paid form are recommended to consult their professional advisers.

PROPOSED RIGHTS ISSUE

The Board proposes to conduct the Rights Issue on the basis of one (1) Rights Share for every two (2) Shares held on the Record Date. Set out below are the details of the Rights Issue statistics:

Rights Issue Statistics

| | |
|---|--|
| Basis of the Rights Issue | : One (1) Rights Share for every two (2) Shares held by the Qualifying Shareholders on the Record Date |
| Subscription Price | : HK\$0.1 per Rights Share |
| Number of Shares in issue as at the date of this announcement | : 480,000,000 Shares |

Maximum number of Rights Shares : 240,000,000 Rights Shares (assuming there is no other change in the total number of issued Shares from the date of this announcement up to and including the Record Date)

Maximum gross proceeds to be raised from the Rights Issue : HK\$24 million (assuming there is no other change in the total number of issued Shares from the date of this announcement up to and including the Record Date)

Assuming no further issue or repurchase of Shares on or before the Record Date, the number of 240,000,000 Rights Shares to be allotted and issued pursuant to the Rights Issue represent (i) 50.00% of the total number of issued Shares as at the date of this announcement; and (ii) approximately 33.33% of the total number of issued Shares as enlarged by the allotment and issuance of the Rights Shares immediately after completion of the Rights Issue.

The Company has no outstanding share options, warrants, options or convertible securities or other similar rights which are convertible or exchangeable into Shares as at the date of this announcement.

As at the date of this announcement, the Board has not received any information or irrevocable undertaking from any Shareholder of his/her/its intention to take up the Rights Shares to be provisionally allotted to him/her/it under the Rights Issue.

The Subscription Price

The Subscription Price is HK\$0.1 per Rights Share, which shall be payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of the Rights Shares or when a transferee of nil-paid Rights Shares applies for the Rights Shares. The Subscription Price represents:

- (i) a discount of approximately 8.26% over the closing price of HK\$0.109 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 7.41% to the average closing price of HK\$0.108 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day;
- (iii) a discount of approximately 5.66% to the theoretical ex-entitlement price of HK\$0.106 as adjusted for the effect of the Rights Issue, based on the closing price of HK\$0.109 per Share as quoted on the Stock Exchange on the Last Trading Day;

- (iv) a theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) of approximately 3.30%, represented by the theoretical diluted price of HK\$0.107 per Share to the benchmarked price (as defined under Rule 10.44A of the GEM Listing Rules, taking into account the closing price on the Last Trading Day of HK\$0.109 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 prior to the date of this announcement) of approximately HK\$0.111 per Share; and
- (v) a premium of approximately 12.36% to the unaudited net asset value per Share of approximately HK\$0.089 (based on the latest published consolidated net asset value of the Group of approximately HK\$42,851,000 as at 30 September 2022 as disclosed in the interim report of the Company for the six months ended 30 September 2022 and 480,000,000 Shares in issue as at the date of this announcement).

The terms of the Rights Issue including the Subscription Price was determined after arm's length negotiation between the Company and the Placing Agent with reference to (i) the prevailing market prices of the Shares; (ii) the current financial position of the Group; and (iii) the reasons for the Rights Issue and the use of proceeds as set out in the section headed "Reasons for the Rights Issue, the Placing and the Use of Proceeds" in this announcement.

In view of the above, the Directors consider that the terms of the Rights Issue, including the Subscription Price which has been set at a discount to the recent closing prices of the Shares with an objective to encourage Qualifying Shareholders to take up their entitlements so as to participate in the potential growth of the Company, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Non-underwritten basis

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. In the event of an undersubscription of the Rights Issue, any Untaken Shares together with the NQS Unsold Shares will be placed on a best effort basis by the Placing Agent to independent placees under the Placing. Any Untaken Shares and/or NQS Unsold Shares remain not placed under the Placing will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

The Cayman Islands legal adviser of the Company has confirmed that there are no applicable statutory requirements under the Cayman Companies Act regarding minimum subscription levels in respect of the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, a Shareholder who applies to take up all or part of his/her/its entitlement under the PAL may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders (other than HKSCC Nominees Limited) to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance to the note to Rule 10.26(2) of the GEM Listing Rules.

Conditions of the Rights Issue

The Rights Issue is conditional on each of the following conditions being fulfilled:

- (i) the issue by the Stock Exchange of a certificate authorising the registration of, and the registration with the Companies Registry, respectively, of one copy of each of the Prospectus Documents not later than the Posting Date and otherwise in compliance with the GEM Listing Rules and the Companies (WUMP) Ordinance;
- (ii) following the registration, the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus bearing a “For Information Only” stamp to the Non-Qualifying Shareholders, if any, for information purpose only on or before the Posting Date;
- (iii) the grant by the GEM Listing Committee of the approval for the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully paid forms (subject to customary conditions) and such approval not having been withdrawn or revoked;
- (iv) the compliance with any other mandatory requirements under the applicable laws and regulations of Hong Kong and the Cayman Islands; and
- (v) the Placing Agreement is not terminated.

The above conditions are incapable of being waived. If any of the above conditions are not satisfied at or prior to the respective time stipulated therein or 4:00 p.m. on the Rights Issue Settlement Date (as the case may be), the Rights Issue will not proceed.

