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華科資本
WEALTHKING INVESTMENTS

WEALTHKING INVESTMENTS LIMITED

華科資本有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1140)

- (1) CONNECTED TRANSACTION: LOAN CAPITALISATION INVOLVING
ISSUE OF NEW SHARES UNDER SPECIFIC MANDATE;**
- (2) CONNECTED TRANSACTION: SUBSCRIPTION INVOLVING ISSUE OF
NEW SHARES UNDER SPECIFIC MANDATE;**
- (3) SUBSCRIPTION INVOLVING ISSUE OF NEW SHARES UNDER
SPECIFIC MANDATE;**
- AND**
- (4) PROPOSED REFRESHMENT OF GENERAL MANDATE**

**Independent Financial Adviser to the Independent Board Committee
and the Independent Shareholders**



首控集團
CHINA FIRST CAPITAL GROUP

FIRST CAPITAL INTERNATIONAL FINANCE LIMITED

LOAN CAPITALISATION

On 31 December 2021 (after trading hours), the Company and Chunda entered into the Loan Capitalisation Agreement, pursuant to which Chunda (for itself or its nominee as the subscriber) has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, 1,521,739,130 new Shares at the Issue Price of HK\$0.92 per Capitalisation Share for the capitalisation of the Capitalised Amount.

The Capitalisation Shares represent (i) approximately 37.47% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 21.10% of the issued share capital of the Company as enlarged by the allotment and issue of the Capitalisation Shares and the Subscription Shares (assuming there will be no change in the total number of issued Shares of the Company between the date of this announcement and the allotment and issue of the Capitalisation Shares and Subscription Shares).

SUBSCRIPTION OF SHARES BY SUBSCRIBER A

On 31 December 2021 (after trading hours), the Company entered into the Subscription Agreement A with Subscriber A, pursuant to which Subscriber A has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue 978,260,870 new Shares, at the Subscription Price of HK\$0.92 per Subscription Share.

The Subscription Shares A represent (i) approximately 24.09% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 13.56% of the issued share capital of the Company as enlarged by the allotment and issue of the Capitalisation Shares and the Subscription Shares (assuming there will be no change in the total number of issued Shares of the Company between the date of this announcement and the allotment and issue of the Capitalisation Shares and Subscription Shares.)

SUBSCRIPTION OF SHARES BY SUBSCRIBER B

On 31 December 2021 (after trading hours), the Company entered into the Subscription Agreement B with Subscriber B, pursuant to which Subscriber B has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue 652,173,913 new Shares, at the Subscription Price of HK\$0.92 per Subscription Share.

The Subscription Shares B represent (i) approximately 16.06% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 9.04% of the issued share capital of the Company as enlarged by the allotment and issue of the Capitalisation Shares and the Subscription Shares (assuming there will be no change in the total number of issued Shares of the Company between the date of this announcement and the allotment and issue of the Capitalisation Shares and Subscription Shares.)

The aggregated gross proceeds from the Subscriptions are HK\$1,500 million and the net proceeds, after deducting all related fees and expenses, are expected to be approximately HK\$1,499 million. The Board intends to use the proceeds from the Subscriptions for (i) future investment in accordance with the Group's investment strategy, and (ii) additional working capital to sustain the business operations of the Group.

SPECIFIC MANDATE

The Capitalisation Shares and the Subscription Shares will be allotted and issued by the Company under Specific Mandate.

APPLICATION FOR LISTING

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Capitalisation Shares and the Subscription Shares.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Chunda is wholly owned by Dr. Liu who is an executive Director, the Chairman of the Board and the chief executive officer of the Company. Dr. Liu is also the substantial Shareholder of the Company, who directly holds 431,066,000 Shares, representing approximately 10.61% of the issued share capital of the Company. Thus, each of Chunda and Dr. Liu is a connected person of the Company and the Loan Capitalisation constitutes a non-exempt connected transaction of the Company under Chapter 14A of the Listing Rules and therefore is subject to the reporting, announcement and Independent Shareholders' approval requirements under the Listing Rules.

As at the date of this announcement, Subscriber A is the substantial Shareholder of the Company, who directly holds 464,000,000 Shares, representing approximately 11.42% of the issued share capital of the Company. Thus, Subscriber A is a connected person of the Company, and the Subscription A constitutes a non-exempt connected transaction of the Company under Chapter 14A of the Listing Rules and therefore is subject to the reporting, announcement and Independent Shareholders' approval requirements under the Listing Rules.

The Loan Capitalisation and the Subscription A are inter-conditional with each other and shall take place simultaneously.

Shareholders and potential investors should note that the completion of the Loan Capitalisation and the Subscriptions are subject to conditions to be fulfilled, the Loan Capitalisation and the Subscriptions may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

PROPOSED REFRESHMENT OF GENERAL MANDATE

The Board proposes to refresh the Existing General Mandate for the Directors to (i) allot, issue and deal with new Shares up to 20% of the total number of the issued share capital of the Company as at the date of passing of the relevant resolutions at the EGM and (ii) extend the Refreshment of General Mandate to the Shares repurchased by the Company. Pursuant to Rule 13.36(4) of the Listing Rules, the approval of the Refreshment of General Mandate will be subject to Independent Shareholder's approval at a general meeting of the Company.

GENERAL

An EGM will be held to consider and, if thought fit, pass the ordinary resolutions to approve, (i) the Loan Capitalisation Agreement, the Subscription Agreements and the transactions contemplated under the respective agreements (including the grant of the Specific Mandate), and (ii) the proposed grant of the New General Mandate.

The Independent Board Committee, comprising all the independent non-executive Directors, namely Professor He Jia, Mr. Wang Xiaojun and Mr. Chen Yuming, has been established to advise the Independent Shareholders in relation to (i) the Loan Capitalisation Agreement, the Subscription Agreement A and the transactions contemplated under the respective agreements (including the grant of the Specific Mandate), and (ii) the proposed grant of the New General Mandate. First Capital International Finance Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of, among other things, the terms of the Loan Capitalisation Agreement, the Subscription Agreement A and transactions contemplated under the respective agreements; and (ii) the proposed grant of the New General Mandate.

