

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.



Feiyang International Holdings Group Limited

飛揚國際控股(集團)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1901)

**RESULTS OF THE RIGHTS ISSUE ON THE BASIS OF
ONE (1) RIGHTS SHARE FOR EVERY THREE (3) EXISTING SHARES
HELD ON RECORD DATE**

Joint financial advisers to the Company



Underwriter to the Rights Issue



Reference is made to the prospectus of Feiyang International Holdings Group Limited (the “**Company**”) dated 28 March 2022 (the “**Prospectus**”) in relation to the Rights Issue. Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as those defined in the Prospectus.

RESULTS OF THE RIGHTS ISSUE

The Board is pleased to announce that all the conditions precedent set out in the Underwriting Agreement had been fulfilled and the Underwriting Agreement had not been terminated by the Underwriter prior to the Latest Time for Termination. Accordingly, the Underwriting Agreement and the Rights Issue became unconditional at 4:00 p.m. on Wednesday, 13 April 2022.

As at 4:00 p.m. on Tuesday, 12 April 2022, being the Latest Time for Acceptance, (i) a total of 4 valid acceptances of provisional allotments under the PALs had been received for a total of 29,812,608 Rights Shares, representing approximately 14.91% of the total number of 200,000,000 Rights Shares available for subscription under the Rights Issue; and (ii) a total of 4 valid applications for Excess Rights Shares under the EAFs had been received for a total of 8,523,339 Rights Shares, representing approximately 4.26% of the total number of 200,000,000 Rights Shares available for subscription under the Rights Issue.

In aggregate, 8 valid acceptances and applications in respect of a total of 38,335,947 Rights Shares under the PALs and the EAFs, representing approximately 19.17% of the total number of 200,000,000 Rights Shares available for subscription under the Rights Issue, had been received.

Based on the above results, the Rights Issue was under-subscribed by 161,664,053 Rights Shares, representing approximately 80.83% of the total number of 200,000,000 Rights Shares available for subscription under the Rights Issue.

EXCESS RIGHTS SHARES

As the Rights Shares were under-subscribed, all 4 valid excess applications have been accepted and a total of 8,523,339 Excess Rights Shares will be allotted and issued to the relevant applicants in full. Accordingly, no refund cheques for wholly and partially unsuccessful applications for Excess Rights Shares will be posted.

THE UNDERWRITING AGREEMENT

As a result of the under-subscription of the Rights Issue and in accordance with the terms of the Underwriting Agreement, the Underwriter, on a best effort basis, have procured subscribers to subscribe for 161,664,053 Rights Shares, representing approximately 80.83% of the total number of 200,000,000 Rights Shares available for subscription under the Rights Issue. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, all subscribers procured by the Underwriter are Independent Third Parties and each of the subscribers is not a party acting in concert with each other and none of the subscribers procured by the Underwriter hold 30% or more of the voting rights of the Company immediately after the Rights Issue.

After the subscribers' subscription procured by the Underwriter, the Rights Issue was finally fully subscribed. The details of the shareholding structure of the Company are shown in the section "SHAREHOLDING STRUCTURE OF THE COMPANY" below in this announcement.

USE OF PROCEEDS

The gross proceeds from the Rights Issue are approximately HK\$100 million and the net proceeds from the Rights Issue, after deducting professional fees and all other relevant expenses, are estimated to be approximately HK\$95.9 million. The Company will apply the net proceeds of the Rights Issue in accordance with the proposed use of proceeds as set out in the section headed "INTENDED USE OF PROCEEDS" in the Prospectus.

SHAREHOLDING STRUCTURE OF THE COMPANY

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

Name of Shareholders	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
	Number of issued Shares	Approximate %	Number of issued Shares	Approximate %
Mr. He Binfeng	9,172,000	1.53	9,172,000	1.15
HHR Group Holdings Limited (Note 1)	48,062,000	8.01	48,062,000	6.01
Michael Group Holdings Limited (Note 1)	187,420,000	31.23	187,420,000	23.43
KVN Holdings Limited (Note 1)	36,750,000	6.12	36,750,000	4.59
DY Holdings Limited (Note 1)	25,544,700	4.26	25,544,700	3.19
QJ Holdings Limited (Note 2)	29,864,000	4.98	29,864,000	3.73
Sub-total	336,812,700	56.13	336,812,700	42.10
QZ Holdings Limited (Note 3)	3,468,000	0.58	3,468,000	0.43
WB Holdings Group Limited (Note 4)	3,468,000	0.58	3,468,000	0.43
CXD Holdings Limited (Note 5)	3,468,000	0.58	3,468,000	0.43
The Underwriter and/or the subscriber(s) procured by it (Note 6)	—	—	161,664,053	20.21
Other public Shareholders	252,783,300	42.13	291,119,247	36.40
Total	600,000,000	100.00	800,000,000	100.00