Status of the Rights Shares

The Rights Shares, when allotted, issued and fully paid, will be free from all liens, charges, encumbrances and third-party rights, interests or claims of any nature whatsoever and shall rank *pari passu* in all respects with the Shares then in issue, including as to the right to receive all dividends and distributions which may be declared, made or paid on or after the date of allotment of the Rights Shares.

Qualifying Shareholders and Non-Qualifying Shareholders

The Company will send the Prospectus Documents to the Qualifying Shareholders only. For the Non-Qualifying Shareholders, the Company will send copies of the Prospectus to them for their information only, but no PAL will be sent to the Non-Qualifying Shareholders.

To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company on the Record Date and a Qualifying Shareholder.

In order to be registered as members of the Company on the Record Date, all transfers of Shares (together with the relevant share certificates and instruments of transfer) must be lodged with the Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, by 4:30 p.m. on Thursday, 8 June 2023.

Closure of Register of Members

The register of members of the Company will be closed from Friday, 9 June 2023 to Thursday, 15 June 2023 (both days inclusive) for determining the entitlements to the Rights Issue during which period no transfer of Shares will be registered.

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

Basis of provisional allotment

Under the Rights Issue, the basis of the provisional allotment shall be one (1) Rights Share (in nil-paid form) for every two (2) Shares held by the Qualifying Shareholders at the close of business on the Record Date at the Subscription Price payable in full on acceptance and otherwise on the terms and subject to the conditions set out in the Prospectus Documents.

Application for all or any part of a Qualifying Shareholder's provisional allotment of Rights Shares should be made by completing the PAL and lodging the same with a remittance for the Rights Shares being applied for with the Registrar at or before the Latest Time for Acceptance.

No fractional entitlements to the Rights Shares

No fractional entitlements to the Rights Shares shall be issued to the Shareholders and no entitlements of the Non-Qualifying Shareholders to the Rights Shares shall be issued to the Non-Qualifying Shareholders. All fractions of the Rights Shares shall be rounded down to the nearest whole number of Rights Shares and aggregated and, if a premium (net of expenses) can be achieved, sold in the market by the Company.

Rights of Overseas Shareholders

The Prospectus Documents are not intended to be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong.

If there are Overseas Shareholders at the close of business on the Record Date, the Overseas Shareholders may not be eligible to take part in the Rights Issue as explained below. In compliance with the necessary requirements of the GEM Listing Rules, the Board will make enquiries regarding the feasibility of extending the Rights Issue to Overseas Shareholders. If, based on legal advice, the Board is of the opinion that it would be necessary or expedient not to offer the Rights Shares to Overseas Shareholders on account of either the legal restrictions under the laws of the relevant jurisdiction or the requirements of the relevant regulatory body or stock exchange in such relevant jurisdiction, the Rights Issue will not be extended to such Overseas Shareholders. Further information in this connection will be set out in the Prospectus.

Based on the register of members of the Company as at the date of this announcement, there is 1 Overseas Shareholder holding of 2,000 Shares representing less than 0.01% of the total number of issued Shares, whose address on register of members is in the PRC.

To the extent reasonably practicable and subject to the advice of legal advisers in the relevant jurisdictions in respect of applicable local laws and regulations, the Company will send copies of the Prospectus to the Non-Qualifying Shareholders for their information only, but will not send PALs to them. The Non-Qualifying Shareholders will not be entitled to any provisional allotment under the Rights Issue.

Arrangements will be made for the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders to be sold in the market in their nil-paid form as soon as practicable after dealings in the Rights Shares in their nil-paid form commence and before dealings in the Rights Shares in their nil-paid form end, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses and stamp duty, of more than HK\$100 will be paid to the Non-Qualifying Shareholders pro rata to their shareholdings held on the Record Date. In light of administrative costs, the Company will retain individual amounts of HK\$100 or less for its own benefit.

Any NQS Unsold Shares will be placed by the Placing Agent at the price not less than the Subscription Price under the Placing together with the Untaken Shares. The proceeds of the sale as described above, less expenses and in the case of being sold by the Placing Agent, also less the Subscription Price and the Placing Agent's commission, will be paid pro-rata (but rounded down to the nearest cent) to the relevant Non-Qualifying Shareholders' and the No Action Shareholders' shareholdings held on the Record Date on the basis of all NQS Unsold Shares and Untaken Shares in Hong Kong dollars. Any Untaken Shares and the NQS Unsold Shares remain not placed after completion of the Placing will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Overseas Shareholders should note that they may or may not be entitled to participate in the Rights Issue, subject to the results of the enquiries to be made by the Company. The Company reserves the right to treat as invalid any acceptances of, or applications for, the Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, Overseas Shareholders should exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their own professional advisers.

Share certificates and refund cheques for the Rights Shares

Subject to fulfilment of the conditions of the Rights Issue, share certificates for the fully-paid Rights Shares are expected to be posted by Wednesday, 2 August 2023 to those entitled to them at their registered addresses by ordinary post at their own risk.

Refund cheques, if the Rights Issue is terminated, are expected to be posted on or before Wednesday, 2 August 2023 by ordinary post, at the respective Shareholders' own risk, to their registered addresses.

Application for listing and dealing arrangements of the Rights Shares

The Company will apply to the GEM Listing Committee for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange. The nil-paid and fully-paid Rights Shares will be traded in board lots of 20,000 Shares, being the new board lot size upon the Change in Board Lot Size becoming effective. No part of the securities of the Company is listed or dealt in or on which listing or permission to dealing is being or is proposed to be sought on any other stock exchange.