Given that the Loan Capitalisation and the Subscription A are inter-conditional, each of Dr. Liu and Subscriber A has material interest in the Loan Capitalisation and the Subscription A. As such, Dr. Liu and Subscriber A and their respective associates will abstain from voting for the resolutions to approve the Loan Capitalisation Agreement and the Subscription Agreement A (including the grant of specific mandate) and the transactions contemplated thereunder.

Pursuant to Rule 13.36(4) of the Listing Rules, the grant of the New General Mandate will be subject to Independent Shareholders' approval at a general meeting of the Company. Any controlling Shareholders and their respective associates, or where there is no controlling Shareholder, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the relevant resolutions to approve the grant of the New General Mandate. As at the date of this announcement, the Company has no controlling Shareholder. Dr. Liu, the executive Director, Chairman of the Board and a substantial Shareholder and his associates are required to abstain from voting at the EGM. To the best of the Director's knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, save for the aforesaid, no Shareholder is required to abstain from voting on the proposed resolution on the grant of the New General Mandate at the EGM.

A circular containing, amongst other things, (i) further details of the Loan Capitalisation; (ii) further details of the Subscription A; (iii) further details of the Subscription B; (iv) a letter of advice from the Independent Board Committee to the Independent Shareholders; (v) a letter of advice from the Independent Financial Adviser in relation to the terms of the Loan Capitalisation Agreement, the Subscription Agreement A, the transactions contemplated under the respective agreements and the proposed grant of the New General Mandate; (vi) the proposed grant of the New General Mandate; (vii) a notice to convene the EGM; and (viii) other information as required under the Listing Rules, will be despatched to the Shareholders on or before 21 January 2022 in compliance with the Listing Rules.

INTRODUCTION

On 31 December 2021 (after trading hours), the Company and Chunda entered into the Loan Capitalisation Agreement, pursuant to which Chunda (for itself or its nominee as the subscriber) has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, 1,521,739,130 new Shares at the Issue Price of HK\$0.92 per Capitalisation Share for the capitalisation of the Capitalised Amount.

On the same day, the Company entered into (i) the Subscription Agreement A with Subscriber A, pursuant to which Subscriber A has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue 978,260,870 new Shares, at the Subscription Price of HK\$0.92 per Subscription Share; and (ii) the Subscription Agreement B with Subscriber B, pursuant to which Subscriber B has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue 652,173,913 new Shares, at the Subscription Price of HK\$0.92 per Subscription Share. The aggregated gross proceeds from the Subscriptions amount to HK\$1,500 million.

The Loan Capitalisation and the Subscription A are inter-conditional with each other and shall take place simultaneously.

LOAN CAPITALISATION

THE LOAN CAPITALISATION AGREEMENT

The principal terms of the Loan Capitalisation Agreement are set out below:

Date: 31 December 2021

Parties: (a) the Company (as issuer); and
(b) Chunda (for itself or its nominee as the subscriber)

As at the date of this announcement, Dr. Liu is the ultimate beneficial owner of and wholly owns Chunda. Dr. Liu is an executive Director, the Chairman of the Board, the chief executive officer of the Company and the substantial Shareholder of the Company, who directly holds 431,066,000 Shares, representing approximately 10.61% of the issued share capital of the Company. Thus, each of Chunda and Dr. Liu is a connected person of the Company. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Chunda and Dr. Liu are third parties independent to the Subscribers.

Capitalisation Shares

The Company has conditionally agreed to allot and issue, and Chunda has conditionally agreed, by itself or its nominee, to subscribe for, the Capitalisation Shares at the Issue Price for the Capitalisation of the Shareholder Loan. The aggregate consideration for the allotment and issue of the Capitalisation Shares of HK\$1,400 million will be settled by way of set off against the Capitalised Amount at completion of Loan Capitalisation. As at the date of this announcement, the outstanding principal amount of the Shareholder Loan is HK\$1,500 million. Upon completion of the Loan Capitalisation, the Shareholder Loan owing to Chunda will amount to HK\$100 million.

Assuming there will be no change in the total issued share capital of the Company between the date of this announcement and the Completion, the Capitalisation Shares represent (i) approximately 37.47% of the issued share capital of the Company as at the date of this announcement; (ii) approximately 23.19% of the issued share capital of the Company as enlarged by the allotment and issue of the Capitalisation Shares and Subscription Shares A (assuming Subscription B does not proceed); and (iii) approximately 21.10% of the issued share capital of the Company as enlarged by the allotment and issue of the Capitalisation Shares and the Subscription Shares.

The nominal value of the Capitalisation Shares (with a par value of HK\$0.1 each) is HK\$152,173,913.

The Capitalisation Shares are not subject to any lock-up or other disposal restrictions under the Loan Capitalisation Agreement.

Issue Price

The Issue Price of HK\$0.92 per Capitalisation Share, is the same as the Subscription Price, which represents:

- (a) a premium of approximately 15.00% to the closing price per Share of HK\$0.80 as quoted on the Stock Exchange on 31 December 2021, being the date of the Loan Capitalisation Agreement;
- (b) a premium of approximately 21.37% to the average closing price per Share of HK\$0.758 as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Loan Capitalisation Agreement;
- (c) a premium of approximately 25.00% to the average closing price per Share of HK\$0.736 as quoted on the Stock Exchange for the last ten consecutive trading days immediately preceding the date of the Loan Capitalisation Agreement; and
- (d) a discount of approximately 31.75% over the unaudited net asset value per Share of approximately HK\$1.348 per Share as at 30 November 2021, with reference to the announcement of the Company dated 14 December 2021 in relation to the net asset value of the Company.

The net Issue Price, after deduction of all relevant fees and expenses, is estimated to be approximately HK\$0.92 per Issue Share.

The Issue Price was arrived at an arm's length negotiation between the Company and Chunda with reference to the recent trading performance of the Shares, the net asset value, the business prospects and financial position of the Group and the current market conditions.

The Directors (other than the independent non-executive Directors, who shall provide their views after considering the advice from the independent financial advisor, and also excluding Dr. Liu who has material interest or conflict of role in the Loan Capitalisation and Subscription A) consider that the Issue Price and the terms of the Loan Capitalisation Agreement are fair, reasonable and are in the interests of the Company and the Shareholders as a whole.

