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## **Ocean Star Technology Group Limited**

**海納星空科技集團有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8297)**

### **PROPOSED RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING SHARES HELD ON THE RECORD DATE**

**Financial adviser to the Company**



**Underwriter to the Rights Issue**



#### **PROPOSED RIGHTS ISSUE**

The Company proposes to implement the Rights Issue on the basis of one (1) Rights Share for every two (2) existing Shares held on the Record Date at the Subscription Price of HK\$0.1 per Rights Share, to raise gross proceeds of approximately HK\$31.5 million before expenses (assuming no change in the number of Shares in issue on or before the Record Date), by way of the Rights Issue of up to 315,000,000 Rights Shares to the Qualifying Shareholders.

The estimated net proceeds from the Rights Issue after deducting all necessary expenses will be approximately HK\$30.6 million (equivalent to a net price of approximately HK\$0.097 per Rights Share), assuming no change in the number of Shares in issue on or before the Record Date, which are intended to be applied in following manners: (i) approximately HK\$24.5 million to be applied for financing the expansion of the Group's business; and (ii) the remaining balance of approximately HK\$6.1 million to be applied for general working capital of the Group.

In the event that there is an under-subscription of the Rights Issue, the net proceeds of the Rights Issue will be utilised in proportion to the above uses.

## **THE UNDERWRITING AGREEMENT**

On 17 June 2022 (after trading hours), the Company entered into the Underwriting Agreement with the Underwriter, pursuant to which the Underwriter has conditionally agreed to underwrite, on a best effort basis, the Underwritten Shares up to 315,000,000 (assuming no change in the number of Shares in issue on or before the Record Date), subject to the terms and conditions set out in the Underwriting Agreement, in particular the fulfilment of the conditions precedent contained therein. Details of the major terms and conditions precedent of the Underwriting Agreement are set out in the section headed “THE UNDERWRITING AGREEMENT” in this announcement.

**The Rights Issue is only underwritten on a best effort basis. Pursuant to the Company’s constitutional documents, the Companies Act of the Cayman Islands, the Companies (WUMP) Ordinance and the GEM Listing Rules, there are no requirements for minimum levels of subscription in respect of the Rights Issue. Subject to fulfillment of the conditions precedent of the Rights Issue, the Rights Issue shall proceed regardless of the ultimate subscription level.**

**In the event the Rights Issue is undersubscribed, any Rights Shares not taken up by the Qualifying Shareholders whether under PAL(s) or EAF(s), or transferees of nil-paid Rights Shares, or otherwise subscribed by the Underwriter or other subscribers procured by it pursuant to the Underwriting Agreement will not be issued by the Company, and hence, the size of the Rights Issue will be reduced accordingly. Investors are advised to exercise caution when dealing in the Shares.**

## **GEM LISTING RULES IMPLICATIONS**

As (i) the Company has not conducted any rights issue or open offer within the 12-month period immediately prior to the date of this announcement, (ii) the Rights Issue will not increase the number of issued Shares or the market capitalisation of the Company by more than 50%, and (iii) the Rights Issue is not underwritten by a Director, chief executive or substantial shareholder of the Company (or any of their respective associates), the Rights Issue is not subject to Shareholders’ approval under the GEM Listing Rules.

The Rights Issue does not result in a theoretical dilution effect of 25% or more on its own. As such the theoretical dilution impact of the Rights Issue is in compliance with Rule 10.44A of the GEM Listing Rules.

## **GENERAL**

Subject to the fulfillment of certain conditions of the Rights Issue, the Company will despatch the Prospectus Documents containing, among other matters, details of the Rights Issue, to the Qualifying Shareholders. The Company will despatch the Prospectus to the Non-Qualifying Shareholders for their information only, but the Company will not send the PAL and EAF to the Non-Qualifying Shareholders.

### **WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE NIL-PAID RIGHTS SHARES**

Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon, among others, the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof (a summary of which is set out in the section headed “Termination of the Underwriting Agreement” in this announcement). Accordingly, the Rights Issue may or may not proceed.

The Shares are expected to be dealt in on an ex-rights basis from Wednesday, 20 July 2022. Dealings in the Rights Shares in nil-paid form are expected to take place from 9:00 a.m. on Tuesday, 2 August 2022 to 4:00 p.m. on Tuesday, 9 August 2022 (both days inclusive). Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or Rights Shares in their nil-paid form is advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares.

Any Shareholder or other person dealing in the Shares and/or the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Underwriter’s right of termination of the Underwriting Agreement ceases) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares. Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

## PROPOSED RIGHTS ISSUE

The Company proposes to implement the Rights Issue on the basis of one (1) Rights Share for every two (2) existing Shares held on the Record Date at the Subscription Price of HK\$0.1 per Rights Share, to raise gross proceeds of approximately HK\$31.5 million before expenses (assuming no change in the number of Shares in issue on or before the Record Date), by way of the Rights Issue of 315,000,000 Rights Shares to the Qualifying Shareholders. The details of the Rights Issue are set out as follows:

### Issue statistics

Basis of the Rights Issue	:	One (1) Rights Share for every two (2) existing Shares held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price	:	HK\$0.1 per Rights Share
Number of Shares in issue at the date of this announcement	:	630,000,000 Shares
Number of Rights Shares to be issued pursuant to the Rights Issue	:	Up to 315,000,000 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date)
		The aggregate nominal value of the Rights Shares will be HK\$3,150,000
Total number of Shares in issue upon completion of the Rights Issue	:	Up to 945,000,000 Shares (assuming no change in the number of Shares in issue on or before the Record Date)
Gross proceeds from the Rights Issue	:	Up to approximately HK\$31.5 million before expenses (assuming no change in the number of Shares in issue on or before the Record Date)
Right of excess applications	:	Qualifying Shareholders may apply for Rights Shares in excess of their provisional allotment
Underwriter	:	Valuable Capital Limited

As at the date of this announcement, the Company does not have any outstanding convertible securities, options, derivatives, warrants, conversion rights in issue or similar rights which confer any right to subscribe for, convert or exchange into the Shares.