Stamp duty and other applicable fees

Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to the payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy and other applicable fees and charges in Hong Kong.

Rights Shares will be eligible for admission into CCASS

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange, the Rights Shares in both their nil-paid and fully-paid forms 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 Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as may be 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. Shareholders should seek advice from their stock brokers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Procedures in respect of the Untaken Shares and the NQS Unsold Shares and the Placing

The Company will make arrangements described in Rule 10.31(1)(b) of the GEM Listing Rules to dispose of the Untaken Shares and the NQS Unsold Shares by offering the Untaken Shares and the NQS Unsold Shares to independent placees for the benefit of Shareholders to whom they were offered by way of the Rights Issue. There will be no excess application arrangements in relation to the Rights Issue.

The Company therefore appointed the Placing Agent to place the Untaken Shares and the NQS Unsold Shares to independent placees on a best effort basis after the number of the Untaken Shares and the NQS Unsold Shares that are subject to the Placing Arrangement has been announced. Any premium over, the aggregate amount of (i) the Subscription Price for those Rights Shares; and (ii) the expenses of the Placing Agent (including any other related expenses/fees), that is realised will be paid to the No Action Shareholders and the Non-Qualifying Shareholders on a pro-rata basis. The Placing Agent will on a best effort basis, procure, by not later than 6:00 p.m. on the Placing End Date, acquirers for all (or as many as possible) of those Untaken Shares and the NQS Unsold Shares if a premium over the Subscription Price and the expenses of procuring such acquirers (including any related commissions and any other related expenses/fees) can be obtained. Any Untaken Shares and the NQS Unsold Shares remain not placed after completion of the Placing will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Net Gain (if any) will be paid (without interest) on pro-rata basis (on the basis of all Untaken Shares and NQS Unsold Shares) to the No Action Shareholders and the Non-Qualifying Shareholders (but rounded down to the nearest cent). It is proposed that Net Gain to any of the No Action Shareholder(s) or the Non-Qualifying Shareholders of HK\$100 or more will be paid to them in Hong Kong Dollars only and the Company will retain individual amounts of less than HK\$100 for its own benefit. Shareholders are reminded that Net Gain may or may not be realised, and accordingly the No Action Shareholders and the Non-Qualifying Shareholders may or may not receive any Net Gain.

The Placing

On 30 May 2023 (after trading hours of the Stock Exchange), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Company conditionally appointed the Placing Agent and the Placing Agent conditionally agreed to act as the placing agent for the Company to procure, on a best effort basis, placees to subscribe for the Placing Shares (i.e. the Untaken Shares and/or the NQS Unsold Share during the Rights Issue) on the terms and subject to the conditions set out in the Placing Agreement. Under the terms of the Placing Agreement, if all the Rights Shares are already fully taken up in the Rights Issue through the PAL(s), the Placing will not proceed.

Placing Agreement for the Untaken Shares and the NQS Unsold Shares

The principal terms of the Placing Agreement are summarised below:

Date : 30 May 2023 (after trading hours of the Stock Exchange)

Placing Agent : Yuet Sheung International Securities Limited

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 and are not Shareholders.

Placing commission and expenses : 4% of the gross proceeds from the subscription of the Placing Shares successfully placed by the Placing Agent multiplied by the placing price under the Placing Agreement and reimbursed for the expenses in relation to the Placing (including but not limited to all out-of-pocket expenses actually incurred by the Placing Agent for placing the Placing Shares), which the Placing Agent is authorised to deduct from the payment to be made by the Placing Agent to the Company at the Placing End Date.

Placing price : The placing price of each of the Untaken Share and/or the NQS Unsold Share (as the case maybe) shall be not less than the Subscription Price. The final price determination will be depended on the demand and market conditions of the Untaken Shares and the NQS Unsold Shares during the process of Placing.

Placing Period : The Placing Period shall commence on Tuesday, 11 July 2023, and end on the Placing End Date or such other dates as the Company may announce, being the period during which the Placing Agent will seek to effect the Placing.

- Placees : The Placing Agent shall ensure that the Placing Shares are placed (i) only to institutional, corporate or individual investors who and whose ultimate beneficial owner(s) shall be Independent Third Parties; (ii) such that no placee shall become a substantial Shareholder immediately following the Placing; (iii) such that the Placing will not have any implications under the Takeovers Code and no Shareholder will be under any obligation to make a general offer under the Takeovers Code as a result of the Placing; and (iv) such that the Placing will not result in the Company incapable of complying with the public float requirements under the GEM Listing Rules immediately following the Placing. The Company will continue to comply with the public float requirements under Rule 11.23(7) of the GEM Listing Rules and the Placing will not have any implication under the Takeovers Code and no Shareholder will be under any obligation to make a general offer under the Takeovers Code as a result of the Placing.
- Ranking : The Placing Shares, when issued and fully paid, will rank *pari passu* in all respects among themselves with the Shares in issue as at the date of allotment and issue of the Placing Shares.

Conditions of the Placing

The obligations of the Placing Agent and the Company under the Placing Agreement are conditional upon the following conditions being fulfilled:

- (i) the grant by the GEM Listing Committee of the approval for the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully paid forms (subject to customary conditions) including the Placing Shares and such approval not having been withdrawn or revoked;
- (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;
- (iii) none of the representations, warranties or undertakings contained in the Placing Agreement being or having become untrue, inaccurate or misleading in any material respect at any time before the completion, and no fact or circumstance having arisen and nothing having been done or omitted to be done which would render any of such undertakings, representations or warranties untrue or inaccurate in any material respect if it was repeated as at the time of completion of the Placing Agreement; and
- (iv) the Placing Agreement not having been terminated in accordance with the provisions thereof, including provisions regarding the force majeure events on or before the Placing Long Stop Date or such later date as may be agreed between the Company and the Placing Agent in writing.