Conditions precedent to the Loan Capitalisation Agreement

Completion of Loan Capitalisation is conditional upon satisfaction of the following conditions:

- (a) the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Capitalisation Shares and the Subscription Shares A, and the Listing Committee of the Exchange not having withdrawn or revoked such listing and permission on or before the Completion;
- (b) the Shares remaining listed and traded on the Main Board of the Stock Exchange at all times from the date of the Loan Capitalisation Agreement to the date of the Completion, save for any temporary trading halt or suspension in trading for no longer than three (3) consecutive trading days (or such longer period as Chunda may agree in writing), and there being no indication from the Stock Exchange that the listing of the Shares on the Stock Exchange will be suspended, revoked or withdrawn at any time before or after the Completion, whether in connection with any of the transactions contemplated by the Loan Capitalisation Agreement or otherwise;
- (c) the passing by the Independent Shareholders who are entitled to vote and not required to be abstained from voting under the Listing Rules in the EGM to be held and convened of resolution(s) to approve, among others, (i) the Loan Capitalisation Agreement and the transactions contemplated thereunder; (ii) the Subscription Agreement A and the transactions contemplated thereunder; and (iii) the grant of specific mandate relating to the allotment and issue of the Capitalisation Shares and the Subscription Shares A;
- (d) the Company having obtained from or made to (as the case may be) all relevant authorities all applicable approvals and filings in connection with the Loan Capitalisation;
- (e) the Company having duly performed and observed all of the obligations, undertakings, covenants and agreements required to be performed and observed by it prior to the completion under the Loan Capitalisation Agreement;
- (f) there shall not be in effect any applicable laws restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby and by the other transaction documents;
- (g) no action shall have been commenced by or before any governmental authority against any party hereto, seeking to restrain or materially and adversely alter the transactions contemplated hereby and by the other transaction documents which, in the reasonable, good faith determination of Chunda, is likely to render it impossible or unlawful to consummate such transactions; and
- (h) completion of the transactions under the Subscription Agreement A having occurred simultaneously.

Conditions (a), (c), (g) and (h) above are not waivable by any party of the Loan Capitalisation Agreement. Conditions (b), (d), (e) and (f) can be waived by Chunda at any time before completion of the Loan Capitalisation by notice in writing to the Company.

If the above conditions are not fulfilled by 31 March 2022 or such other date as the parties to the Loan Capitalisation Agreement may agree, the Loan Capitalisation Agreement will terminate and all rights and obligations under the Loan Capitalisation Agreement will cease save for any rights and obligations accrued before the termination.

Completion of the Loan Capitalisation

Completion of the Loan Capitalisation will take place within seven (7) business days after the satisfaction of the last of the conditions, or such other date as may be agreed between the Company and Chunda in writing.

The Loan Capitalisation Agreement and the Subscription Agreement A are inter-conditional and hence completion of the Loan Capitalisation Agreement and the Subscription Agreement A shall take place simultaneously.

Ranking of the Capitalisation Shares

The Capitalisation Shares, when allotted and issued, shall rank *pari passu* in all respects with the existing Shares in issue at the date of allotment and issue of the Capitalisation Shares.

THE SUBSCRIPTIONS

SUBSCRIPTION AGREEMENTS

Principal terms of the Subscription Agreements are as follows:

Subscription Agreement A

Date:	31 December 2021
Issuer:	the Company
Subscriber:	Subscriber A
Number of Subscription Shares:	978,260,870 new Shares
Subscription Price:	HK\$0.92 per Subscription Share

Subscriber A

As at the date of this announcement, Subscriber A is the substantial Shareholder of the Company, who directly holds 464,000,000 Shares, representing approximately 11.42% of the issued share capital of the Company. Based on information provided to the Company, the ultimate beneficial owner of Subscriber A is Mr. Wu Gang. Mr. Wu Gang is a PRC resident and is experienced in equity investment and management. Thus, Subscriber A and Mr. Wu

Gang are the connected persons of the Company. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Subscriber A and Mr. Wu Gang are third parties independent to Chunda, Dr. Liu and Subscriber B.

Subscription Agreement B

Date:	31 December 2021
Issuer:	the Company
Subscriber:	Subscriber B
Number of Subscription Shares:	652,173,913 new Shares
Subscription Price:	HK\$0.92 per Subscription Share

Subscriber B

As at the date of this announcement, based on the information provided to the Company, Subscriber B is a PRC resident and a Professional Investor with over 10 years of experience in private equity investment and securities investment sectors.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Subscriber B, is a third party independent of the Company and its connected persons, and he is also third party independent to Chunda, Dr. Liu and Subscriber A.

Subscription Shares

Pursuant to the terms of the Subscription Agreements, the Company has conditionally agreed to allot and issue, and the Subscribers have conditionally agreed to subscribe for an aggregate of 1,630,434,783 Subscription Shares (as to 978,260,870 Subscription Shares to Subscriber A and 652,173,913 Subscription Shares to Subscriber B) at HK\$0.92 per Subscription Share.

The Subscription Shares A represent (i) approximately 24.09% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 14.91% of the issued share capital of the Company as enlarged by the allotment and issue of the Capitalisation Shares and Subscription Shares A (assuming Subscription B does not proceed); and (iii) approximately 13.56% of the issued share capital of the Company as enlarged by the allotment and issue of the Capitalisation Shares and the Subscription Shares (assuming there will be no change in the total number of issued Shares of the Company between the date of this announcement and the allotment and issue of the Capitalisation Shares and Subscription Shares).

The Subscription Shares B represent (i) approximately 16.06% of the issued share capital of the Company as at the date of this announcement; (ii) approximately 13.84% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares B (assuming Loan Capitalisation and Subscription A does not proceed); and (iii) approximately 9.04% of the issued share capital of the Company as enlarged by the allotment and issue of the Capitalisation Shares and Subscription Shares (assuming there

will be no change in the total number of issued Shares of the Company between the date of this announcement and the allotment and issue of the Capitalisation Shares and Subscription Shares).

The aggregated nominal value of the Subscription Shares (with a par value of HK\$0.1 each) is HK\$163,043,478.3.

