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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)

COMPLETION OF PLACING OF NEW SHARES UNDER THE GENERAL MANDATE

Financial Adviser and Placing Agent to the Company



References are made to the announcements of Feiyang International Holdings Group Limited (the “**Company**”) dated 7 June 2023, 14 June 2023 and 27 June 2023 in relation to the Placing (the “**Announcements**”). Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless otherwise specified.

COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that all the conditions set out in the Placing Agreement and the Supplemental Placing Agreement have been fulfilled and completion of the Placing took place on 7 July 2023. A total of 32,000,000 Placing Shares have been successfully placed by the Placing Agent to not less than six Placees at Placing Price of HK\$1.25 per Placing Share pursuant to the terms and conditions of the Placing Agreement. The 32,000,000 Placing Shares represent 4% of the existing issued share capital of the Company as at the date of this announcement immediately prior to Completion and approximately 3.85% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares.

To the best of the Company’s knowledge, information and belief, having made all reasonable enquiries, (i) the Placees and their respective ultimate beneficial owners (if any) are Independent Third Parties; and (ii) none of the Placees has become a substantial Shareholder (as defined under the Listing Rules) immediately upon Completion.

USE OF PROCEEDS

The gross proceeds from the Placing and net proceeds from the Placing, after deduction of the placing commission and other related expenses, amounted to HK\$40 million and approximately HK\$38.65 million, respectively. The Company intends to use such net proceeds from the Placing in the following manner:

- (i) approximately 54.55% of the net proceeds of the Placing will be used for the operation of the Group’s travel and tourism related businesses within 18 months in order to cope with the post-COVID-19 pandemic rebound of travel businesses;
- (ii) approximately 27.27% of the net proceeds of the Placing will be used for repayment of loans of the Group within six months; and
- (iii) approximately 18.18% of the net proceeds of the Placing will be used for replenishment of working capital and general business operation within 24 months.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company immediately before Completion and immediately after Completion are as follows:

	Immediately before Completion		Immediately after Completion	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
Shareholders				
Mr. He Binfeng (“ Mr. He ”)	10,056,000	1.26	10,056,000	1.21
HHR Group Holdings Limited (“ HHR Group ”) (<i>Note 1</i>)	48,062,000	6.01	48,062,000	5.78
Michael Group Holdings Limited (“ Michael Group ”) (<i>Note 1</i>)	187,420,000	23.43	187,420,000	22.53
KVN Holdings Limited (“ KVN Holdings ”) (<i>Note 1</i>)	36,750,000	4.59	36,750,000	4.42
DY Holdings Limited (“ DY Holdings ”) (<i>Note 1</i>)	16,422,700	2.05	16,422,700	1.97
QJ Holdings Limited (<i>Note 2</i>)	29,864,000	3.73	29,864,000	3.59
Mr. Shen Yang (<i>Note 3</i>)	18,422,000	2.30	18,422,000	2.21
WB Holdings Group Limited (<i>Note 4</i>)	3,468,000	0.43	3,468,000	0.42
Places	—	—	32,000,000	3.84
Other public Shareholders	449,535,300	56.20	449,535,300	54.03
Total	<u>800,000,000</u>	<u>100.00</u>	<u>832,000,000</u>	<u>100.00</u>

Note::

- (1) Each of HHR Group, Michael Group, KVN Holdings and DY Holdings is owned by Mr. He, an executive Director.
- (2) QJ Holdings Limited is owned by Ms. Qian Jie, the spouse of Mr. He.
- (3) Mr. Shen Yang is a non-executive Director.
- (4) WB Holdings Group Limited is owned by Mr. Wu Bin, an executive Director.

By order of the Board
Feiyang International Holdings Group Limited
He Binfeng
Chairman, chief executive officer and executive Director

Ningbo, the PRC, 7 July 2023

As at the date of this announcement, the Board comprises Mr. He Binfeng, Mr. Xiong Di, Mr. Huang Yu, Mr. Wu Bin, and Ms. Chen Huiling as executive Directors; Mr. Shen Yang as non-executive Director; and Mr. Li Huamin, Mr. Yi Ling and Ms. Zhao Caihong as independent non-executive Directors.

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