Assuming no further issue or repurchase of Shares on or before the Record Date, the maximum number of 315,000,000 Rights Shares to be issued and allotted pursuant to the Rights Issue (i) represent 50% of the total number of issued Shares as at the date of this announcement; and (ii) approximately 33.3% of the total number of issued Shares as enlarged by the allotment and issuance of the Rights Shares.

## **Undertakings**

The Company has undertaken in the Underwriting Agreement that the Company shall not issue new Shares under the general mandate and shall not grant new share options under the share option scheme from the date of the Underwriting Agreement up to and including the Record Date (both days inclusive).

As at the date of this announcement, the Company has not received any information or irrevocable undertaking from any substantial Shareholder of their intention in relation to the Rights Shares to be provisionally allotted to them under the Rights Issue.

## **The Subscription Price**

The Subscription Price is HK\$0.1 per Rights Share, payable in full when a Qualifying Shareholder accepts his/he/its provisional allotment under the Rights Issue or application for excess Rights Shares or when a renouncee of any provisional allotment of the Rights Shares or a transferee of nil-paid Rights Shares subscribes for the Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 41.2% to the closing price of HK\$0.170 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 41.9% to the closing price of HK\$0.172 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day;
- (iii) a discount of approximately 43.2% to the closing price of HK\$0.176 per Share as quoted on the Stock Exchange for the ten (10) consecutive trading days up to and including the Last Trading Day; and
- (iv) a discount of approximately 32.0% to the theoretical ex-rights price of approximately HK\$0.147 per Share based on the closing price of HK\$0.170 per Share as quoted on the Stock Exchange on the Last Trading Day.

The Rights Issue would result in a theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) of approximately 13.9%, based on the theoretical diluted price of HK\$0.149 per Share and the benchmarked price (as defined under Rule 10.44A of the GEM Listing Rules) of HK\$0.173 per Share.

The terms of the Right Issue, including the Subscription Price was determined after arm's length negotiation between the Company and the Underwriter with reference to, among others, (i) the market price and trading liquidities of the Shares under the prevailing market conditions; and (ii) the latest business performance and financial position of the Group.

As all Qualifying Shareholders are entitled to subscribe for the Rights Shares in the same proportion to his/her/its existing shareholding in the Company held on the Record Date, the Board considers that the discount of the Subscription Price would encourage the Qualifying Shareholders to take up their entitlements to maintain their shareholdings in the Company, thereby minimizing possible dilution impact.

The Board considers that the Subscription Price is fair and reasonable and in the interest of the Company and the Shareholders as a whole, after taking into account the following factors: (i) the Qualifying Shareholders who do not wish to take up their provisional entitlements under the Rights Issue are able to sell the nil-paid rights in the market; (ii) the Qualifying Shareholders who choose to accept their provisional entitlements in full can maintain their respective existing shareholding interests in the Company after the Rights Issue; (iii) the Rights Issue allows the Qualifying Shareholders an opportunity to subscribe for their pro-rata Rights Shares for the purpose of maintaining their respective existing shareholding interests in the Company at a discount to the recent closing price; and (iv) the Qualifying Shareholders are given opportunity to increase their investment in the Company through excess application of the Rights Shares to participate in the future growth of the Company.

The estimated net price per Rights Share (assuming no further issue of new Shares or repurchase of Shares on or before the Record Date) after deducting the related expenses of the Rights Issue will be approximately HK\$0.097.

### **Status of the Rights Shares**

The Rights Shares (when allotted, fully-paid or credited as fully-paid and issued) will rank *pari passu* in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Rights Shares. Holders of the fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment and issue of the fully paid Rights Shares. Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

### **Qualifying Shareholders**

The Rights Issue is only available to the Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company as at the close of business on the Record Date and not be a Non-Qualifying Shareholder. In order to be registered as members of the Company prior to the close of business on the Record Date, all transfers of the Shares (together with the relevant share certificate(s)) must be lodged with

the Registrar in Hong Kong, Boardroom Share Registrars (HK) Limited at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, for registration no later than 4:30 p.m. (Hong Kong time) on Thursday, 21 July 2022.

It is expected that the last day of dealings in the Shares on a cum-rights basis is Tuesday, 19 July 2022, and the Shares will be dealt with on an ex-rights basis from Wednesday, 20 July 2022.

Subject to the registration of the Prospectus Documents in accordance with the applicable laws and regulations, the Company will despatch the Prospectus Documents to the Qualifying Shareholders on the Prospectus Posting Date and will despatch the Prospectus (without the PAL(s) and the EAF(s)) to the Non-Qualifying Shareholders for their information only.

### **Closure of register of members**

The register of members of the Company will be closed from Friday, 22 July 2022 to Thursday, 28 July 2022 (both days inclusive) for determining the entitlements to the Rights Issue. No transfer of the Shares will be registered during the above book closure period.