The Placing Agent may, in its absolute discretion, waive the fulfilment of all or any or any part of the conditions (other than those set out in paragraphs (i) and (ii) above) by notice in writing to the Company.

The timetable of the Placing is driven by the timetable of the Rights Issue. Under the terms of the Placing Agreement, the Placing Period shall commence on Tuesday, 11 July 2023, or such other date as the Company may announce. The Placing Period shall end at 6:00 p.m. on Friday, 21 July 2023, or such other date as the Company may announce.

The long stop date for the fulfilment of conditions of the Placing Agreement shall be 4:00 p.m. on Monday, 24 July 2023 (being the next Business Day after the Placing End Date) or such later date as may be announced by the Company. The Company shall use its reasonable endeavours to procure the fulfilment of the conditions and if the said conditions are not fulfilled on or before the Placing Long Stop Date, the Placing Agreement will lapse and become null and void or waived (where applicable) and the Company and the Placing Agent shall be released from all obligations under the Placing Agreement, save the liabilities for any antecedent breaches thereof.

Termination

The Placing Agreement can only be terminated by mutual written confirmations by the Company and the Placing Agent.

Completion of the Placing

Subject to the fulfilment of conditions of the Placing as set out in the section headed “Conditions of the Placing” of this announcement, the completion of the Placing is expected to take place on the fifth (5) Business Day after the Placing Long Stop Date (or such later date as the Company may announce).

The engagement between the Company and the Placing Agent of the Untaken Shares and the NQS Unsold Shares was determined after arm’s length negotiation between the Placing Agent and the Company and is on normal commercial terms. In particular, the Directors, taking into account the range of placing commissions for recent rights issues conducted by issuers listed on the Stock Exchange, consider that the terms of the Placing Agreement, including the placing commission, are normal commercial terms with reference to the market comparables, the existing financial position of the Group, the size of the Rights Issue, and the current and expected market conditions. Given that the Placing would provide (i) a distribution channel of the Untaken Shares and the NQS Unsold Shares; and (ii) a compensatory mechanism for the No Action Shareholders and Non-Qualified Shareholders, the Directors consider that the Placing Agreement is fair and reasonable and in the interest of the Company and its Shareholders as a whole.

As explained above, the Untaken Shares and the NQS Unsold Shares will be placed by the Placing Agent to independent placees on a best effort basis for the benefits of the No Action Shareholders. If all or any of the Untaken Shares and NQS Unsold Rights Shares are successfully placed, any premium over the Subscription Price will be distributed to the relevant No Action Shareholders.

REASONS FOR THE RIGHTS ISSUE, THE PLACING AND THE USE OF PROCEEDS

The Company is an investment holding company and its subsidiaries are principally engaged in the provision of smart manufacturing solutions including sales of equipment and provision of relevant technical service in the PRC.

Assuming a maximum of 240,000,000 Rights Shares will be issued under the Rights Issue, the estimated gross proceeds of the Rights Issue will be HK\$24 million. The estimated expenses in relation to the Rights Issue will amount to approximately HK\$1.66 million and the estimated maximum net proceeds of the Rights Issue will be approximately HK\$22.34 million. The net subscription price per Rights Share is expected to be approximately HK\$0.093.

Reference is made to the announcement of the Company dated 18 May 2022 in relation to entering into of the Equipment Manufacturing and System Construction Service Agreement between Shenzhen City Min Fu Intelligence Manufacture Co., Ltd. (an indirect wholly-owned subsidiary of the Company) as the service provider and Huanggang Fuyuan Culture as the customer (a 20% owned associated company of the Company and is the holder of the land use right for a parcel of land located at Huilong Mountain, Hubei Province, the PRC. The total area of Huilong Mountain planned for development is approximately 445,000 square metres, i.e. approximately 668 mu, of which approximately 125,000 square metres is planned for the development of a cemetery park, which will comprise a religious and cultural exhibition hall, leisure resort, buildings, sacrificial tower, tourism information center, and comprehensive tourist attractions) in respect of (i) the design and construction of an intelligent columbarium in a cemetery situated at Huilongshan held by Huanggang Fuyuan Culture; and (ii) the build and setup of the system for digital smart tourist attractions at the site in Huilong Mountain area held by Huanggang Fuyuan Culture. Pursuant to the Equipment Manufacturing and System Construction Service Agreement, the total contract sum is RMB20 million (equivalent to approximately HK\$22.4 million) and the above-mentioned services shall be completed by June 2024.

The Board is of the view that as the Group is principally engaged in the provision of smart manufacturing solutions including sales of equipment and provision of relevant technical service in the PRC, it is expected that the Group will make use of its expertise in industrial information technology for the design and construction of digital smart tourist attractions in the Huilong Mountain area. This will provide the Group with valuable opportunity to expand its technical service business and contribute income sources for the Group.

