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RISECOMM

瑞斯康

RISECOMM GROUP HOLDINGS LIMITED

瑞斯康集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1679)

**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
ADJUSTMENT RELATING TO
THE OUTSTANDING SHARE OPTIONS UNDER
THE SHARE OPTION SCHEME AND
THE PRE-IPO SHARE OPTION SCHEME
AND
ADJUSTMENT RELATING TO THE CONVERTIBLE BONDS**

Reference is made to the prospectus of Risecomm Group Holdings Limited (the “**Company**”) dated 25 November 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 Joint Underwriters did not terminate the Underwriting Agreement prior to the Latest Time for Termination, the Rights Issue became unconditional at 4:00 p.m. on Friday, 10 December 2021. The total funds raised from the Rights Issue (before expenses) are approximately HK\$123.1 million.

As at 4:00 p.m. on Thursday, 9 December 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 15 valid acceptances and applications had been received for a total of 316,467,028 Rights Shares, which comprise:

- (i) 10 valid acceptances of provisional allotments under the PALs in respect of 108,272,028 Rights Shares, representing approximately 18.3% of the total number of the Rights Shares available under the Rights Issue; and
- (ii) 5 valid applications for excess Rights Shares under the EAFs in respect of 208,195,000 Rights Shares, representing approximately 35.2% of the total number of the Rights Shares available under the Rights Issue.

In aggregate, the valid applications and acceptances represent approximately 53.5% of the total number of 591,969,535 Rights Shares available under the Rights Issue.

EXCESS APPLICATION

Based on the above result of acceptances and applications, all valid applications for a total of 208,195,000 excess Rights Shares have been accepted and the Directors have allocated to each Qualifying Shareholder 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 Friday, 10 December 2021.

Based on the above result of acceptances and applications and pursuant to the terms of the Underwriting Agreement, the Joint Underwriters procured subscribers to subscribe for 275,502,507 Rights Shares. To the best of the Directors' knowledge, information and belief after having made reasonable enquiries, each of the Joint Underwriters, subscribers and their respective ultimate beneficial owner(s) (if any) is an Independent Third Party. None of the subscribers procured by the Joint Underwriters 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	%
Connected persons				
Magical Success Holdings Limited (<i>Note 1</i>)	97,527,845	8.2	97,527,845	5.5
Seashore Fortune Limited (<i>Note 2</i>)	93,543,624	7.9	93,543,624	5.3
SB Asia Investment Fund II L.P.	197,340,537	16.7	197,340,537	11.1
Spitzer Fund VI L.P. (<i>Note 3</i>)	123,763,311	10.5	—	—
YU Lu (<i>Note 4</i>)	115,015,000	9.7	172,522,500	9.7
DING Zhigang (<i>Note 3</i>)	—	—	340,700,925	19.2
Public shareholders				
Spitzer Fund VI L.P. (<i>Note 3</i>)	—	—	123,763,311	7.0
DING Zhigang (<i>Note 3</i>)	88,467,283	7.5	—	—
Subscribers procured by the Joint Underwriters	—	—	275,502,507	15.5
Other public shareholders	468,281,471	39.5	475,007,357	26.7
Total	1,183,939,071	100.0	1,775,908,606	100.0

Notes:

- Magical Success Holdings Limited is wholly-owned by Ms. Chen Junling (“**Ms. Chen**”). Ms. Chen is the spouse of Mr. Wang Shiguang, who was a non-executive Director within the last 12 months of the Latest Practicable Date.
- Seashore Fortune Limited is wholly owned by Mr. Yue Jingxing (“**Mr. Yue**”). Mr. Yue is the chairman of the Board and an executive Director.
- Each of them is an Independent Third Party, other than being a substantial shareholder of the Company. As such, any change of their respective shareholding to less than 10% of the issued share capital of the Company would render any of them becoming a public shareholder of the Company within the meaning of Rule 8.24 of the Listing Rules.
- Mr. Yu Lu is a non-executive Director.