### **Basis of provisional allotments**

The basis of the provisional allotment shall be one (1) Rights Share for every two (2) existing Shares in issue and held by the Qualifying Shareholders as at the close of business on the Record Date at the Subscription Price payable in full on acceptance and otherwise on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents.

Acceptance for all or any part of a Qualifying Shareholder's provisional allotment should be made only by lodging a duly completed PAL with a remittance for the Rights Shares being applied for with the Registrar by the Latest Time for Acceptance. Any holdings (or balance of holdings) of less than two (2) Shares will not entitle their holders to be provisionally allotted a Rights Share. Please refer to the arrangement as referred to in the paragraph headed "Fractional entitlement to the Rights Shares" below.

### **Rights of Overseas Shareholders (if any)**

The Prospectus Documents to be issued in connection with the Rights Issue will not be registered or filed under the securities law of any jurisdiction other than Hong Kong. Overseas Shareholders may not be eligible to take part in the Rights Issue as explained below.

The Board will comply with Rule 17.41(1) of the GEM Listing Rules and make necessary enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholders (if any) under the laws of the relevant overseas jurisdictions and the requirements of the relevant regulatory bodies or stock exchanges. If, based on legal advice, the Board is of the opinion that it would be necessary or expedient not to offer the Rights Shares to any Overseas



Shareholders on account either of the legal restrictions under the laws of relevant place(s) or the requirements of the relevant overseas regulatory body or stock exchange, no provisional allotment of the nil-paid Rights Shares or allotment of fully-paid Rights Shares will be made to such Overseas Shareholders. In such circumstances, the Rights Issue will not be extended to the Non-Qualifying Shareholders. The basis for excluding the Non-Qualifying Shareholders, if any, from the Rights Issue will be set out in the Prospectus to be issued.

Arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders, to be sold in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, will be paid pro rata (but rounded down to the nearest cent) to the Non-Qualifying Shareholders in Hong Kong dollars, except that the Company will retain individual amounts of less than HK\$100 for its own benefit. Any unsold entitlements of the Non-Qualifying Shareholders will be made available for excess application by the Qualifying Shareholders under the EAF(s).

**Overseas Shareholders should note that they may or may not be entitled to the Rights Issue, subject to the results of enquiries made by the Directors pursuant to Rule 17.41(1) of the GEM Listing Rules. Accordingly, Overseas Shareholders should exercise caution when dealing in the Shares.**

#### **Application for the excess Rights Shares**

Qualifying Shareholders shall be entitled to apply, by way of excess application, for (i) the Rights Shares representing the entitlement of the Non-Qualifying Shareholders and which cannot be sold at a net premium; and (ii) any Rights Shares provisionally allotted but not validly accepted by the Qualifying Shareholders or transferees of nil-paid Rights Shares. Applications for the excess Rights Shares may be made by duly completing the EAF and lodging the same with a separate remittance for the excess Rights Shares being applied for with the Registrar by the Latest Time for Acceptance.

The Board will allocate the excess Rights Shares at its discretion, but on a fair and equitable basis as far as practicable on the following principles:

- (i) no preference will be given to applications for topping-up odd-lot holdings to whole-lot holdings as the giving of such preference may potentially be abused by certain investors by splitting their Shares and thereby receiving more Rights Shares than they would receive if such preference is not given, which is an unintended and undesirable result; and
- (ii) the excess Rights Shares will be allocated to the applicants on a pro rata basis based on the number of excess Rights Shares applied for by them. No reference will be made to Rights Shares subscribed through PALs, or the number of Shares held by the Qualifying Shareholders.



Beneficial owners of the Shares whose Shares are held by a nominee company (including HKSCC Nominees Limited) should note that for the purpose of the Rights Issue, the Board will regard the nominee company as a single Shareholder according to the register of members of the Company. Accordingly, the beneficial owners of the Shares whose Shares are registered in name of nominee companies should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to beneficial owners individually and are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

For those beneficial owners of the Shares whose Shares are held by their nominee(s) (including HKSCC Nominees Limited) and who would like to have their names registered on the register of members of the Company, they must lodge all necessary documents with the Registrar in Hong Kong, Boardroom Share Registrars (HK) Limited at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, for completion of the relevant registration not later than 4:30 p.m. (Hong Kong time) on Thursday, 21 July 2022.

### **Certificates of the Rights Shares and refund cheques for the Rights Issue**

Subject to fulfilment of the conditions of the Rights Issue, share certificates for the fully-paid Rights Shares are expected to be sent on or before Monday, 22 August 2022 to those entitled thereto by ordinary post, at their own risk, to their registered addresses. If the Underwriting Agreement is terminated or not becoming unconditional, refund cheques will be despatched on or before Monday, 22 August 2022 by ordinary post, at the respective Shareholders' own risk, to their registered addresses. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on or before Monday, 22 August 2022, by ordinary post to the applicants, at their own risk, to their registered addresses.

### **Fractional entitlement to the Rights Shares**

In any event, fractions of the Rights Shares will not be provisionally allotted to any of the Qualifying Shareholders. Fractional entitlements will be rounded down to the nearest whole number of Rights Shares. Any Rights Shares created from the aggregation of fractions of the Rights Shares will be made available for excess application by the Qualifying Shareholders as described in the paragraph headed "Application for the excess Rights Shares" above. Should there be no excess application by the Qualifying Shareholders, those Rights Shares created from the aggregation of fraction of the Rights Shares may or may not be taken up by the Underwriter (or either of them, whichever shall be appropriate).