As at the date of this announcement, the Group has completed the site inspection and preparation works, subject to certain minor revisions to be finalised, the Group and Huanggang Fuyuan Culture has mutually agreed with the overall design and construction proposal in principle. It is expected that construction works shall commence by July 2023. As at 30 April 2023, the Group has cash at bank and on hand of approximately HK\$4.5 million. The financial resources available to the Group may not be sufficient to support the upfront working capital requirement of the Equipment Manufacturing and System Construction Service Agreement, which is expected to be approximately HK\$14.70 million.

In view of the above, the Company intends to apply the net proceeds from the proposed Rights Issue as follows:

- (a) approximately HK\$14.70 million to support the upfront working capital requirement of the Equipment Manufacturing and System Construction Service Agreement including but not limited to sub-contracting fees, material costs and labour cost;
- (b) approximately HK\$1.50 million for recruitment of additional I.T. talents including management level staff, IT technicians and system designers to enhance the technical, research and development capabilities of the Group's smart manufacturing solutions businesses; and
- (c) the remaining net proceeds from the Rights Issue of approximately HK\$6.14 million for general working capital of the Group, including but not limited to staff cost, rental expenses and other office overheads.

Other Fund-raising Alternatives

Other than the Rights Issue, the Company has considered other debt/equity fund raising alternatives such as bank borrowings, placing or an open offer. However, the Board considers that debt financing will result in an additional interest burden and a higher gearing ratio of the Group. In addition, debt financing may not be achievable on favourable terms or may require pledge of other kind of assets or securities which may reduce the Group's flexibility. As for equity fund raising, such as placing of new Shares, it is relatively smaller in scale as compared to fund raising through rights issue and it would lead to immediate dilution in the shareholding interest of existing Shareholders without offering them the opportunity to participate in the enlarged capital base of the Company, which is not the intention of the Company. As for open offer, while it is similar to a rights issue, offering qualifying shareholders to participate, it does not allow free trading of rights entitlements in the open market.

Having considered the above-mentioned alternatives, the Directors consider raising funds by way of the Rights Issue is more appropriate as the Rights Issue will enable the Company to strengthen its working capital base and enhance its financial position, while at the same time, allowing the Qualifying Shareholders to maintain their proportional shareholdings in the Company, and thus, in the interests of the Company and the Shareholders as a whole.

EQUITY FUND-RAISING ACTIVITIES IN THE PAST 12 MONTHS FROM THE DATE OF THIS ANNOUNCEMENT

The Company had carried out the following equity fund-raising activities in the 12 months immediately preceding the date of this announcement:

| Date of announcement | Event | Net proceeds raised (approximately) | Intended use of proceeds | Actual use of proceeds |
|-----------------------------|---|--|---|-------------------------------|
| 20 December 2022 | Placing of new Shares under general mandate | HK\$5,299,200 | For general working capital for operation | Used as intended |

In addition, references are made to the announcements of the Company dated 25 May 2023 and 29 May 2023 in relation to the previous rights issue (including the previous placing) announced by the Company (“**Previous Rights Issue**”). As disclosed in the announcement of the Company dated 29 May 2023, the Company considered it was not advisable to proceed with the Previous Rights Issue and accordingly, the Company and the Placing Agent mutually agreed to terminate the previous placing agreement dated 25 May 2023 by a deed of termination.

Save as disclosed above, the Company had not conducted any other equity fund-raising activities during the twelve months immediately preceding the date of this announcement.

TAXATION

Shareholders are advised to consult their professional advisers if they are in doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the fully-paid Rights Shares and, regarding Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sales of the nil-paid Rights Shares on their behalf.

EXPECTED TIMETABLE FOR THE RIGHTS ISSUE AND THE PLACING

The expected timetable for the Rights Issue and the Placing is set out below:

| | |
|---|---|
| Last day of dealings in the Shares on a cum-entitlement basis..... | Tuesday, 6 June 2023 |
| First day of dealings in the Shares on an ex-entitlement basis..... | Wednesday, 7 June 2023 |
| Latest time for lodging transfers of the Shares in order for the transferees to qualify for the Rights Issue..... | 4:30 p.m. on Thursday, 8 June 2023 |
| Closure of register of members to determine the entitlements to the Rights Issue..... | Friday, 9 June 2023 to Thursday, 15 June 2023 (both days inclusive) |
| Record Date for the Rights Issue..... | Thursday, 15 June 2023 |
| Re-opening of the register of members of the Company..... | Friday, 16 June 2023 |
| Despatch of Prospectus Documents (including the PAL and the Prospectus; in the case of the Non-Qualifying Shareholders, the Prospectus only)..... | Friday, 16 June 2023 |
| Effective date of change in board lot size from 4,000 Shares to 20,000 Shares..... | Friday, 16 June 2023 |
| Designated broker starts to stand in the market to provide matching services for odd lots of Shares | 9:00 a.m. on Friday, 16 June 2023 |
| First day of dealings in nil-paid Rights Shares..... | Tuesday, 20 June 2023 |
| Latest time for splitting nil-paid Rights Shares..... | 4:30 p.m. on Friday, 23 June 2023 |
| Last day of dealings in nil-paid Rights Shares | Wednesday, 28 June 2023 |
| Latest time for lodging transfer documents of nil- paid Rights Shares in order to qualify for the payment of Net Gain | 4:00 p.m. on Monday, 3 July 2023 |