The Subscription Shares are not subject to any lock-up or other disposal restrictions under the respective Subscription Agreements.

Subscription Price

The Subscription Price of HK\$0.92 per Subscription Share is the same as the Issue Price under the Loan Capitalisation Agreement:

- (a) a premium of approximately 15.00% to the closing price per Share of HK\$0.80 as quoted on the Stock Exchange on 31 December 2021, being the date of the Subscription Agreements;
- (b) a premium of approximately 21.37% to the average closing price per Share of HK\$0.758 as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Subscription Agreements;
- (c) a premium of approximately 25.00% to the average closing price per Share of HK\$0.736 as quoted on the Stock Exchange for the last ten consecutive trading days immediately preceding the date of the Subscription Agreements; and
- (d) a discount of approximately 31.75% over the unaudited net asset value per Share of approximately HK\$1.348 per Share as at 30 November 2021, with reference to the announcement of the Company dated 14 December 2021 in relation to the net asset value of the Company.

The net Subscription Price, after deduction of all relevant fees and expenses, is estimated to be approximately HK\$0.92 per Subscription Share.

The Subscription Price was arrived at an arm's length negotiations between the Company and the Subscribers with reference to the recent trading performance of the Shares, the net asset value, the business prospects and financial position of the Group and the current market conditions.

The Directors (other than the independent non-executive Directors, who shall provide their views after considering the advice from the independent financial advisor, and excluding Dr. Liu who has material interest or conflict of role in the Loan Capitalisation and Subscription A) consider that the Subscription Price and the terms of the Subscription Agreement A are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The Directors (including the independent non-executive Directors) consider that the terms of the Subscription Agreement B are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Conditions precedent to the Subscription Agreements

Completion is conditional upon satisfaction of the following conditions:

- (a) the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Subscription Shares and the Listing Committee of the Stock Exchange not having withdrawn or revoked such listing and permission on or before the Completion;
- (b) the Shares remaining listed and traded on the Main Board of the Stock Exchange at all times from the date of the Subscription Agreements to the date of the Completion, save for any temporary trading halt or suspension in trading for no longer than three (3) consecutive trading days (or such longer period as the Subscribers may agree in writing), and there being no indication from the Stock Exchange that the listing of the Shares on the Stock Exchange will be suspended, revoked or withdrawn at any time before or after the Completion, whether in connection with any of the transactions contemplated by the Subscription Agreements or otherwise;
- (c) (1) in respect of the Subscription Agreement A, the passing by the Independent Shareholders who are entitled to vote and not required to be abstained from voting under the Listing Rules in the EGM to be held and convened of resolution(s) to approve (i) the Loan Capitalisation Agreement and the transactions contemplated thereunder; (ii) the Subscription Agreement A and the transactions contemplated thereunder; and (iii) the grant of specific mandate relating to the allotment and issue of the Capitalisation Shares and the Subscription Shares A;
- (2) in respect of the Subscription Agreement B, the passing by the Shareholders in the EGM to be held and convened of resolution(s) to approve the Subscription Agreement B and the transactions contemplated thereunder, including the grant of specific mandate relating to the allotment and issue of the Subscription Shares B;
- (d) each of the Company's representations, warranties and undertakings under the Subscription Agreements remaining true, complete and accurate and not misleading at the Completion as if repeated at the Completion and at all times between the date of the Subscription Agreement and the Completion;
- (e) the Company having obtained from or made to (as the case may be) all relevant authorities all applicable approvals and filings in connection with the Subscriptions;
- (f) the Company having duly performed and observed all of the obligations, undertakings, covenants and agreements required to be performed and observed by it prior to the Completion under the Subscription Agreements;
- (g) there shall not be in effect any applicable laws restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby and by the other transaction documents;

- (h) no action shall have been commenced by or before any governmental authority against any party hereto, seeking to restrain or materially and adversely alter the transactions contemplated hereby and by the other transaction documents which, in the reasonable, good faith determination of the Subscribers, is likely to render it impossible or unlawful to consummate such transactions; and
- (i) the Subscribers' representations, warranties and undertakings under the Subscription Agreements remaining true, complete and accurate and not misleading in all material respects at the date of the Completion as if repeated at the date of the Completion and at all times between the date of the Subscription Agreements and the date of the Completion.

Additional conditions precedent to the Subscription Agreement A:

- (j) the Listing Committee of the Exchange having granted the listing of, and permission to deal in, the Loan Capitalisation Shares and the Listing Committee of the Stock Exchange not having withdrawn or revoked such listing and permission on or before the Completion; and
- (k) completion of the transactions under the Loan Capitalisation Agreement having occurred simultaneously.

In respect of the Subscription Agreement A, conditions (a), (c)(1), (h), (j) and (k) above are not waivable by any party, and Conditions (b), (d) to (g) and (i) can be waived by Subscriber A at any time before Completion by notice in writing to the Company.

In respect of the Subscription Agreement B, conditions (a), (c)(2) and (h) above are not waivable by any party, and Conditions (b), (d) to (g) and (i) can be waived by Subscriber B at any time before Completion by notice in writing to the Company.

If the above conditions are not fulfilled by 31 March 2022 or such other date as the parties to the Subscription Agreements may agree, the Subscription Agreements will terminate and all rights and obligations under the Subscription Agreements will cease save for any rights and obligations accrued before the termination.

The Company's undertaking in favour of Subscriber A

Pursuant to the Subscription Agreement A, the Company has agreed to appoint a non-executive Director to be nominated by the Subscriber A to the Board upon Completion. Such appointment must fulfil the necessary requirements of the Listing Rules and also be subject to the approval of the Nomination Committee of the Company. At the date of this announcement, the Subscriber A has yet to nominate any candidate to Board. Further announcement will be made by the Company upon such persons being appointed to the Board.

Completion of the Subscriptions

Completion of the Subscriptions shall take place within seven (7) business days after the fulfilment of the condition precedents or any other date as agreed by the parties to the Subscription Agreements in writing.

The Subscription Agreement A and the Loan Capitalisation Agreement are inter-conditional and hence the completion of the Subscription Agreement A and the Loan Capitalisation Agreement shall take place simultaneously. For the avoidance of doubt, the Subscription Agreement B is not inter-conditional upon each of the Subscription Agreement A and the Loan Capitalisation Agreement.