### **Taxation**

Shareholders are advised to consult their professional advisers if they are in any doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the Rights Shares and, regarding the Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sale of the nil-paid Rights Shares on their behalf.

## **Application for listing of the Rights Shares**

The Company will apply to the GEM Listing Committee for the listing of, and the permission to deal in, the Rights Shares (in both nil-paid and fully-paid forms) to be issued and allotted pursuant to the Rights Issue. No part of the securities of the Company is listed or dealt in, and no listing of or permission to deal in any such securities is being or is proposed to be sought, on any other stock exchanges.

The nil-paid Rights Shares shall have the same board lot size as the existing Shares (i.e. 2,500 Shares in one board lot).

Subject to the granting of the listing of, and the permission to deal in, the Rights Shares (in both their nil-paid and fully-paid forms) on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares (in both their nil-paid and fully-paid forms) will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in their nil-paid and fully-paid forms on the Stock Exchange, or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Dealing in the Rights Shares in both their nil-paid and fully-paid forms which are registered in the register of members of the Company in Hong Kong will be in the board lots of 2,500 Rights Shares and will be subject to the payment of stamp duty, Stock Exchange trading fee, SFC transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

## **THE UNDERWRITING ARRANGEMENT**

On 17 June 2022 (after trading hours), the Company entered into the Underwriting Agreement with the Underwriter. Further details of the Underwriting Agreement are set out below.

### **Underwriting Agreement**

Date	:	17 June 2022 (after trading hours)
Issuer	:	The Company
Underwriter	:	Valuable Capital Limited

Number of Rights Shares underwritten by the Underwriter	:	315,000,000 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date) underwritten by the Underwriter on a best effort basis pursuant to the terms and conditions of the Underwriting Agreement.
Underwriting Commission	:	1.0% of the aggregate Subscription Price in respect of the Rights Shares actually subscribed for through the Underwriter and/or its sub-underwriters.

The Underwriter is a licensed corporation to carry on Type 1 (dealing in securities), Type 2 (dealing in future contracts), Type 4 (advising on securities), Type 5 (advising on future contracts) and Type 9 (asset management) regulated activities under the SFO. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the Underwriter and its associates do not hold any Shares, and the Underwriter and its ultimate beneficial owners are Independent Third Parties.

The Rights Issue is underwritten by the Underwriter on a best effort and non-fully underwritten basis on the terms of the Underwriting Agreement. The Underwriter may enter into sub-underwriting arrangement with sub-underwriter(s) on its behalf for the purpose of arranging for the subscription of the Underwritten Shares with selected subscribers with such authority and rights as the Underwriter have pursuant to its appointment under the Underwriting Agreement.

The terms of the Underwriting Agreement (including the commission rate) were determined after arm's length negotiation between the Company and the Underwriter by reference to the financial position of the Group, the size of the Rights Issue, the current and expected market condition and the prevailing market rate. The Directors consider the terms of the Underwriting Agreement (including the underwriting commission) are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

Subject to the fulfilment of the conditions (or any waiver, as the case may be, by the Underwriter) contained in the Underwriting Agreement and provided that the Underwriting Agreement is not terminated prior to the Latest Time for Termination in accordance with the terms thereof, the Underwriter has agreed to subscribe or procure the subscription for all Underwritten Shares that are not otherwise taken up.

Save for the Underwriting Agreement, the Company has not entered into any agreement, arrangement, understanding or undertaking in regard of the Rights Issue with the Underwriter or any of its connected persons and their respective associates.

## **Termination of the Underwriting Agreement**

If at any time on or before the Latest Time for Termination:

- (i) the Underwriter shall become aware of the fact that, or shall have reasonable cause to believe that any of the warranties in the Underwriting Agreement was untrue, inaccurate, misleading or breached, and in each case the same is (in the reasonable opinion of the Underwriter) material in the context of the Rights Issue; or
- (ii) there shall be:
  - (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature after the signing of Underwriting Agreement;
  - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring after the signing of the Underwriting Agreement or continuing after the signing of the Underwriting Agreement) of a political, military, financial, economic or other nature, or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets;
  - (c) any material adverse change after the signing of the Underwriting Agreement in the business or in the financial or trading position of any member of the Group;
  - (d) any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out occurred after the signing of the Underwriting Agreement;
  - (e) after signing of the Underwriting Agreement, there occurs or comes into effect the imposition of any moratorium, suspension or material restriction on trading in the Shares generally on the Stock Exchange whether due to exceptional financial circumstances or otherwise;
  - (f) there is, after signing of the Underwriting Agreement, any change or any development involving a prospective change in market conditions (including, without limitation, a change in fiscal or monetary policy or foreign exchange or currency markets, suspension or restriction of trading in securities, imposition of economic sanctions, on Hong Kong, the People's Republic of China or other jurisdiction relevant to any member of the Group and a change in currency conditions for the purpose of this paragraph includes a change in the system under which the value of the Hong Kong currency is pegged with that of the currency of the United States of America) occurs; or

- (g) the circular and/or the Prospectus when published contain information (as to business prospects or the condition of the Group or as to its compliance with any laws or the GEM Listing Rules or the Takeovers Code or any applicable regulations) which has not prior to the date hereof been publicly announced or published by the Company in compliance with the GEM Listing Rules,

which event or events is or are in the absolute opinion of the Underwriter:

1. likely to have a material adverse effect on the business or financial or trading position or prospects of the Group as a whole; or
2. likely to have a material adverse effect on the success of the Rights Issue or the level of the Rights Shares “taken up”; or
3. make it inappropriate, inadvisable or inexpedient to proceed further with the Rights Issue,

then the Underwriter may, by notice in writing given to the Company on or before the Latest Time for Termination, rescind the Underwriting Agreement.

