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**YU TAK INTERNATIONAL HOLDINGS LIMITED**  
**御德國際控股有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 08048)**

**PLACING OF NEW SHARES UNDER GENERAL MANDATE**

**Placing Agent**

**Kilmorey Securities Limited**



On 8 May 2019 (after trading hours of the Stock Exchange), the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Placing Agent agreed to place, on a best efforts basis, to not less than six Places up to 165,000,000 Placing Shares at the Placing Price of HK\$0.105 per Placing Share.

The Placing Price of HK\$0.105 per Placing Share represents (a) a discount of approximately 19.23% to the closing price of HK\$0.130 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (b) a discount of approximately 15.87% to the average closing price of HK\$0.1248 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately prior to the date of the Placing Agreement.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and completion of the Placing, a maximum of 165,000,000 Placing Shares under the Placing represent approximately 9.26% of the entire issued share capital of the Company as at the date of this announcement and approximately 8.47% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares (assuming there is no other change in the issued share capital of the Company from the date of this announcement and up to completion of the Placing). The net proceeds from the Placing of approximately

HK\$17,000,000 (assuming the Placing Shares are fully placed and after all relevant expenses) will be used as general working capital of the Group, where HK\$7,000,000 will be specially reserved for the operating and administration expenses of the Company for the second half of year of 2019.

The Placing is conditional upon, among other things, the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of and permission to deal in the Placing Shares. If the conditions are not fulfilled, the Placing will not proceed.

**As completion of the Placing is subject to the satisfaction of conditions, the Placing may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

## **THE PLACING AGREEMENT**

### **Date**

8 May 2019 (after trading hours of the Stock Exchange)

### **Issuer**

The Company

### **Placing Agent**

Kilmorey Securities Limited

The Placing Agent has conditionally agreed to procure, on a best efforts basis, not less than six Placees to subscribe for up to 165,000,000 Placing Shares. The Placing Agent may carry out the Placing itself and/or through the agency of such other agents as the Placing Agent may agree with the Company. The Placing Agent will receive a placing commission of 1.00% of the aggregate Placing Price for the Placing Shares placed by the Placing Agent pursuant to its obligations under the Placing Agreement. Such placing commission was agreed after arm's length negotiations between the Company and the Placing Agent with reference to prevailing market rates for similar transactions. The Directors are of the view that the placing commission is fair and reasonable. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are independent of and not connected with the Company and its connected persons (as defined in the GEM Listing Rules).

### **Placees**

The Placing Agent will place the Placing Shares to not less than six Placees, being independent professional, institutional, individual investors or any of their respective subsidiaries or associates, who and whose ultimate beneficial owners are Independent Third Parties of, not acting in concert (as

defined in the Takeovers Code) with and not connected with the Company and its connected persons. It is expected that none of the Placees will be substantial shareholders of the Company (as “substantial shareholder” is defined in the GEM Listing Rules) immediately after completion of the Placing.

### **Placing Shares**

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and completion of the Placing, a maximum of 165,000,000 Placing Shares under the Placing represent approximately 9.26% of the entire issued share capital of the Company as at the date of this announcement and approximately 8.47% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares. The aggregate nominal value of the Placing Shares is HK\$16,500,000.

### **Ranking of Placing Shares**

The Placing Shares will, when issued and fully paid up, rank *pari passu* in all respects with the Shares which are in issue on the date of allotment and issue of the Placing Shares.

### **Placing Price**

The Placing Price of HK\$0.105 per Placing Share represents:

- (a) a discount of approximately 19.23% to the closing price of HK\$0.130 per Share as quoted on the Stock Exchange on 8 May 2019, being the date of the Placing Agreement; and
- (b) a discount of approximately 15.87% to the average closing price of HK\$0.1248 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately prior to the date of the Placing Agreement.

The Placing Price, which was agreed after arm’s length negotiation between the Company and the Placing Agent, was determined with reference to the prevailing market price of the Shares. The Directors consider that the terms of the Placing are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **Conditions Precedent**

Completion of the Placing is conditional upon:

- (i) the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, the Placing Shares under the Placing; and
- (ii) the Company obtaining all necessary consents and approvals (if any) in respect of the transactions contemplated under the Placing Agreement, if applicable.

If the above conditions are not satisfied on or prior to 21 May 2019 (or other later date may be agreed between the Company and the Placing Agent in writing), i.e. the Long Stop Date, the Placing will be terminated and the Placing will not proceed and all obligations and liabilities of the parties will forthwith cease and determine and no party will have any claim against the other (save for any antecedent breaches and certain disbursement). The Placing is not subject to the approval of Shareholders as the Placing Shares will be issued under the General Mandate.

## **Completion**

Completion of the Placing, in any event, will take place on the day no later than the third Business Day immediately following the day on which the conditions as set out in paragraph headed “Conditions Precedent” above have been fulfilled or other later date to be agreed between the Company and the Placing Agent in writing (the “**Completion Date**”).

