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COOLPAD GROUP LIMITED

酷派集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2369)

**(I) RESULTS OF THE RIGHTS ISSUE ON THE BASIS OF ONE (1)
RIGHTS SHARE FOR EVERY TWO (2)
EXISTING SHARES HELD ON THE RECORD DATE
AND
(II) ADJUSTMENT RELATING TO THE SHARE OPTIONS
UNDER THE SHARE OPTION SCHEME**

Reference is made to the prospectus of Coolpad Group Limited (the “**Company**”) dated 3 June 2021 (the “**Prospectus**”) relating to the Rights Issue. Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Prospectus.

RESULTS OF THE RIGHTS ISSUE

The Board is pleased to announce that, as all the conditions set out in the Underwriting Agreement have been fulfilled and the Underwriter did not terminate the Underwriting Agreement prior to the Latest Time for Termination, the Rights Issue became unconditional at 4:00 p.m. on Wednesday, 23 June 2021. The total funds raised from the Rights Issue (before expenses) are approximately HK\$1,008 million.

As at 4:00 p.m. on Friday, 18 June 2021, being the latest time for acceptance of and payment for the Rights Shares and application and payment for excess Rights Shares, a total of 31 valid acceptances and applications had been received for a total of 3,048,471,670 Rights Shares, which comprise:

- (i) 18 valid acceptances of provisional allotments under the PALs in respect of 1,836,046,220 Rights Shares, representing approximately 50.99% of the total number of the Rights Shares available under the Rights Issue; and
- (ii) 13 valid applications for excess Rights Shares under the EAFs in respect of 1,212,425,450 Rights Shares, representing approximately 33.67% of the total number of the Rights Shares available under the Rights Issue.

In aggregate, the valid applications and acceptances represent approximately 84.66% of the total number of 3,600,799,740 Rights Shares available under the Rights Issue.

Among the above result of acceptances and applications, the IU Shareholders have subscribed for a total of 1,418,718,500 Rights Shares, comprising 448,718,500 Rights Shares under the PAL pursuant to the Irrevocable Undertaking and 970,000,000 Rights Shares under the EAF.

EXCESS APPLICATION

Based on the above result of acceptances and applications, all valid applications for a total of 1,212,425,450 excess Rights Shares have been accepted and the Directors have allocated to each Qualifying Shareholder (other than the PRC Southbound Trading Investors) who applied for excess Rights Shares the actual number of excess Rights Shares applied for.

THE UNDERWRITING AGREEMENT

As all the conditions set out in the Underwriting Agreement have been fulfilled and the Underwriting Agreement was not terminated prior to the Latest Time for Termination, the Underwriting Agreement became unconditional at 4:00 p.m. on Wednesday, 23 June 2021.

Based on the above result of acceptances and applications and pursuant to the terms of the Underwriting Agreement, the Underwriter procured subscribers to subscribe for 552,328,070 Rights Shares. To the best of the Directors' knowledge, information and belief after having made reasonable enquiries, each of the Underwriter, subscribers and their respective ultimate beneficial owner(s) (if any) is an Independent Third Party. None of the subscribers procured by the Underwriter has become a substantial shareholder (as defined in the Listing Rules) of the Company upon taking up their respective portion of the Rights Shares.

SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge and information, the shareholding structure of the Company immediately before and after completion of the Rights Issue is set out below:

Shareholder	Immediately before the Rights Issue		Immediately after completion of the Rights Issue	
	Number of Shares	%	Number of Shares	%
Mr. Chen	897,437,000	12.46	2,316,155,500	21.44
<i>Other Directors</i>				
Mr. Chan King Chung	441,600	0.01	662,400	0.01
Dr. Huang Dazhan	288,000	0.01	288,000	0.00
Mr. Xie Weixin	384,000	0.01	384,000	0.01
Mr. Xu Yibo	3,000,000	0.04	4,500,000	0.04
The subscribers procured by the Underwriter	–	–	552,328,070	5.11
Other public Shareholders	<u>6,300,048,880</u>	<u>87.47</u>	<u>7,928,081,250</u>	<u>73.38</u>
Total	<u>7,201,599,480</u>	<u>100</u>	<u>10,802,399,220</u>	<u>100</u>

Certain figures included in the table above have been rounded to the nearest integer or to two decimal places. Any discrepancies between the total shown and the sum of the amounts listed are due to rounding.

DESPATCH OF SHARE CERTIFICATES FOR THE RIGHTS SHARES

Share certificates for all fully-paid Rights Shares are expected to be despatched to those entitled thereto by ordinary post to their respective registered addresses, at their own risks, on or before Monday, 28 June 2021.