**If the Underwriter terminates the Underwriting Agreement, the Rights Issue will not proceed. A further announcement would be made by the Company if the Underwriting Agreement is terminated by the Underwriter.**

### **Conditions of the Rights Issue**

The obligations of the Underwriter under the Underwriting Agreement are conditional on the fulfilment (or waiver, if applicable, by the Underwriter) of the following conditions:

- (i) the GEM Listing Committee granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of, and permission to deal in, the Rights Shares, in nil-paid and fully-paid forms, by no later than the first day of their dealings;
- (ii) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one duly certified copy of each of the Prospectus Documents (and all other documents required to be attached thereto) as having been approved by resolution of the Board not later than the Prospectus Posting Date and otherwise in compliance with the GEM Listing Rules and the Companies (WUMP) Ordinance;
- (iii) the posting of the Prospectus Documents to the Qualifying Shareholders and the Prospectus to the Non-Qualifying Shareholders by no later than the Prospectus Posting Date;
- (iv) the obligations of the Underwriter becoming unconditional and that the Underwriting Agreement is not terminated in accordance with the terms thereof; and

- (v) compliance with and performance of all undertakings and obligations of the Company under the Underwriting Agreement and the representations and warranties given by the Company under the Underwriting Agreement remaining true, correct and not misleading in all material respects.

The conditions precedent, save and except paragraph (v) above which can only be waived by the Underwriter, are incapable of being waived.

The Company shall use all reasonable endeavours to procure the fulfilment of the conditions precedent set out in paragraphs (i) to (iii) and (v) above by the Latest Time for Termination. If the conditions precedent set out in the above paragraphs are not satisfied (or, if applicable, waived by the Underwriter) in whole or in part on or before the Latest Time for Termination and/or the condition set out in paragraph (v) does not remain fulfilled (unless waived by the Underwriter under the terms of the Underwriting Agreement) up to the Latest Time for Termination or the Underwriting Agreement shall be rescinded by the Underwriter pursuant to the terms thereof, the Underwriting Agreement shall terminate (save in respect of the surviving provisions in relation to fees and expenses, indemnity, notices and governing law), and all obligations and liabilities of the parties to the Underwriting Agreement will cease and determine and no party thereto will have any claim against any other party for costs, damages, compensation or otherwise save for any antecedent breaches, and the Rights Issue will not proceed.

**The Rights Issue is only underwritten on a best effort basis. Pursuant to the Company's constitutional documents, the Companies Act of the Cayman Islands, the Companies (WUMP) Ordinance and the GEM Listing Rules, there are no requirements for minimum levels of subscription in respect of the Rights Issue. Subject to fulfillment of the conditions precedent of the Rights Issue, the Rights Issue shall proceed regardless of the ultimate subscription level.**

**In the event the Rights Issue is undersubscribed, any Rights Shares not taken up by the Qualifying Shareholders whether under PAL(s) or EAF(s), or transferees of nil-paid Rights Shares, or otherwise subscribed by the Underwriter or other subscribers procured by it pursuant to the Underwriting Agreement will not be issued by the Company, and hence, the size of the Rights Issue will be reduced accordingly. Investors are advised to exercise caution when dealing in the Shares.**

## **REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS**

The Group was principally engaged in the designing, manufacturing and sales of core lingerie products under the core brand of "Bodibra" and sub-brands, namely "June", "ooobiki", "Bodicare" and "invisi". The Group principally offers a wide range of its own branded lingerie that are designed with shaping functions which aim to achieve better body appearances, including bras and panties, body shaping underwear and chest support vests. The Group also (i) sells other products without shaping functions, which primarily include breast cream, panties, nude bras, swimwear, bras straps and pads, and waist bands; and (ii) provides beauty services.



Since year 2020, the market condition in Hong Kong has been materially and adversely affected by the outbreak of the COVID-19 pandemic. As the fifth wave of the pandemic has spread across Hong Kong and the end is not yet in sight, it is believed that the retail industry will continue to be struggling at least in the forthcoming months but is also cautiously optimistic that the local retail market will be gradually recovered. To prepare for the extended negative impact on the market recovery, the Board considers that the Rights Issue represents a good and timely opportunity for the Company to strengthen the financial position of the Group and to maintain a healthy working capital position during this difficult time. As stated in the interim report of the Company for the six months ended 30 September 2021, the Board will (i) continue to improve the operational efficiency and keep on the cost control measures; (ii) actively optimize its existing resources so as to enhance the core competitiveness; and (iii) proactively to seek business opportunities to enhance the Group's profitability in order to create higher value for shareholders.

It is the Group's intention to expand the Group's existing business through tapping into the online e-commerce market and/or expanding offline retailing sales channel. The Directors believe that the Rights Issue represents a good opportunity for the Company to strengthen the financial position of the Group which will allow the Group the opportunity to implement the aforementioned strategies.