## **Termination/Force Majeure**

The Placing Agent may terminate the Placing Agreement by notice in writing at or prior to the Completion Date, if in the reasonable opinion of the Placing Agent, the success of the Placing would be materially and adversely affected by any of the following events:

- (i) any material breach of any of the representations, warranties or undertakings set out the Placing Agreement;
- (ii) any suspension in dealings in or the listing of the Shares of the Company on the Stock Exchange for a period of more than five (5) trading days (other than in connection with the Placing and any announcement of the Company);
- (iii) the introduction of any new law or regulation or any change in existing laws or regulations or change in the interpretation or application thereof;
- (iv) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events or changes occurring or continuing before, on and/or after the date hereof and including an event or change in relation to or a development of an existing state of affairs) of a political, military, industrial, financial, economic or other nature, whether or not sui generis with any of the foregoing, resulting in a material adverse change in, or which might be expected to result in a material adverse change in, political, economic or stock market conditions;
- (v) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise;

- (vi) a change or development involving a prospective change in taxation in Hong Kong, Bermuda, the British Virgin Islands or the People's Republic of China or the implementation of exchange controls which shall or might materially and adversely affect the Group; or
- (vii) any significant change or deterioration in the conditions of local, national or international securities markets.

Upon giving of notice pursuant to the paragraphs above, all obligations of the Placing Agent and the Company under the Placing Agreement shall cease and determine and no party shall have any claim against any other party in respect of any matter or thing arising out of or in connection with the Placing Agreement, save for any antecedent breaches and certain disbursement.

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

**As completion of the Placing is subject to the satisfaction of conditions, the Placing may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

## **GENERAL MANDATE TO ALLOTMENT AND ISSUE THE PLACING SHARES**

The Placing Shares will be allotted and issued under the General Mandate granted to the Directors at the annual general meeting of the Company held on 4 June 2018 pursuant to which the Directors are authorised to allot and issue up to 356,538,000 new Shares until the revocation, variation or expiration of the General Mandate. The maximum of 165,000,000 Placing Shares to be allotted and issued will use approximately 46.28% of the General Mandate.

At the date of this announcement, the Directors have not exercised the power to allot and issue any new Shares pursuant to the General Mandate. The allotment and issue of the Placing Shares are not subject to any additional approval of the Shareholders.

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

The Company is an investment holding company. The Group is principally engaged in (i) the design and sales of gold and jewellery products; (ii) the development, sales and implementation of enterprise software; (iii) the provision of systems integration, professional services and application service provider services; and (iv) investment holding.

The maximum gross proceeds and net proceeds from the Placing (assuming all the Placing Shares are placed) will be HK\$17,325,000 and approximately HK\$17,000,000 respectively (representing a net issue price of approximately HK\$0.103 per Placing Share). It is expected that the net proceeds from the Placing will be used as general working capital of the Group, where HK\$7,000,000 will be specially reserved for the operating and administration expenses of the Company for the second half of year of 2019.

The Directors are of the view that the Placing will enlarge the shareholder base and the capital base of the Company. The net proceeds of the Placing will strengthen the Group's financial position. Accordingly, the Directors consider that the Placing is in the interests of the Company and the Shareholders as a whole.

## FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE (12) MONTHS

The Company has not conducted any fund raising activities in the past twelve (12) months immediately preceding the date of this announcement.

## EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structures of the Company (i) as at the date of this announcement; and (ii) immediately upon completion of the Placing (assuming the maximum number of Placing Shares are placed and there is no change in the share capital of the Company from the date of this announcement up to the Completion Date) are set out as follows:

	As at the date of this announcement		Immediately after completion of the Placing	
	Number of Shares	Approximately %	Number of Shares	Approximately %
China Yinsheng Finance Limited (Note 1)	909,502,801	51.02	909,502,801	46.70
Sino Eminent Limited (Note 2)	804,157,697	45.11	804,157,697	41.29
深圳市藝華珠寶首飾股份有限公司 (Shenzhen Yihua Jewelry Co., Ltd*) (Note 2)	804,157,697	45.11	804,157,697	41.29
Ocean Expert Investments Limited (Note 2)	804,157,697	45.11	804,157,697	41.29
Ms. LI Xia (Note 2)	804,157,697	45.11	804,157,697	41.29
Mr. CHONG Yu Ping (Note 2)	839,639,697	47.10	839,639,697	43.11
Flourish Zone Limited (Note 3)	149,455,740	8.38	149,455,740	7.67
Mr. CHEN Yin (Note 3)	149,455,740	8.38	149,455,740	7.67
Mr. LIN Feifei	146,415,076	8.21	146,415,076	7.52
CK Hutchison Holdings Limited (Note 4)	143,233,151	8.03	143,233,151	7.35
Other Shareholders				
– Placees	Nil	Nil	165,000,000	8.47
– Others	503,946,336	28.27	503,946,336	25.87
<b>Total</b>	<b>1,782,690,000</b>	<b>100.00</b>	<b>1,947,690,000</b>	<b>100.00</b>