ODD LOT TRADING ARRANGEMENT

Upon completion of the Rights Issue, the board lot of the Shares will remain as 4,000 Shares. In order to facilitate the trading of odd lots of Shares which will arise upon the Rights Issue, the Company has procured Kingston Securities Limited to stand in the market and provide matching services on a best effort basis for the holders of odd lots of Shares during the period between Tuesday, 29 June 2021 and Tuesday, 20 July 2021 (both dates inclusive). Holders of odd lots of Shares who wish to take advantage of this facility either to dispose of their odd lots of Shares or to top up to board lots of 4,000 Shares may contact Mr. James Lee of Kingston Securities Limited at (852) 2298 6200 or 72/F, The Center, 99 Queen's Road Central, Central, Hong Kong as soon as possible during the aforementioned time period. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Kingston Securities Limited is an independent third party not connected with the Company or any of the Directors, chief executives, or substantial Shareholders of the Company or any of its subsidiaries or associates. Holders of Shares in odd lots should note that the matching services mentioned above are on a "best effort" basis only and successful matching of the sale and purchase of odd lots of Shares is not guaranteed and will depend on there being an adequate amount of odd lots of Shares available for matching. Shareholders are advised to consult their financial advisers if they are in doubt about the arrangement.

COMMENCEMENT OF DEALINGS IN FULLY-PAID RIGHTS SHARES

Approval has been granted by the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares. Dealings in the fully-paid Rights Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Tuesday, 29 June 2021.

ADJUSTMENT RELATING TO THE OUTSTANDING SHARE OPTIONS

Prior to the completion of the Rights Issue, the Company had 907,767,000 outstanding Share Options under the Share Option Scheme. Pursuant to the terms and conditions of the Share Option Scheme and the Listing Rules, the exercise prices and/or the number of the Shares to be issued upon exercise of the Share Options under the Share Option Scheme will be adjusted.

As a result of the Rights Issue, the Company has calculated the necessary adjustments (the "**Share Options Adjustment**") to the exercise prices of, and the number of Shares falling to be issued upon exercise of, the Share Options in accordance with the relevant terms of the Share Option Scheme, Rule 17.03(13) of the Listing Rules, the Supplementary Guidance on Main Board Listing Rule 17.03(13) and the Note Immediately After the Rule attached to the Frequently Asked Question No. 072-2020 issued by the Stock Exchange on 6 November 2020 (the "**Stock Exchange Supplementary Guidance**").

Details of the Share Options Adjustment, which shall take effect from Monday, 28 June 2021, being the date on which the fully-paid Rights Shares are allotted and issued, are set out below:

Date of grant	Exercise period of Share Options	Immediate before completion of the Rights Issue		Immediate after completion of the Rights Issue	
		Number of Shares to be issued upon exercise of the Share Options	Exercise price per Share (HK\$)	Adjusted number of Shares to be issued upon exercise of the Share Options	Adjusted exercise price per Share (HK\$)
16 October 2015	16 October 2017 to 16 October 2021	10,000,000	1.6200	10,882,353	1.4886
13 November 2019	14 May 2020 to 13 May 2024	212,100,000	0.2242	230,814,706	0.2060
13 November 2019	14 November 2020 to 13 November 2024	104,167,000	0.2242	113,358,206	0.2060
8 April 2021	9 April 2022 to 8 April 2026	<u>581,500,000</u>	<u>0.5100</u>	<u>632,808,824</u>	<u>0.4686</u>
		<u>907,767,000</u>		<u>987,864,089</u>	

Save for the above adjustments, all other terms and conditions of the outstanding Share Options remain unchanged.

The Company's auditors, Ernst & Young, has certified in writing to the Company that the adjustments made to the exercise prices and the number of Shares falling to be issued upon the exercise of the outstanding Share Options are in compliance with the requirements set out in the relevant terms of the Share Option Scheme, Rule 17.03(13) of the Listing Rules, and the Stock Exchange Supplementary Guidance.

By Order of the Board
Coolpad Group Limited
Chen Jiajun
Executive Director
Chief Executive Officer
Chairman

Hong Kong, 25 June 2021

As at the date of this announcement, the Board comprises (i) four executive Directors, namely Mr. Chen Jiajun, Mr. Ma Fei, Mr. Xu Yibo and Mr. Lam Ting Fung Freeman; (ii) two non-executive Directors, namely Mr. Liang Rui and Mr. Ng Wai Hung; and (iii) four independent non-executive Directors, namely Dr. Huang Dazhan, Mr. Xie Weixin, Mr. Chan King Chung and Mr. Guo Jinghui.