Assuming full subscription under the Rights Issue, it is estimated that the Company will raise gross proceeds of approximately HK\$31.5 million from the Rights Issue and the relevant expenses would be approximately HK\$0.9 million, which include underwriting commission and professional fees. The estimated net proceeds (the "**Net Proceeds**") from the Rights Issue after deducting all necessary expenses will be approximately HK\$30.6 million (equivalent to a net price of approximately HK\$0.097 per Rights Share), assuming no change in the number of Shares in issue on or before the Record Date. In line with the aforesaid, the Company intends to utilise the Net Proceeds as follows:

- (i) approximately HK\$24.5 million (or approximately 80% of the total net proceeds) to be applied for financing the expansion of the Group's business; and
- (ii) the remaining balance of approximately HK\$6.1 million (or approximately 20% of the total net proceeds) to be applied for general working capital of the Group.

In the event that there is an under-subscription of the Rights Issue, the net proceeds of the Rights Issue will be utilised in proportion to the above uses.

The Board is of the view that the Rights Issue represents an opportunity for the Company to strengthen its financial position after having considered that:

- (i) the net current liabilities position of the Group as at 30 September 2021;



- (ii) the Rights Issue offers all the Qualifying Shareholders an equal opportunity to participate in the enlargement of the capital base of the Company and enables the Qualifying Shareholders to maintain their proportionate interests in the Company and continue to participate in the future development of the Company should they wish to do so;
- (iii) the discount of the Subscription Price to the prevailing market price in order to enhance the attractiveness of the Rights Issue and it is the Company's objective to encourage the participation of Qualifying Shareholders in the Rights Issue;
- (iv) after considering other alternative fund-raising methods as set out in the paragraph headed "Fund-raising alternatives" below, it is prudent to finance the Group's long-term growth by long-term financing, preferably in the form of equity which will not increase the Group's finance costs. In addition, the Board believes that the Rights Issue will enable the Group to strengthen its capital base and enhance its financial position for future strategic investments as and when such opportunities arise; and
- (v) to allow the Shareholders to have more flexibility in dealing with the Shares and the nil-paid rights attaching thereto.

In view of the above, the Board considers that raising funds by way of the Rights Issue is more cost effective, efficient and beneficial to the Company and the Shareholders as a whole as compared to raising fund by other means. The terms of the Rights Issue (including the Underwriting Agreement) were determined after arm's length negotiations between the Company and the Underwriter. The Directors consider that the terms of the Rights Issue (including the Underwriting Agreement) are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **Fund-raising alternatives**

The Board has also considered other alternative means of fund-raising before resolving to the Rights Issue, including but not limited to debt financing, placing and open offer. However, the Board considers that debt financing will result in additional interest burden and higher gearing ratio of the Group. In addition, debt financing may not be achievable on favourable terms in a timely manner. As for equity fund-raising, such as placing of new Shares, it is relatively smaller in scale as compared to fund-raising through rights issue and it would lead to immediate dilution in the shareholding interest of existing Shareholders without offering them the opportunity to participate in the enlarged capital base of the Company, which is not the intention of the Company. As for open offer, while it is similar to a rights issue, offering qualifying shareholders to participate, it does not allow free trading of rights entitlements in the open market.

In view of the above, the Board considers that raising funds by way of the Rights Issue is more cost effective, efficient and beneficial to the Company and the Shareholders as a whole as compared to raising fund by other means.

## EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets out the shareholding structures of the Company (i) as at the date of this announcement; (ii) immediately after the Rights Issue (assuming all Rights Shares are subscribed for by the Qualifying Shareholders); and (iii) immediately after the Rights Issue (assuming no Qualifying Shareholders takes up any of the Rights Shares and the Underwriter takes up all Rights Shares pursuant to the Underwriting Agreement).

	Immediately after completion of the Rights Issue					
	As at the date of this announcement		Assuming all Rights Shares are subscribed for by the Qualifying Shareholders		Assuming no Qualifying Shareholder takes up any of the Rights Shares and the Underwriter takes up the Rights Shares pursuant to the Underwriting Agreement	
	No. of Shares	Approx. % (Note 1)	No. of Shares	Approx. % (Note 1)	No. of Shares	Approx. % (Note 1)
Global Succeed Group Limited (Note 2)	160,000,000	25.4	240,000,000	25.4	160,000,000	16.9
Underwriter, sub-underwriter(s) and/or subscriber(s) procured by them (Notes 3 & 4)	–	–	–	–	315,000,000	33.3
Public Shareholders	470,000,000	74.6	705,000,000	74.6	470,000,000	49.7
<b>Total</b>	<b>630,000,000</b>	<b>100.0</b>	<b>945,000,000</b>	<b>100.0</b>	<b>945,000,000</b>	<b>100.0</b>