DESPATCH OF SHARE CERTIFICATES FOR THE RIGHTS SHARES

Share certificates for all fully-paid Rights Shares are expected be despatched to those entitled thereto by ordinary post to their respective registered addresses, at their own risks, on or before Friday, 17 December 2021.

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 Monday, 20 December 2021.

ADJUSTMENT RELATING TO THE OUTSTANDING SHARE OPTIONS UNDER THE SHARE OPTION SCHEME AND THE PRE-IPO SHARE OPTION SCHEME

Prior to the completion of the Rights Issue, the Company had 6,900,000 outstanding Share Options under the Share Option Scheme and 863,587 outstanding Share Options under the Pre-IPO Share Option Scheme. Pursuant to the terms and conditions of the Share Option Scheme, the Pre-IPO Share Option Scheme and the Listing Rules, the exercise prices and/or the number of the Shares to be issued upon exercise of the outstanding Share Options under the Share Option Scheme and the Pre-IPO Share Option Scheme will be adjusted respectively immediately after the completion of the Rights Issue.

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 outstanding Share Options in accordance with the relevant terms of the Share Option Scheme, the Pre-IPO 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 Friday, 17 December 2021, being the date on which the fully-paid Rights Shares are allotted and issued, are set out below:

Share Option Scheme

Name of Grantee	Date of grant	Exercise period of Share Options	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
			Number of Shares to be issued upon exercise of the Share Options	Exercise price per Share	Adjusted number of Shares to be issued upon exercise of the Share Options	Adjusted exercise price per Share
Employees	3 September 2018	From 3 September 2020 to 2 September 2026	2,300,001	HK\$1.710	2,281,270	HK\$1.724
Employees	3 September 2018	From 3 September 2021 to 2 September 2026	2,300,001	HK\$1.710	2,281,270	HK\$1.724
Employees	3 September 2018	From 3 September 2022 to 2 September 2026	2,299,998	HK\$1.710	2,281,271	HK\$1.724

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

Pre-IPO Share Option Scheme

Name of Grantee	Date of grant	Exercise period of Share Options	Immediately before completion of the Rights Issue	Immediately after completion of the Rights Issue		
			Number of Shares to be issued upon exercise of the Share Options	Exercise price per Share	Adjusted number of Shares to be issued upon exercise of the Share Options	Adjusted exercise price per Share
YUE Jingxing	25 August 2016	From 25 August 2016 to 25 March 2024	863,587	USD0.0003	856,555	USD0.000302

Save for the above adjustments, all other terms and conditions of the outstanding Share Options granted under the Pre-IPO Share Option Scheme remain unchanged.

The Company's auditors, RSM Hong Kong, has certified in writing to the Company that the above 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, the Pre-IPO Share Option Scheme, Rule 17.03(13) of the Listing Rules and the Stock Exchange Supplementary Guidance.

ADJUSTMENT RELATING TO THE OUTSTANDING CONVERTIBLE BONDS

As at the date of this announcement, the Company has outstanding Convertible Bonds in the principal amount of HK\$150 million, which are convertible into 187,500,000 Conversion Shares at the conversion price of HK\$0.8 per Conversion Share.

Pursuant to the terms and conditions of the Convertible Bonds, the conversion price of the Convertible Bonds and the number of Conversion Shares falling to be allotted and issued upon conversion of the Convertible Bonds is not required to be adjusted, and the conversion price remains the same at HK\$0.8 per Conversion Share.

The Company's auditors, RSM Hong Kong, has certified in writing to the Company that no adjustment is required to be made to the conversion price of the Convertible Bonds in accordance with the terms and conditions of the Convertible Bonds.

By Order of the Board
Risecomm Group Holdings Limited
Yue Jingxing
Chairman and Executive Director

Hong Kong, 16 December 2021

As at the date of this announcement, the executive Directors are Mr. Yue Jingxing, Mr. Lau Wai Leung, Alfred and Mr. Jiang Feng, the non-executive Directors are Mr. Cheung Fan and Mr. Yu Lu, and the independent non-executive Directors are Mr. Ong King Keung, Ms. Lo Wan Man and Mr. Zou Heqiang.