Ranking of the Subscription Shares

The Subscription Shares, when allotted and issued, shall rank *pari passu* in all respects with the existing Shares in issue at the date of allotment and issue of the Subscription Shares.

EFFECT ON THE SHAREHOLDING STRUCTURE

Set out below is the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after completion and the issuance and allotment of Capitalisation Shares and Subscription Shares A (but assuming no completion of Subscription B); (iii) immediately after completion and the issuance and allotment of Subscription Shares B (but assuming no completion of Loan Capitalisation and Subscription A); and (iv) immediately after Completion and the issue and allotment of the Capitalisation Shares and Subscription Shares in full as contemplated under the Loan Capitalisation and Subscriptions:

Name of Shareholder	At the date of this announcement		Immediately after completion of the Loan Capitalisation and the Subscription A (but assuming no completion of Subscription B)		Immediately after completion of the Subscription B (but assuming no completion of Loan Capitalisation and the Subscription A)		Immediately after Completion	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dr. Liu Zhiwei (Note 1)	431,066,000	10.61	1,952,805,130	29.76	431,066,000	9.15	1,952,805,130	27.07
Subscriber A (Note 2)	<u>464,000,000</u>	<u>11.42</u>	<u>1,442,260,870</u>	<u>21.98</u>	<u>464,000,000</u>	<u>9.84</u>	<u>1,442,260,870</u>	<u>19.99</u>
Sub-total:	<u>895,066,000</u>	<u>22.04</u>	<u>3,395,066,000</u>	<u>51.74</u>	<u>895,066,000</u>	<u>18.99</u>	<u>3,395,066,000</u>	<u>47.07</u>
Public								
Subscriber B	0	0.00	0	0.00	652,173,913	13.84	652,173,913	9.04
Other public Shareholders	<u>3,166,250,000</u>	<u>77.96</u>	<u>3,166,250,000</u>	<u>48.26</u>	<u>3,166,250,000</u>	<u>67.17</u>	<u>3,166,250,000</u>	<u>43.89</u>
Sub-total:	<u>3,166,250,000</u>	<u>77.96</u>	<u>3,166,250,000</u>	<u>48.26</u>	<u>3,818,423,913</u>	<u>81.01</u>	<u>3,818,423,913</u>	<u>52.93</u>
Total:	<u><u>4,061,316,000</u></u>	<u><u>100.00</u></u>	<u><u>6,561,316,000</u></u>	<u><u>100.00</u></u>	<u><u>4,713,489,913</u></u>	<u><u>100.00</u></u>	<u><u>7,213,489,913</u></u>	<u><u>100.00</u></u>

Notes:

1. Dr. Liu is a connected person of the Company by virtue of him being an executive Director.
2. As at the date of this announcement, Subscriber A holds 464,000,000 Shares, representing approximately 11.42% of the total issued Shares, and hence is a substantial Shareholder. In this regard, Subscriber A is a connected person of the Company.

FUND RAISING EXERCISES IN THE PRIOR 12-MONTH PERIOD

The following is the equity fund raising activities conducted by the Company in the past twelve (12) months immediately preceding the date of this announcement:

Event and Date	Net proceeds raised	Proposed use of the net proceeds	Actual use of the net proceeds as of the date of this announcement
Issue and allotment of 580,188,000 Shares on 25 November 2021 (date of announcement: 26 October 2021)	HK\$359.66 million	As general working capital and for future investment	Used as intended
Issue and allotment of 580,188,000 Shares on 3 September 2021 (date of announcement: 13 August 2021)	HK\$382.87 million	As general working capital and for future investment	Used as intended

Save as disclosed above, the Company has not conducted any equity fund raising activity within the 12-month period prior to the date of this announcement.

INFORMATION ON THE COMPANY AND THE SUBSCRIBERS

The Company

The Company is a company incorporated in the Cayman Islands with limited liability. The Group is principally engaged in investment in a diversified portfolio of investments in listed and unlisted enterprises thereby to achieve earnings in the form of medium to long term capital appreciation.

Chunda

As at the date of this announcement, Chunda is a company incorporated in the British Virgin Islands with limited liability and is an investment holding company. Dr. Liu is beneficial owner of and wholly owns Chunda and also is an executive Director, the Chairman of the Board, the chief executive officer of the Company and the substantial Shareholder of the Company, who directly holds 431,066,000 Shares, representing approximately 10.61% of the issued share capital of the Company.

The Subscribers

For information of Subscriber A and Subscriber B, please refer to the section of “SUBSCRIPTION AGREEMENTS” of this announcement.

REASONS FOR THE LOAN CAPITALISATION AND THE SUBSCRIPTIONS

With respect to the Loan Capitalisation, it is considered that the Loan Capitalisation allows the Company to settle the Capitalised Amount owing to Chunda, without utilising the existing financial resources of the Group, and hence the Company can reduce the gearing ratio and strengthen the financial position of the Group. The Group has utilised the Shareholder Loan for investment in the funds in line with the Group's investment strategy.

With respect to the Subscriptions, it is considered that the proposed fundraising by way of Subscriptions can provide the Company with a definite amount of share capital and strengthen the Group's financial position. The intended use of proceeds from the Subscriptions is consistent with the investment strategy of the Group which can enrich the investment portfolio. For Subscription A, Subscriber A, who is also a substantial shareholder of the Company, is intended to be a long-term strategic partner to the Company with continued capital support to fund the investment plans of the Group, bringing strategic value to the Company. It also shows the confidence and support of Subscriber A as the substantial shareholder towards the long-term development of the Company. Subscriber B is a Professional Investor, who has more than 10 years of investment experience in private equity investment and securities investment and has extensively participated in investment in mainland China and overseas markets, and he also focuses on art business markets. It is considered that the introduction of Subscriber B will enable the Company to leverage Subscriber B's connection in the market with high-quality investors.

It is further considered that the Issue Price and Subscription Price represents a premium of over the recent prevailing market price which can reflect the continuing support and solid confidence given to the Company towards the long-term and sustainable growth of the Group.