### Notes:

- (1) The percentage figures have been subject to rounding adjustments. Any discrepancies between totals and sums of amounts listed herein are due to rounding adjustments.
- (2) Global Succeed Group Limited is the direct shareholder of the Company. According to the information available to the Company, Global Succeed Group Limited is beneficially owned as to 50% by Mr. Chan Lin So Alan and 50% by Mr. Yiu Koon Pong. By virtue of the SFO, each of Mr. Chan Lin So Alan and Mr. Yiu Koon Pong is deemed to be interested in the 160,000,000 Shares held by Global Succeed Group Limited.
- (3) Pursuant to the Underwriting Agreement, the Underwriter shall confirm with the Company the actual number of Untaken Shares as at the Latest Time for Acceptance, and shall procure for subscription therefor on a best effort basis.
- (4) In any event and notwithstanding any provisions under the Underwriting Agreement, the Underwriter irrevocably undertakes to the Company that (i) each of the subscribers of the Untaken Shares procured by the Underwriter (or the Underwriter concerned, whichever shall be appropriate) shall be an Independent Third Party and are not acting in concert (within the meaning of the Takeovers Code) with the Underwriter and its associates; (ii) the Underwriter shall and shall cause the sub-underwriters to procure independent subscribers and/or placees to take up such number of Untaken Shares as necessary to ensure that the Company will comply with the public float requirement under the GEM Listing Rules upon completion of the Rights Issue; and (iii) the Underwriter or each subscriber procured by the Underwriter (together with

parties acting in concert with the respective subscribers or any of the connected persons or associates of the respective subscribers) shall not hold in aggregate 30% or more of the voting rights of the Company immediately after the Rights Issue.

Shareholders and public investors should note that the above shareholding changes are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Rights Issue are subject to various factors, including the results of acceptance of the Rights Issue.

## **EQUITY FUND-RAISING ACTIVITY OF THE COMPANY FOR THE PAST TWELVE MONTHS**

The Company has conducted the following fund-raising activity involving issue of equity securities during the 12 months immediately preceding the date of this announcement:

<b>Date of announcement</b>	<b>Event</b>	<b>Net proceeds raised</b>	<b>Intended use of net proceeds</b>	<b>Actual use of net proceeds as at the date of this announcement</b>
1 March 2022	Placing of new Shares under general mandate	Approximately HK\$13.05 million	the Group's general working capital	HK\$8.1 million utilised for general working capital

Save as disclosed above, the Company has not conducted other fund-raising exercise involving issue of equity securities during the 12 months immediately preceding the date of this announcement, or prior to such 12 months period where dealing in respect of the Shares issued pursuant thereto commenced within such 12 months period, nor has it issued any bonus securities, warrants or other convertible securities as part of such rights issue, open offers and/or specific mandate placings within such 12 months period.

## **EXPECTED TIMETABLE**

The expected timetable for the Rights Issue is set out below:

<b>Event</b>	<b>2022</b>
Last day of dealings in Shares on a cum-rights basis of the Rights Issue . . . . .	Tuesday, 19 July
First day of dealings in Shares on an ex-rights basis of the Rights Issue . . . . .	Wednesday, 20 July
Latest date and time for lodging transfers of Shares in order to be qualified for the Rights Issue . . . . .	4:30 p.m. on Thursday, 21 July

**Event****2022**

Register of members closes (both dates inclusive). . . . .	Friday, 22 July to Thursday, 28 July
Record Date for the Rights Issue . . . . .	Thursday, 28 July
Register of members re-opens . . . . .	Friday, 29 July
Despatch of the Prospectus Documents, nil-paid Rights Shares . . . . .	Friday, 29 July
First day and time of dealings in nil-paid Rights Shares. . . . .	9:00 a.m. on Tuesday, 2 August
Latest time for splitting of PAL(s). . . . .	4:30 p.m. on Thursday, 4 August
Last day of dealings in nil-paid Rights Shares . . . . .	Tuesday, 9 August
Latest time for acceptance and payment for the Rights Shares and application for excess Rights Shares . . . . .	4:00 p.m. on Friday, 12 August
Latest time and date for termination of Underwriting Agreement and for the Rights Issue to become unconditional . . . . .	4:00 p.m. on Monday, 15 August
Announcement of results of the Rights Issue . . . . .	Friday, 19 August
Despatch of share certificates for fully-paid Rights Shares . . . . .	Monday, 22 August
Despatch of refund cheques for wholly or partly unsuccessful applications for excess Rights Shares or if the Rights Issue is terminated. . . . .	Monday, 22 August
Commencement of dealings in the fully-paid Rights Shares . . . . .	9:00 a.m. on Tuesday, 23 August
Designated broker starts to stand in the market to provide matching services for odd lots of the Shares . . . . .	9:00 a.m. on Tuesday, 23 August
Designated broker ceases to provide matching services for odd lots of the Shares. . . . .	4:00 p.m. on Tuesday, 13 September

All times and dates stated above refer to Hong Kong local times and dates. The expected timetable for the Rights Issue set out above and all dates and deadlines specified in this announcement are indicative only and may be varied. Any changes to the expected timetable will be announced in a separate announcement by the Company as and when appropriate.

## **EFFECT OF BAD WEATHER AND/OR EXTREME CONDITIONS ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES AND FOR APPLICATION AND PAYMENT FOR EXCESS RIGHTS SHARES**

The Latest Time for Acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares will not take place if a typhoon signal No. 8 (or above), “extreme conditions” caused by super typhoons as announced by the Government of the Hong Kong Special Administrative Region, or a “black” rainstorm warning is:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the date of the Latest Time for Acceptance. Instead the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; or
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the date of the Latest Time for Acceptance. Instead the Latest Time for Acceptance will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on the currently scheduled date, the dates mentioned in the “EXPECTED TIMETABLE” above may be affected. Announcement will be made by the Company in such event.

## **GEM LISTING RULES IMPLICATIONS**

As (i) the Company has not conducted any rights issue or open offer within the 12-month period immediately prior to the date of this announcement, (ii) the Rights Issue will not increase the number of issued Shares or the market capitalisation of the Company by more than 50%, and (iii) the Rights Issue is not underwritten by a Director, chief executive or substantial shareholder of the Company (or any of their respective associates), the Rights Issue is not subject to Shareholders’ approval under the GEM Listing Rules.