### Notes:

- (1) On 26 March 2018, (i) Sino Eminent Limited, (ii) Ms. Zhuang Rushan, and (iii) Flourish Zone Limited, have pledged 304,815,204, 50,136,000 and 63,000,000 shares of the Company respectively in favour of China Yinsheng Finance Limited as security for a loan facility provided by China Yinsheng Finance Limited to Sino Eminent Limited (the “Loan”). In addition, Sino Eminent Limited have pledged an

additional 491,551,597 shares of the Company, which was obtained by it after the completion of the rights issue on the basis of one rights share for every two existing shares held by the qualifying shareholders on 27 February 2018 at the subscription price of HK\$0.10 per rights share, in favour of China Yinsheng Finance Limited as security for the Loan. Accordingly, China Yinsheng Finance Limited has security interest in 909,502,801 shares of the Company. Details of the abovementioned pledge of shares are set out in the Company's announcement dated 26 March 2018.

- (2) Sino Eminent Limited, a company incorporated in the British Virgin Islands, is owned as to 25% of its totally issued shares by Ocean Expert Investments Limited and 75% of its totally issued shares by Shenzhen Yihua Jewelry Co., Ltd ("**Shenzhen Yihua**"), a company incorporated in the PRC which is held as to approximately 80% of its shares by Mr. Chong Yu Ping.

Accordingly, Mr. Chong Yu Ping is deemed to be interested in 804,157,697 shares of the Company held by Sino Eminent Limited by virtue of Sino Eminent Limited being controlled by Mr. Chong Yu Ping through his shareholding in Shenzhen Yihua. In addition to such 804,157,697 shares of the Company deemed to be interested by Mr. Chong Yu Ping, Mr. Chong Yu Ping beneficially owns 35,482,000 shares of the Company, therefore Mr. Chong Yu Ping is deemed to be totally interested in 839,639,697 shares of the Company.

Ocean Expert Investments Limited is a limited company incorporated in the British Virgin Islands which is wholly owned by Ms. Li Xia. Ms. Li Xia is deemed to be interested in 804,157,697 shares of the Company held by Sino Eminent Limited by virtue of Sino Eminent Limited being controlled by Ms. Li Xia through her shareholding in Ocean Expert Investments Limited and through her acting as the sole director of Sino Eminent Limited.

- (3) Flourish Zone Limited is a company incorporated in the British Virgin Islands and wholly-owned by Mr. Chen Yin. Accordingly, Mr. Chen Yin is deemed to be interested in the 149,455,740 shares of the Company through Flourish Zone Limited.
- (4) CK Hutchison is deemed to be interested in a total of 143,233,151 shares of the Company through its controlled companies.

## **GEM LISTING RULES IMPLICATION**

The Placing will be conducted under the General Mandate. Application will be made to the Stock Exchange for the granting of the listing of, and permission to deal in, the Placing Shares.

## DEFINITIONS

In this announcement, unless otherwise defined, the following terms used herein have the following meanings:

“associate(s)”	the meaning ascribed thereto in the GEM Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (excluding Saturday, Sunday and public holidays) on which licensed banks in Hong Kong are open to the general public for business
“Company”	Yu Tak International Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the GEM of Stock Exchange
“connected person”	the meaning ascribed thereto in the GEM Listing Rules
“Directors”	the directors of the Company
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM of Stock Exchange
“General Mandate”	the mandate granted to the Directors by the Shareholders at the annual general meeting of the Company held on 4 June 2018 to allot, issue and deal with up to 20% of the then issued share capital of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Parties”	persons that are not connected persons of the Company (as defined in the GEM Listing Rules) and are independent of the Company and its connected persons
“Listing Committee”	the meaning ascribed thereto in the GEM Listing Rules
“Long Stop Date”	21 May 2019 or other later date as may be agreed between the Company and the Placing Agent in writing



“Placee(s)”	independent professional, institutional, individual investors or any of their respective subsidiaries or associates to be procured by the Placing Agent on a best efforts basis pursuant to the Placing Agreement
“Placing”	the placing of the Placing Shares pursuant to the Placing Agreement
“Placing Agent”	Kilmorey Securities Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	the placing agreement dated 8 May 2019 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	HK\$0.105 per Placing Share
“Placing Share(s)”	a maximum of 165,000,000 new Shares to be placed by the Placing Agent pursuant to the Placing Agreement
“Shareholder(s)”	holders of the Share(s)
“Shares”	ordinary shares of HK\$0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“%”	per cent

By Order of the Board  
**Yu Tak International Holdings Limited**  
**Chong Yu Ping**  
*Chairman*

Hong Kong, 8 May 2019

*As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Chong Yu Ping, Ms. Li Xia and Mr. Chen Yin and three independent non-executive Directors, namely, Mr. Lam Tin Faat, Ms. Na Xin and Ms. Zhao Xiaxia.*

*This announcement, for which the directors (the “**Directors**”) of Yu Tak International Holdings Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited 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: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and (2) 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 [www.hkgem.com](http://www.hkgem.com) for at least seven (7) days from the date of its posting and on the website of the Company at [www.hkjewelry.net](http://www.hkjewelry.net).*

\* *English name of such entity is the transliteration of its Chinese name for reference only*