In view of above, the Directors (excluding the independent non-executive Directors who will give their opinion after considering the advice from Independent Financial Adviser, and excluding Dr. Liu who had abstained from voting at the Board resolutions approving (a) Loan Capitalisation Agreement in respect of himself; and (b) Subscription Agreement A which is inter-conditional with the Loan Capitalisation Agreement) consider that and the terms of Loan Capitalisation Agreement (including the Issue Price) and Subscription Agreement A (including the Subscription Price) are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Directors (including the independent non-execution Directors) consider that the terms of the Subscription Agreement B (including the Subscription Price) are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

Before entering of the Loan Capitalisation Agreement and Subscription Agreements, the Company has explored alternative financing methods, such as rights issue, open offer, placing of new shares and bank financing. However, given the recent prevailing Share price performance and trading volume, as well as the uncertainty in the market economics due to the continuation of novel coronavirus and the Sino-US trade tensions, the Company found it difficult to ascertain market demand and to have certainty in successful equity fund raising, and is also difficult to procure an underwriter for rights issue/open offer or a placing agent for share placement. Rights issue and open offer generally requires more legal documentations preparation and additional administrative procedures which are relatively

more time consuming and less cost effective. Also, the Company had considered bank borrowing and approached the financial institutions, where required the security of properties and other assets which is not feasible given the business nature of the Group and it will incur additional interest burden to the Group and may not be beneficial to the Company and the Shareholders as a whole.

The Board would also like to advise the Shareholders that, referring to the Previous Subscription Announcement, the Group has fully utilised the proceeds from the previous subscription of Shares under the Existing General Mandate for investment projects in line with the investment strategy. The Company has seized the opportunities amidst the challenges of a complex and volatile market environment during the year, and the overall performance of the investment portfolio has been solid. The Group will continuously explore investment opportunities emerging from the process of socio-economic transformation, and will also fully utilize our strengths as a cross-border investment company and continue to move forward towards our strategic goal of building a professional, market-oriented and international investment platform to bring excellent returns for the Shareholders.

USE OF PROCEEDS

Upon Completion, the aggregate gross proceeds of the Subscriptions will amount to HK\$1,500 million and the aggregate net proceeds, after the deduction of all relevant fees and expenses, will be approximately HK\$1,499 million, representing a net Subscription Price of approximately HK\$0.92 per Subscription Share.

With respect to the Subscriptions, the estimated net proceeds (after deducting all relevant fees and expenses) will be as followings:

- (1) approximately HK\$899 million if only Subscription A is completed;
- (2) approximately HK\$599 million if only Subscription B is completed; and
- (3) a total of approximately HK\$1,499 million if both Subscriptions are completed.

The Company intends to use the net proceeds from the Subscriptions in the following manners:

- Approximately 90% of the net proceeds will be used to capture potential investment opportunities in accordance with the Group's investment strategy which is comprised of three pillars, namely core-holding-centered private equity, portfolio management and trading and others, with returns generated from interests, dividends and capital appreciation. The Company aims to invest in the sectors, such as medical and health, environment and industrials, technology, media and telecom (TMT) as well as certain debt and other instruments.

The Company is an investment company and its principal business is restricted to making investments. Accordingly, net proceeds of the Subscriptions will be and can only be used for making investments and for general working capital purposes. Upon receiving proceeds, the Group will continue to explore suitable investment opportunities actively. At the date of this announcement, the Company has not identified the investment target(s).

- Approximately 10% of the net proceeds will be used for general working capital of the Group, such as staff cost and office rent.

The Company will disclose the use of proceeds from the Subscription in the annual report for the year ending 31 March 2022. Should any of the above constitute notifiable and/or connected transaction of the Company, the Company will comply with the applicable requirement(s) under the Listing Rules.

SPECIFIC MANDATE

The Capitalisation Shares and the Subscription Shares A will be allotted and issued pursuant to the Specific Mandate proposed to be sought from the Independent Shareholders at the EGM. The Subscription Shares B will be allotted and issued pursuant to the Specific Mandate proposed to be sought from the Shareholders at the EGM.

APPLICATION FOR LISTING

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Capitalisation Shares and Subscription Shares.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Dr. Liu is an executive Director, the Chairman of the Board and the chief executive officer of the Company. He is also the substantial Shareholder of the Company, who directly holds 431,066,000 Shares, representing approximately 10.61% of the issued share capital of the Company. Thus, Dr. Liu is a connected person of the Company and the Loan Capitalisation constitutes a non-exempt connected transaction of the Company under Chapter 14A of the Listing Rules and therefore is subject to the reporting, announcement and Independent Shareholders' approval requirements under the Listing Rules.

Subscriber A is the substantial Shareholder of the Company, who directly holds 464,000,000 Shares, representing approximately 11.42% of the issued share capital of the Company. Thus, Subscriber A is a connected person of the Company, and the Subscription A constitutes a non-exempt connected transaction of the Company under Chapter 14A of the Listing Rules and therefore is subject to the reporting, announcement and Independent Shareholders' approval requirements under the Listing Rules.

Given that the Loan Capitalisation and the Subscription A are inter-conditional, each of Dr. Liu and the Subscriber A has material interest in the Loan Capitalisation and the Subscription A. As such, Dr. Liu and Subscriber A and their respective associates will abstain from voting for the resolutions to approve the Loan Capitalisation Agreement and the Subscription Agreement A (including the grant of specific mandate) and the transactions contemplated thereunder at the EGM.

In addition, Dr. Liu, being an executive Director, the Chairman of the Board and the chief executive officer of the Company, has abstained from voting on the Board resolutions approving the Loan Capitalisation Agreement, the Subscription Agreement A and the transactions contemplated under the respective agreements.

Save as disclosed above, (i) no other Director has a material interest in the Loan Capitalisation Agreement, the Subscription Agreements and the transactions contemplated under the respective agreements, or is required to abstain from voting on the Board resolutions in relation to the aforesaid matters; (ii) to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no other Shareholder has any material interest in the Loan Capitalisation Agreement, the Subscription Agreements and the transactions contemplated under the respective agreements (including the grant of the Specific Mandate) and therefore no other Shareholder is required to abstain from voting at the EGM in respect of the resolution(s) approving the aforesaid matters.