The Rights Issue does not result in a theoretical dilution effect of 25% or more on its own. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 10.44A of the GEM Listing Rules.

## **GENERAL**

Subject to the fulfillment of certain conditions of the Rights Issue, the Company will despatch the Prospectus Documents containing, among other matters, details of the Rights Issue, to the Qualifying Shareholders. The Company will despatch the Prospectus to the Non-Qualifying Shareholders for their information only, but the Company will not send the PAL and EAF to the Non-Qualifying Shareholders.

## **WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE NIL-PAID RIGHTS SHARES**

Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon, among others, the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof (a summary of which is set out in the section headed “Termination of the Underwriting Agreement” in this announcement). Accordingly, the Rights Issue may or may not proceed.

The Shares are expected to be dealt in on an ex-rights basis from Wednesday, 20 July 2022. Dealings in the Rights Shares in nil-paid form are expected to take place from Tuesday, 2 August 2022 to Tuesday, 9 August 2022 (both days inclusive). Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or Rights Shares in their nil-paid form is advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares. Any Shareholder or other person dealing in the Shares and/or the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Underwriter’s right of termination of the Underwriting Agreement ceases) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares. Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

## **DEFINITIONS**

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

“acting in concert”	has the same meaning ascribed thereto under the Takeovers Code
“associate(s)”	has the same meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day on which licensed banks in Hong Kong are generally open for business, other than a Saturday or a Sunday or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is issued in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not cancelled at or before 12:00 noon

“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Ocean Star Technology Group Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM
“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong
“connected person(s)”	has the meaning ascribed to it in the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“EAF(s)”	the excess application form(s) for use by the Qualifying Shareholders who wish to apply for excess Rights Shares, in such usual form as may be agreed between the Company and the Underwriter
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Committee”	has the meaning as defined in the GEM Listing Rules
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and any of its connected persons
“Last Trading Day”	17 June 2022, being the last trading day of the Shares on the Stock Exchange before the release of this announcement
“Latest Time for Acceptance”	4:00 p.m. on Friday, 12 August 2022 or other time or date as may be agreed in writing between the Company and the Underwriter, being the latest time for acceptance of, and payment for, the Rights Shares and application and payment for excess Rights Shares



“Latest Time for Termination”	4:00 p.m. on Monday, 15 August 2022 or such other time or date as the Underwriter may agree in writing with the Company
“Listing Committee”	has the meaning as defined in the GEM Listing Rules
“Non-Qualifying Shareholder(s)”	those Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary, or expedient not to offer the Rights Issue to such Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose registered address(es) as shown on such register at that time is (are) in (a) place(s) outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue
“Prospectus”	the prospectus to be despatched to the Shareholders containing details of the Rights Issue
“Prospectus Documents”	the Prospectus, the PAL and the EAF
“Prospectus Posting Date”	Friday, 29 July 2022 or such other date as may be agreed in writing between the Underwriter and the Company, being the date of despatch of the Prospectus Documents to the Qualifying Shareholders and the Prospectus for information only to the Non-Qualifying Shareholders
“Qualifying Shareholder(s)”	Shareholder(s), other than the Non-Qualifying Shareholders, whose name(s) appear(s) on the register of members of the Company on the Record Date
“Record Date”	Thursday, 28 July 2022 or such other date as may be agreed between the Company and the Underwriter in writing for the determination of the entitlements under the Rights Issue
“Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, being Boardroom Share Registrars (HK) Limited at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong

“Rights Issue”	the proposed issue of the Rights Shares on the basis of one (1) Rights Share for every two (2) existing Shares held on the Record Date at the Subscription Price on the terms and subject to the conditions in the Underwriting Agreement
“Rights Share(s)”	Up to 315,000,000 Shares (assuming no change in the number of Shares in issue on or before the Record Date) to be allotted and issued pursuant to the Rights Issue
“SFO”	the Securities and Futures Ordinance (Cap 571 of the laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of issued Share(s)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.1 per Rights Share
“substantial shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Underwriter”	Valuable Capital Limited, a licensed corporation to carry on Type 1 (dealing in securities), Type 2 (dealing in future contracts), Type 4 (advising on securities), Type 5 (advising on future contracts) and Type 9 (asset management) regulated activities under the SFO
“Underwriting Agreement”	the underwriting agreement dated 17 June 2022 entered into between the Company and the Underwriter in respect of the Rights Issue
“Underwritten Shares”	all the Rights Shares to be underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement
“Untaken Share(s)”	any of the Underwritten Shares which have not been taken up by the Qualifying Shareholders or transferees of nil-paid Rights Shares or applicants under excess applications by the Latest Time for Acceptance

“%”

per cent.

By order of the Board  
**Ocean Star Technology Group Limited**  
**Tam Chak Chi**  
*Executive Director*

Hong Kong, 17 June 2022

*As at the date of this announcement, the executive Directors are Mr. Tam Chak Chi and Mr. Xu Xue; and the independent non-executive Directors are Mr. Lai Kim Fung, Mr. Tang Yiu Kay and Mr. Tong Zhu.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Listed Company Information” page of the Stock Exchange website at [www.hkex.com.hk](http://www.hkex.com.hk) for at least 7 days from the date of its posting and on the Company’s website at [www.bodibra.com](http://www.bodibra.com).*