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## **ERNEST BOREL HOLDINGS LIMITED**

**依波路控股有限公司**

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

**(Stock Code: 1856)**

### **COMPLETION OF MAJOR TRANSACTION IN RELATION TO THE ACQUISITION OF THE ENTIRE EQUITY INTEREST OF THE TARGET COMPANY INVOLVING ISSUE OF CONSIDERATION SHARES UNDER GENERAL MANDATE**

Reference is made to the announcements of Ernest Borel Holdings Limited (the “**Company**”) dated 27 July 2022 and 8 December 2022 (the “**Announcements**”) and the circular of the Company dated 13 March 2023 (the “**Circular**”) in relation to the acquisition of the entire equity interest of the Target Company. Capitalised terms used herein shall have the same meanings as those defined in the Announcements and the Circular unless the context otherwise requires.

#### **COMPLETION OF THE ACQUISITION**

The Board is pleased to announce that all the conditions precedent to Completion under the Agreement had been fulfilled on 31 March 2023, and Completion took place on 19 April 2023 (the “**Completion Date**”). Upon Completion, the Target Company has become an indirect wholly-owned subsidiary of the Company and the financial results of the Target Company are consolidated into the Group’s financial statements.

Pursuant to the Agreement, the Company will allot and issue an aggregate of 38,461,538 Consideration Shares as partial settlement of the Consideration. The Company will allot and issue 12,820,512 Consideration Shares at the Issue Price as the first instalment of the Consideration Shares to the Vendor within 10 Business Days after the Completion Date, representing approximately 3.56% of the enlarged issued share capital of the Company immediately after the allotment and issuance of the first instalment of the Consideration Shares. The remaining Consideration Shares (subject to adjustment pursuant to the Profit Guarantee) will be allotted and issued by the Company to the Vendor over the next three years.

## EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets out the shareholding structure of the Company (i) immediately prior to Completion; (ii) immediately after Completion and the allotment and issuance of the first instalment of the Consideration Shares; and (iii) immediately after the allotment and issuance of all Consideration Shares (assuming there will not be any change in the issued share capital of the Company from the date of this announcement up to and including the date of allotment and issue of the Consideration Shares with no adjustment pursuant to the Profit Guarantee being made):

Shareholders	Immediately prior to Completion		Immediately after Completion and the allotment and issuance of the first instalment of the Consideration Shares		Immediately after the allotment and issuance of all Consideration Shares (assuming there will not be any change in the issued share capital of the Company from the date of this announcement up to and including the date of allotment and issue of the Consideration Shares with no adjustment pursuant to the Profit Guarantee being made)	
	Number of shares	Approximate % of issued Shares	Number of shares	Approximate % of issued Shares	Number of shares	Approximate % of issued Shares
<b>Substantial Shareholders</b>						
Mr. Hon Kwok Lung <sup>(1)</sup>	222,634,485	64.08	222,634,485	61.80	222,634,485	57.69
Ms. Xu Hong <sup>(2)</sup>	37,935,000	10.92	37,935,000	10.53	37,935,000	9.83
<b>Public Shareholders</b>						
Vendor	—	—	12,820,512	3.56	38,461,538	9.97
Other public shareholders	86,867,515	25.00	86,867,515	24.11	86,867,515	22.51
<b>Total</b>	<b>347,437,000</b>	<b>100.00</b>	<b>360,257,512</b>	<b>100.00</b>	<b>385,898,538</b>	<b>100.00</b>

Notes:

- (1) Of the 222,634,485 Shares in the issued share capital of the Company, 217,834,485 Shares are directly held by VGB Limited and 4,800,000 Shares are directly held by Full Day Limited (“**Full Day**”). VGB Limited is wholly-owned and controlled by Citychamp. Citychamp is the controlled corporation of each of Sincere View International Limited (“**Sincere View**”) and Full Day. Accordingly, each of Citychamp, Sincere View and Full Day is deemed to be interested in the Shares held by VGB Limited under Part XV of the SFO. Mr. Hon Kwok Lung held the entire issued share capital of Full Day. Sincere View is the controlled corporation of each of Mr. Hon Kwok Lung and his spouse, Ms. Lam Suk Ying. Accordingly, Mr. Hon Kwok Lung is deemed to be interested in 222,634,485 Shares. Mr. Hon Kwok Lung and Ms. Lam Suk Ying also directly held 3,500,000 shares and 1,374,000 shares in the issued share capital of Citychamp, respectively.

- (2) 37,935,000 Shares in the issued share capital of the Company were directly held by Prime Route Investment Limited (“**Prime Route**”). Prime Route is a company wholly-owned and controlled by Ms. Xu Hong. Ms. Xu Hong is therefore deemed to be interested in the Shares held by Prime Route under Part XV of the SFO.

By Order of the Board  
**Ernest Borel Holdings Limited**  
**Teguh Halim**  
*Chairman*

Hong Kong, 19 April 2023

As at the date of this announcement, the Board comprises of the following members:

*Executive Directors:* Mr. Teguh Halim and Ms. Lam Lai

*Non-executive Directors:* Mr. Xiong Ying

*Independent Non-executive Directors:* Mr. To Chun Kei, Mr. Hui Cheuk Kit Frederick and Ms. Chan Lai Wa