Notes:

- Each of HHR Group Holdings Limited, Michael Group Holdings Limited, KVN Holdings Limited and DY Holdings Limited is owned by Mr. He Binfeng, an executive Director.
- QJ Holdings Limited is owned by Ms. Qian Jie, the spouse of Mr. He Binfeng.
- QZ Holdings Limited is owned by Ms. Qiu Zheng, an executive Director.
- WB Holdings Group Limited is owned by Mr. Wu Bin, an executive Director.
- CXD Holdings Limited is owned by Mr. Chen Xiaodong, an executive Director.
- Pursuant to the Underwriting Agreement, the Underwriter has undertaken to the Company that (i) it shall use its best endeavours to procure that each of the subscribers of the Untaken Shares procured by it (including any direct and indirect sub-underwriters) shall be a third party independent of, not acting in concert with and not connected with the directors, chief executive or substantial shareholders of the

Company (within the meaning of the Listing Rules) or any of its subsidiaries and their respective associates; (ii) it will procure each and any of the subscribers of the Untaken Shares procured by it (including any direct and indirect sub-underwriters) not to, together with any party acting in concert (within the meaning of the Takeovers Code) with it or its associates, hold thirty per cent (30%) or more of the voting rights of the Company immediately upon completion of the Rights Issue; (iii) it will underwrite solely on a best effort basis, and not in a fully underwritten basis. In any event, the Underwriter will not underwrite to the extent, together with any party acting in concert (within the meaning of the Takeovers Code) or its associates, hold thirty per cent (30%) or more of the voting rights of the Company immediately upon completion of the Rights Issue; and (iv) in the event that there is insufficient public float of the Company within the meaning of the Listing Rules immediately upon completion of the Rights Issue solely because of the Underwriter's performance of its obligations under the Underwriting Agreement, it agrees to take appropriate steps together with the other sub-underwriters as may be reasonably required to maintain the minimum public float for the Shares in compliance with Rule 8.08(1) of the Listing Rules.

DESPATCH OF SHARE CERTIFICATES

Share certificates for all fully-paid Rights Shares will be despatched to the relevant applicants by ordinary post, at their own risk, to their registered addresses on Friday, 22 April 2022.

COMMENCEMENT OF DEALINGS IN THE FULLY-PAID RIGHTS SHARES

Dealings in the fully-paid Rights Shares are expected to commence on the Stock Exchange at 9:00 a.m. on Monday, 25 April 2022.

ARRANGEMENT ON ODD LOT TRADING

In order to facilitate the trading of odd lots (if any) of the Shares, the Company has appointed Silverbricks Securities Company Limited to stand in the market to match the purchase and sale of odd lots of the Shares at the relevant market price, on a best effort basis. Holders of odd lots of the Shares who wish to take advantage of this facility either to dispose of their odd lots of the Shares or to top up to a full board lot may contact Mr. Wayne Wong at 3998-5127 during the period from Monday, 25 April 2022 at 9:00 a.m. to Friday, 13 May 2022 at 4:00 p.m., both days inclusive. Holders of the odd lots of the Shares should note that the matching of the sale and purchase of odd lots of the Shares is not guaranteed. Any Shareholder, who is in any doubt about the odd lot facility, is recommended to consult his/her/its own professional advisers.

By order of the Board
Feiyang International Holdings Group Limited
He Binfeng
Chairman, Executive Director and Chief Executive Officer

Hong Kong, 21 April 2022

As at the date of this announcement, the Board comprises Mr. He Binfeng, Mr. Huang Yu, Mr. Wu Bin, Mr. Chen Xiaodong, Ms. Qiu Zheng and Mr. Xiong Di as executive Directors; and Mr. Li Huamin, Mr. Yi Ling and Ms. Li Chengai as independent non-executive Directors.