PROPOSED REFRESHMENT OF GENERAL MANDATE

The Board proposes to refresh the general mandate for the Directors to allot, issue and deal with new Shares up to 20% of the issued share capital of the Company as at the date of passing of the relevant resolutions at the EGM.

During the period from the grant of the Existing General Mandate to the date of this announcement, all the Existing General Mandate, i.e. 580,188,000 Shares, has been utilised as a result of the issue and allotment of new shares for subscription under Existing General Mandate, details of which were set out in the Previous Subscription Announcement.

Existing General Mandate

At the AGM, Shareholders approved, among other things, an ordinary resolution to grant to the Directors the Existing General Mandate to allot and issue not more than 580,188,000 Shares, being 20% of the total number of issued Shares as at the date of passing of the resolution at the AGM.

During the period from the grant of the Existing General Mandate to the date of this announcement, all the Existing General Mandate has been fully utilised as a result of the issue and allotment of new shares for subscription under Existing General Mandate, details of which were set out in the previous Subscription Announcement.

Proposed grant of New General Mandate

As at the date of this announcement, the Existing General Mandate has been fully utilised. The Company will convene the EGM at which ordinary resolutions will be proposed to the Independent Shareholders that:

- (i) the Directors be granted the New General Mandate to allot and issue Shares not exceeding 20% of the aggregate number of the issued Shares as at the date of passing of the relevant ordinary resolution at the EGM; and
- (ii) the New General Mandate be extended to Shares repurchased by the Company pursuant to the repurchase mandate granted to the Directors at the AGM. The Company has not refreshed the Existing General Mandate since the AGM.

The New General Mandate proposed will last until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the memorandum and articles of association of the Company or any other applicable laws to be held; or
- (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors under the New General Mandate.

As at the date of this announcement, the Company had an aggregate of 4,061,316,000 Shares in issue. On the basis that no further Shares are issued and/or repurchased by the Company between the date of this announcement and the date of the EGM, the Company will be allowed under the New General Mandate to allot and issue up to 812,263,200 Shares, representing 20% of the aggregate number of the issued Shares as at the date of this announcement.

Reasons for the grant of the New General Mandate

As a result of the subscription of Shares as disclosed in the Previous Subscription Announcement, the Existing General Mandate has almost been fully utilised. Furthermore, it is expected that the next annual general meeting of the Company will be held in September 2022, which is about nine months from the date of this announcement.

The Group is continuously looking for investment projects, and considers it important to response to any investment opportunities on a timely basis. As discussed in the section headed “REASONS FOR THE LOAN CAPITALISATION AND THE SUBSCRIPTIONS” in this announcement, the Directors have considered the alternative financing methods, such as right issue, open offer, placement of new shares and bank borrowings, and believe that as compared with the debt financing, the New General Mandate will allow the Company to have sufficient flexibility to grasp appropriate fund raising opportunities during this period. In addition, fund raising exercise pursuant to a general mandate generally provides the Company a more efficient process than other types of fund raising exercises, such as rights issue and open offer, and to avoid the uncertainties in such circumstances that specific mandate may not be obtained in a timely manner. Save for the Loan Capitalisation and

Subscriptions, the Company has no other fundraising plan as at the date of this announcement. As such, the Directors consider that the Refreshment of General Mandate is justifiable to meeting funding needs and working capital requirements from time to time before the next annual general meeting.

As at the date of this announcement, there is no concrete plan or agreement with any party to issue Shares by utilising the New General Mandate.

Listing Rules implications

Pursuant to Rule 13.36(4) of the Listing Rules, the grant of the New General Mandate will be subject to Independent Shareholders' approval at a general meeting of the Company. Any controlling Shareholders and their respective associates, or where there is no controlling Shareholder, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the relevant resolutions to approve the grant of the New General Mandate.

As at the date of this announcement, the Company has no controlling Shareholder. Dr. Liu, the executive Director, chairman of the Board, the chief executive officer of the Company and a substantial Shareholder and his associates are required to abstain from voting at the EGM. To the best of the Director's knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, save for the aforesaid, no Shareholder is required to abstain from voting on the proposed resolution on the grant of the New General Mandate at the EGM.

The Board has established the Independent Board Committee comprising all the independent non-executive Directors, namely Professor He Jia, Mr. Wang Xiaojun and Mr. Chen Yuming to consider and, if appropriate, make a recommendation to the Independent Shareholders (i) as to whether the Refreshment of General Mandate is fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (ii) to advise the Independent Shareholders on how to vote, taking into account the recommendations of the Independent Financial Adviser.

GENERAL

The EGM will be convened and held for the purpose of considering and, if thought fit, approving (i) the Loan Capitalisation Agreement, the Subscription Agreements and the transactions contemplated under the respective agreements (including the grant of the Specific Mandate); and (ii) the grant of the New General Mandate.

The Independent Board Committee, comprising all the independent non-executive Directors, namely Professor He Jia, Mr. Wang Xiaojun and Mr. Chen Yuming has been established to advise the Independent Shareholders in relation to (i) the Loan Capitalisation Agreement, the Subscription Agreement A and the transactions contemplated under the respective agreements (including the grant of the Specific Mandate), and (ii) the proposed grant of the New General Mandate. First Capital International Finance Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of, among other things, (i) the terms of the Loan Capitalisation Agreement, the Subscription Agreement A and transactions contemplated under the respective agreements; and (ii) the proposed grant of the New General Mandate.

A circular containing, amongst other things, (i) further details of the Loan Capitalisation; (ii) further details of the Subscriptions; (iii) a letter of advice from the Independent Board Committee to the Independent Shareholders; (iv) a letter of advice from the Independent Financial Adviser in relation to the Loan Capitalisation and the Subscription A; (v) the proposed grant of the New General Mandate; (vi) a notice to convene the EGM; and (vii) other information as required under the Listing Rules, will be despatched to the Shareholders on or before 21 January 2022 in compliance with the Listing Rules.

The Loan Capitalisation and the Subscription A are inter-conditional with each other and shall take place simultaneously.

