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Volcano Spring International Holdings Limited

火山邑動國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1715)

COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



Reference is made to the announcements of Volcano Spring International Holdings Limited (the “**Company**”) dated 21 August 2023, 25 August 2023 and 31 August 2023 in relation to the Placing (the “**Announcements**”). Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless otherwise stated herein.

COMPLETION OF THE PLACING

The Board is pleased to announce that all the conditions set out in the Placing Agreement had been fulfilled and the completion of the Placing took place on 7 September 2023.

A total of 55,300,000 Placing Shares have been successfully placed by the Placing Agent to one Placee at the Placing Price of HK\$0.075 per Placing Share pursuant to the terms and conditions of the Placing Agreement, representing (i) approximately 3.01% of the issued share capital of the Company immediately before Completion; and (ii) approximately 2.93% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares. As the number of Placees is less than six and in accordance with Rule 13.28(7) of the Listing Rules, the Company is required to disclose the name of the Placee in this announcement, namely Mr. Dong Jianxin (“**Mr. Dong**”).

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, Mr. Dong is an individual investor holding 2,770,000 Shares (representing approximately 0.15% of the issued share capital of the Company before Completion) and he is an Independent Third Party. None of the Placees has become a substantial shareholder (as defined under the Listing Rules) of the Company immediately after Completion.

USE OF PROCEEDS

As set out in the Announcement, the net proceeds from the Placing (assuming all the Placing Shares are fully placed) would amount to approximately HK\$12.7 million. As the Placing Shares were not fully placed, the net proceeds from the Placing were reduced to approximately HK\$4.1 million and the Company will utilise all net proceeds from the Placing towards the partial repayment of other borrowing of the Group by end of 2023.

EFFECTS ON SHAREHOLDING STRUCTURE

The shareholding structure of the Company immediately before and after Completion are set out as follows:

Shareholders	Immediately before Completion		Immediately after Completion	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
Seashore Global Enterprises Limited ("Seashore Global") (Note)	375,000,000	20.44	375,000,000	19.84
Mr. Dong	2,770,000	0.15	55,300,000	2.93
Other public Shareholders	1,457,230,000	79.41	1,460,000,000	77.23
Total	1,835,000,000	100	1,890,300,000	100

Note: The issued shares of Seashore Global are wholly-owned by Mr. Wu Huizhang. On 5 July 2022, the Company signed an agreement to pledge a total of 375,000,000 ordinary shares of the Company, which owned by Seashore Global to Kingston Finance Limited as security for loan facilities provided to the Company.

By order of the Board
Volcano Spring International Holdings Limited
Madam Maeck Can Yue
Chairperson

Hong Kong, 7 September 2023

As at the date of this announcement, the executive Directors of the Company are Madam Maeck Can Yue and Mr. Wu Huizhang, and the independent non-executive Directors of the Company are Mr. Wang Shih-fang, Mr. Yan Chi Ming, Mr. Hooi Hing Lee and Mr. Li Wei.