| | |
|--|---|
| Latest time for acceptance of and payment for the Rights Shares..... | 4:00 p.m. on Monday, 3 July 2023 |
| The last day for the designated broker to provide matching services for odd lots of Shares | 4:00 p.m. on Friday, 7 July 2023 |
| Announcement of the number of the Untaken Shares and NQS Unsold Shares subject to the Placing | Monday, 10 July 2023 |
| Commencement of the Placing Period (if there are any Untaken Shares and NQS Unsold Shares available) | Tuesday, 11 July 2023 |
| Placing End Date for placing the Placing Shares..... | 6:00 p.m. on Friday, 21 July 2023 |
| Latest Time for the Rights Issue to become unconditional and the Placing Long Stop Date..... | 4:00 p.m. on Monday, 24 July 2023 |
| Rights Issue Settlement Date and Placing completion date..... | Monday, 31 July 2023 |
| Announcement of the results of the Rights Issue (including the results of the Placing and the Net Gain) | Tuesday, 1 August 2023 |
| Despatch of share certificates for the Rights Shares and/or refund cheques | Wednesday, 2 August 2023 |
| First day of dealings in the fully-paid Rights Shares..... | 9:00 a.m. on Thursday, 3 August 2023 |
| Payment of Net Gain to relevant No Action Shareholders (if any) or Non-Qualifying Shareholders (if any). | Friday, 11 August 2023 |

Notes:

- (1) Shareholders should note that the dates and deadlines specified in the above timetable, and in other parts of this announcement are indicative only and subject to change. Further announcement(s) will be made if there is any change to the expected timetable.
- (2) All references to times and dates are references to Hong Kong times and dates.

Effect of bad weather on the Latest Time for Acceptance

The Latest Time for Acceptance will not take place if a tropical cyclone signal No. 8 or above, or “extreme conditions” caused by super typhoons or a “black” rainstorm warning is:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Monday, 3 July 2023, being the date on which the Latest Time for Acceptance falls. In this case, the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; or
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Monday, 3 July 2023, being the date on which the Latest Time for Acceptance falls. In this case, the Latest Time for Acceptance will be rescheduled to 4:00 p.m. on the following Business Day on which none of the aforementioned warnings is in force at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on Monday, 3 July 2023, the dates mentioned in the section headed “Expected Timetable for the Rights Issue and the Placing” in this announcement may be affected. The Company will notify the Shareholders by way of announcement(s) on any change to the expected timetable as soon as practicable.

EFFECT OF THE RIGHTS ISSUE ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after the Rights Issue Completion assuming full acceptance by all Shareholders under the Rights Issue; and (iii) immediately after the Rights Issue Completion assuming (a) no subscription by the Shareholders; and (b) all the Placing Shares are placed to Independent Third Parties under the Placing, in each case assuming there is no change in the issued share capital of the Company:

| Shareholder | As at the date of this announcement | | Immediately after the Rights Issue Completion assuming full acceptance by all Shareholders under the Rights Issue | | Immediately after the Rights Issue Completion assuming (a) no subscription by the Shareholders; and (b) all the Placing Shares are placed to Independent Third Parties under the Placing | |
|---------------------------------------|-------------------------------------|---------------|---|---------------|--|---------------|
| | <i>Number of Shares</i> | <i>%</i> | <i>Number of Shares</i> | <i>%</i> | <i>Number of Shares</i> | <i>%</i> |
| | | | | | | |
| Tecway Technology Limited (Note 1) | 122,461,800 | 25.51 | 183,692,700 | 25.51 | 122,461,800 | 17.01 |
| Public Shareholders: | | | | | | |
| Places | – | – | – | – | 240,000,000 | 33.33 |
| Other public Shareholders | 357,538,200 | 74.49 | 536,307,300 | 74.49 | 357,538,200 | 49.66 |
| TOTAL | 480,000,000 | 100.00 | 720,000,000 | 100.00 | 720,000,000 | 100.00 |

Note:

- (1) As at the date of this announcement, Tecway Technology Limited is wholly-owned by Mr. Huang Minzhi. Accordingly, Mr. Huang Minzhi is deemed to be interested in all the Shares held by Tecway Technology Limited by virtue of the SFO.

If a Qualifying Shareholder does not accept the Rights Shares provisionally allotted to him/her/it in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.

PROPOSED CHANGE IN BOARD LOT SIZE

The Shares are currently traded in board lots of 4,000 Shares and the market value per board lot of the Shares was HK\$436 (based on the closing price of HK\$0.109 per Share as quoted on the Stock Exchange on the date of this announcement).

As set out in the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by Hong Kong Exchange and Clearing Limited, it is requested that the value of each board lot shall be no less than HK\$2,000, the Board proposes to change the board lot size for trading of Shares from 4,000 Shares to 20,000 Shares with effect from 9:00 a.m. on Friday, 16 June 2023. Upon the Change in Board Lot Size becoming effective, the Shares will be traded in board lot of 20,000 Shares and the estimated market value per board lot of the Shares will be HK\$2,180, based on the closing price of HK\$0.109 per Share as quoted on the Stock Exchange on the Last Trading Day). Shareholders should note that Shareholders’ approval is not required for the Change in Board Lot Size.

To alleviate the difficulties in trading odd lots of the Shares arising from the Change in Board Lot Size, a designated broker will be appointed to provide matching services to the Shareholders who wish to top up or sell their holdings of odd lots of the Shares during the period from 9:00 a.m. on Friday, 16 June 2023 to 4:00 p.m. on Friday, 7 July 2023 (both days inclusive). Holders of the Shares in odd lots should note that successful matching of the sale and purchase of odd lots of the Shares is not guaranteed. The Shareholders are recommended to consult their professional advisers if they are in doubt about the above facility. Further details in respect of the odd lots arrangement will be set out in the Prospectus.