Shareholders and potential investors should note that the completion of the Loan Capitalisation and the Subscriptions are subject to conditions to be fulfilled, the Loan Capitalisation and the Subscriptions may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company held on 18 August 2021 in which the Shareholders had approved, among other matters, the Existing General Mandate
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Capitalisation Shares”	1,521,739,130 new Shares to be allotted and issued by the Company to Chunda or its nominee pursuant to the Loan Capitalisation Agreement
“Capitalised Amount”	HK\$1,400 million out of the outstanding principal amount of the Shareholder Loan
“Chunda”	Chunda International Capital Management Co., Ltd, a company incorporated in the British Virgin Islands, and is wholly owned by Dr. Liu as at the date of this announcement
“Company”	Wealthking Investments Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Stock Exchange
“Completion”	the completion of the Loan Capitalisation and Subscriptions pursuant to the terms and conditions of the Loan Capitalisation Agreement, Subscription Agreement A and Subscription Agreement B

“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Dr. Liu”	Dr. Liu Zhiwei, the executive Director, Chairman of the Board, the chief executive officer and the substantial shareholder of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving (i) the Loan Capitalisation, the Subscription Agreements, and the transactions contemplated under the respective agreements (including the grant of new Shares under Specific Mandate) and (ii) the grant of the New General Mandate
“Existing General Mandate”	the general mandate granted at the AGM to the Directors to allot, issue and deal with up to 580,188,000 new Shares, being 20% of the total number of issued Shares on the date of the AGM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent board committee of the Company, comprising all the independent non-executive Directors, to advise the Independent Shareholders on (i) the Loan Capitalisation, the Subscription Agreement A, and the transactions contemplated under the respective agreements (including the grant of new Shares under Specific Mandate) and (ii) the grant of the New General Mandate
“Independent Financial Adviser”	First Capital International Finance Limited, a corporation licensed to carry out business in type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the Loan Capitalisation Agreement, the Subscription Agreement A and transactions contemplated under the respective agreements and the proposed grant of the New General Mandate

“Independent Shareholder(s)”	(a) in respect of Loan Capitalisation and Subscription A, Shareholders other than those who are required under the Listing Rules to abstain from voting at the EGM for the resolution(s) approving in respect of the Loan Capitalisation Agreement, the Subscription Agreement A and the transactions contemplated under the respective agreements (including the issue of new Shares under Specific Mandate); and (b) in respect of refreshment of general mandate, Shareholders other than any controlling shareholders and their associates or, where there are no controlling shareholders, the Directors (excluding independent non-executive Directors) and the chief executives of the Company and all their respective associates who are required under the Listing Rules to abstain from voting at the EGM for the resolution(s) approving the grant of the New General Mandate
“Issue Price”	the issue price of HK\$0.92 per Capitalisation Share
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Capitalisation”	the subscription of the 1,521,739,130 new Shares at the Issue Price by Chunda in accordance with the terms and conditions of the Loan Capitalisation Agreement by capitalising the Capitalised Amount
“Loan Capitalisation Agreement”	the conditional loan capitalisation agreement dated 31 December 2021 entered into between the Company and Chunda in relation to the Loan Capitalisation
“New General Mandate”	the general mandate proposed to be granted to the Directors at the EGM to allot, issue and deal with new Shares not exceeding 20% of the aggregate number of the issued Shares as at the date of the EGM
“Previous Subscription Announcement”	the announcement of the Company dated 26 October 2021 in respect of the subscription of Shares under the Existing General Mandate
“Professional Investor”	means a professional investor within the meaning of section 5 of the Securities and Futures (Professional Investor) Rules (Cap. 571D, laws of Hong Kong)
“Refreshment of General Mandate”	the proposed refreshment of the Existing General Mandate by way of granting the New General Mandate
“Share(s)”	ordinary share(s) of HK\$0.1 each in the capital of the Company

“Shareholder(s)”	the holder(s) of the Shares
“Shareholder Loan”	the loan bearing an interest rate of 2.5% per annum and amounting to HK\$1,500 million owing by the Company to Chunda pursuant to the shareholder loan agreement dated 10 December 2021
“Specific Mandate”	the specific mandate to be granted to the Directors by the Independent Shareholders at the EGM to allot and issue the Capitalisation Shares and the Subscription Shares to the Subscribers pursuant to the Loan Capitalisation Agreement and the Subscription Agreements (as the case may be)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber A”	Bright Victory International Limited, a company incorporated in the British Virgin Islands
“Subscriber B”	Mr. Wang Delian (王德廉), the subscriber of Subscription Shares B under the Subscription Agreement B, a Professional Investor and the independent third party
“Subscribers”	collectively, Subscriber A and Subscriber B
“Subscription A”	the subscription of the Subscription Shares A by Subscriber A pursuant to the terms and conditions of the Subscription Agreement A
“Subscription Agreement A”	the conditional subscription agreement dated 31 December 2021 entered into between the Company and Subscriber A in relation to the Subscription A
“Subscription Agreement B”	the conditional subscription agreement dated 31 December 2021 entered into between the Company and Subscriber B in relation to the Subscription B
“Subscription Agreements”	collectively, the Subscription Agreement A and the Subscription Agreement B
“Subscription B”	the subscription of the Subscription Shares B by Subscriber B pursuant to the terms and conditions of the Subscription Agreement B
“Subscription Price”	the subscription price of HK\$0.92 per Subscription Share
“Subscriptions”	collectively, Subscription A and Subscription B
“Subscription Shares”	a total of 1,630,434,783 new Shares to be allotted and issued by the Company to the Subscribers pursuant to the Subscription Agreements

“Subscription Shares A”	978,260,870 new Shares to be allotted and issued to Subscriber A pursuant to the Subscription Agreement A
“Subscription Shares B”	652,173,913 new Shares to be allotted and issued to Subscriber B pursuant to the Subscription Agreement B
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“%”	per cent.

By Order of the Board
Wealthking Investments Limited
Liu Zhiwei
Executive Director and Chairman

Hong Kong SAR, 31 December 2021

As at the date of this announcement, the Board comprises one executive Director, namely, Dr. Liu Zhiwei; two non-executive Directors, namely Dr. Fu Weigang and Dr. Wang Shibin; and three independent non-executive Directors, namely, Professor He Jia, Mr. Wang Xiaojun and Mr. Chen Yuming.