All existing share certificates in board lot of 4,000 Shares will remain good evidence of prima facie legal title to the Shares and continue to be valid for delivery, transfer, trading and settlement purposes. No new share certificates for existing Shareholders will be issued as a result of the Change in Board Lot Size, and therefore no arrangement for free exchange of existing share certificates in board lot size of 4,000 Shares to new share certificate in board lot size of 20,000 Shares is necessary. The Change in Board Lot Size will not affect any of the relative rights of the Shareholders. The Board considers that the Change in Board Lot Size is in the interest of the Company and the Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

The Rights Issue

As (i) the Company has not conducted any rights issue, open offer or specific mandate placing within the 12-month period immediately preceding the date of this announcement, or prior to such 12-month period where dealing in respect of the Shares issued pursuant thereto commenced within such 12-month period, nor has it issued any bonus securities, warrants or other convertible securities as part of any rights issue, open offer and/or specific mandate placings within such 12-month period; (ii) the Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50%; and (iii) the Rights Issue is not underwritten by a Director, chief executive or substantial Shareholder of the Company (or any of their respective close associates), the Rights Issue is not subject to Shareholders' approval under Rule 10.29(1) of the GEM Listing Rules.

The Rights Issue will not result in a theoretical dilution effect of 25% or more. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 10.44A of the GEM Listing Rules.

As at the date of this announcement, save for the Rights Issue, the Placing and the Change in Board Lot Size, the Company did not have any plan and had not entered into any negotiation, agreement, arrangement or undertaking to conduct any other corporate action or arrangement that may affect the trading of the Company's shares in the next 12 months.

GENERAL

The Prospectus containing further information in relation to the Rights Issue and financial and other information relating to the Group is expected to be despatched by the Company together with the PAL on or before Friday, 16 June 2023. A copy of the Prospectus will also be made available on the websites of the Company (www.minfuintl.com) and the Stock Exchange (www.hkexnews.hk). To the extent reasonably practicable and subject to the advice of legal advisers in the relevant jurisdictions in respect of applicable local laws and regulations, the Company will send copies of the Prospectus to Non-Qualifying Shareholders for their information only but will not send the PAL to them.

WARNING OF THE RISKS OF DEALING IN THE SHARES

The Rights Issue is subject to the fulfilment of conditions including, among other things, the GEM Listing Committee granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Please refer to the section headed “Conditions of the Rights Issue” in this announcement. Shareholders and potential investors of the Company should note that if the conditions to the Rights Issue are not satisfied, the Rights Issue and/or the Placing will not proceed. The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. Any dealings in the Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled or the Placing Long Stop Date, which is expected to be 4:00 p.m. on the Rights Issue Settlement Date will accordingly bear the risk that the Rights Issue may not become unconditional and that the Rights Issue and/or Placing may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares and/or Rights Shares in nil-paid form are recommended to consult their professional advisers.

DEFINITIONS

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

| | |
|----------------------------|--|
| “associate(s)” | has the meaning ascribed to it under the GEM Listing Rules |
| “Board” | the board of Directors |
| “Business Day” | a day (other than a Saturday, a Sunday, a public holiday and a day on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks are open for general banking business in Hong Kong throughout their normal business hours |
| “Cayman Companies Act” | the Companies Act, Chapter 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands |
| “CCASS” | the Central Clearing and Settlement System established and operated by HKSCC |
| “Change in Board Lot Size” | the proposed change in board lot size of the Shares for trading on the Stock Exchange from 4,000 Shares per board lot to 20,000 Shares per board lot |

| | |
|---|---|
| “Companies Registry” | Companies Registry of Hong Kong |
| “Companies (WUMP) Ordinance” | the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended from time to time |
| “Company” | Min Fu International Holding Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the GEM (stock code: 8511) |
| “connected person(s)” | has the meaning ascribed to it under the GEM Listing Rules |
| “Director(s)” | the director(s) of the Company |
| “Equipment Manufacturing and System Construction Service Agreement” | the equipment manufacturing and system construction service agreement dated 18 May 2022 entered into between Shenzhen City Min Fu Intelligence Manufacture Co., Ltd. (an indirect wholly-owned subsidiary of the Company) as the service provider and Huanggang Fuyuan Culture as customer in respect of (i) the design and construction of an intelligent columbarium in a cemetery situated at Huilongshan held by Huanggang Fuyuan Culture; and (ii) the build and setup of the system for digital smart tourist attractions at the site in Huilong Mountain area held by Huanggang Fuyuan Culture |
| “GEM” | GEM operated by the Stock Exchange |
| “GEM Listing Committee” | has the meaning ascribed to it under the GEM Listing Rules |
| “GEM Listing Rules” | the Rules Governing the Listing of Securities on GEM |
| “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” | the Hong Kong Special Administration Region of the PRC |

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|---------------------------------|--|
| “Huanggang Fuyuan Culture” | 黃岡市福圓文化發展有限公司 (Huanggang Fuyuan Culture Development Co., Ltd.*) (formerly known as 黃岡市佛教文化發展有限公司 (Huanggang Buddhist Culture Development Co., Ltd*)), a company established in the PRC with limited liability and a 20% owned associated company of the Company |
| “Independent Third Parties” | third parties independent from, and not connected with, the Company and its connected persons (or any of their respective associates) |
| “Last Trading Day” | 30 May 2023, being the last trading day for the Shares immediately prior to the date of this announcement |
| “Latest Time for Acceptance” | 4:00 p.m. on Monday, 3 July 2023 (or such other time and date as may be determined by the Company), being the latest time for the acceptance of, and payment for, the Rights Shares |
| “Net Gain” | any premiums paid by the placees over the Subscription Price for the Untaken Shares and the NQS Unsold Shares placed by the Placing Agent under the Placing |
| “Nil Paid Rights” | rights to subscribe for Rights Shares before the Subscription Price is paid |
| “No Action Shareholders” | Qualifying Shareholder(s) or renouncee(s) or transferee(s) of Nil Paid Rights under PAL(s) during the Rights Issue who do not subscribe for the Rights Shares (whether partially or fully) under the PAL(s), or such persons who hold any Nil Paid Rights at the time such Nil Paid Rights lapse |
| “Non-Qualifying Shareholder(s)” | Overseas Shareholder(s) whom the Board considers necessary or expedient to exclude from the Rights Issue on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place |
| “NQS Unsold Shares” | the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders (if any) in nil-paid form that have not been sold by the Company |

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|---------------------------|--|
| “Overseas Shareholder(s)” | Shareholder(s) whose name(s) appear on the register of members of the Company as at 5:00 p.m. on the Record Date and whose address(es) as shown on such register is/are outside Hong Kong |
| “PAL” | the provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue |
| “Placing” | arrangements to place the Untaken Shares and the NQS Unsold Shares by the Placing Agent on a best effort basis to investors who (or as the case may be, their ultimate beneficial owner(s)) are not Shareholders and are otherwise Independent Third Parties |
| “Placing Agent” | Yuet Sheung International Securities Limited, a licensed corporation to carry on business in Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO |
| “Placing Agreement” | the agreement dated 30 May 2023 entered into between the Company and the Placing Agent in respect of the Placing |
| “Placing End Date” | 6:00 p.m. on Friday, 21 July 2023 or such other dates as the Company may announce |
| “Placing Long Stop Date” | 4:00 p.m. on Monday, 24 July 2023 (being the next Business Day after the Placing End Date) or such later date as the Company may announce |
| “Placing Period” | the period from Tuesday, 11 July 2023 up to 6:00 p.m. on the Placing End Date, being the period during which the Placing Agent will seek to effect the Placing |
| “Placing Share(s)” | the Untaken Share(s) and the NQS Unsold Share(s) |
| “Posting Date” | Friday, 16 June 2023, or such other date as the Company may determine and announce for the despatch of the Prospectus Documents |
| “PRC” | the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan |

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|--------------------------------|--|
| “Prospectus” | the prospectus to be issued by the Company in relation to the Rights Issue |
| “Prospectus Documents” | the Prospectus and the PAL(s) |
| “Qualifying Shareholder(s)” | Shareholder(s), whose name(s) appear on the register of members of the Company on the Record Date, other than the Non-Qualifying Shareholders |
| “Record Date” | the date by reference to which provisional allotments under the Rights Issue are expected to be determined, which is Thursday, 15 June 2023 or such later date as may be determined and announced by the Company |
| “Registrar” | Computershare Hong Kong Investor Services Limited, the Company’s Hong Kong branch share registrar and transfer office, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong |
| “Rights Issue” | the proposed offer for subscription of the Rights Shares at the Subscription Price on the basis of one (1) Rights Share for every two (2) Shares held by the Shareholders on the Record Date and subject to the conditions set out in the section headed “Conditions of the Rights Issue” in this announcement |
| “Rights Issue Completion” | completion of the Rights Issue |
| “Rights Issue Settlement Date” | Monday, 31 July 2023 |
| “Rights Share(s)” | the Share(s) to be allotted and issued under the Rights Issue, being up to 240,000,000 Shares (assuming there is no other change in the total number of issued Shares from the date of this announcement up to and including the Record Date) |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Share(s)” | ordinary share(s) with par value of US\$0.0001 each in the capital of the Company |

| | |
|------------------------------|--|
| “Shareholder(s)” | holder(s) of Share(s) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Subscription Price” | the subscription price of HK\$0.1 per Rights Share |
| “substantial Shareholder(s)” | has the meaning ascribed to it under the GEM Listing Rules |
| “Takeovers Code” | the Hong Kong Code on Takeovers and Mergers |
| “Untaken Share(s)” | the number of unsubscribed Rights Share(s) not taken up by Qualifying Shareholder(s) or renounee(s) or transferee(s) of Nil Paid Rights under PAL(s) during the Rights Issue |
| “US\$” | United States dollar, the lawful currency of the United States of America |
| “%” | per cent. |

By order of the Board
Min Fu International Holding Limited
Mr. Zeng Weijin
Chairman and Chief Executive Officer

Hong Kong, 30 May 2023

As at the date of this announcement, the executive Directors are Mr. Zeng Weijin, Ms. Ye Jialing and Mr. Huang Minzhi; the non-executive Directors are Mr. Zhou Ruizhao, Ms. Zhang Xiaoling and Ms. Li Xiaoxuan; and the independent non-executive Directors are Mr. Ning Jie and Dr. Zhou Wenming.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules of the Stock Exchange 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.

For the purpose of this announcement, the exchange rate at RMB1.00 = HK\$1.12 has been used, where applicable, for purpose of illustration only.

* For identification purposes only