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**華邦科技控股有限公司**  
**HUABANG TECHNOLOGY HOLDINGS LIMITED**

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

**(Stock code: 3638)**

**PROPOSED RIGHTS ISSUE OF RIGHTS SHARES  
ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2)  
EXISTING SHARES AT HK\$0.18 PER RIGHTS SHARE  
AND  
POSSIBLE ADJUSTMENTS TO THE SHARE OPTIONS UNDER THE  
SHARE OPTION SCHEME**

**Placing Agent**

**MOUETTE**

**PROPOSED RIGHTS ISSUE**

The Company proposes to raise not more than HK\$56,825,118 before expenses by way of the Rights Issue to the Shareholders (on the basis that no Shares are issued or repurchased on or before the Record Date). The Rights Issue is not underwritten and involves the issue of up to

315,695,100 Rights Shares (on the basis that no Shares are issued or repurchased on or before the Record Date) at the Subscription Price of HK\$0.18 per Rights Share on the basis of one (1) Rights Share for every two (2) existing Shares in issue on the Record Date.

### **LISTING RULES IMPLICATIONS**

As the proposed Rights Issue will not increase the number of issued shares of the Company or the market capitalisation of the Company by more than 50% (on its own or when aggregated with any other rights issues or open offers announced by the issuer (i) within the 12-month period immediately preceding the announcement of the proposed rights issue or (ii) prior to such 12-month period where dealing in respect of the shares issued pursuant thereto commenced within such 12-month period, together with any bonus securities, warrants or other convertible securities (assuming full conversion) granted or to be granted to shareholders as part of such rights issues or open offers), the Rights Issue is not conditional upon approval by the Shareholders. The Rights Issue will be carried out in compliance with Rule 7.21(1)(b) of the Listing Rules.

### **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Monday, 27 November 2023 to Friday, 1 December 2023 (both dates inclusive) for determining the entitlements to the Rights Issue. No transfer of Shares will be registered during this period.

### **POSSIBLE ADJUSTMENTS TO THE OUTSTANDING SHARE OPTIONS UNDER THE SHARE OPTION SCHEME**

Pursuant to the terms of the Share Option Scheme, the subscription prices on the exercise of the Share Options and/or number of Shares related to the Share Options under the Share Option Scheme may be adjusted in accordance with the Share Option Scheme upon the Rights Issue becoming unconditional.

The Company will notify the holders (if any) of the Share Options and the Shareholders by way of announcement (as and when appropriate) regarding adjustments to be made (if any) pursuant to the terms of the Share Option Scheme and such adjustment will be certified by an independent financial adviser or auditors of the Company (as the case may be).

### **GENERAL**

The Prospectus Documents containing, among other things, the Prospectus setting out details of the Rights Issue and the PAL will be despatched to the Qualifying Shareholders on Monday, 4 December 2023. A copy of the Prospectus will also be made available on the websites of the Company (<http://www.huabangtechnology.com/>) and the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)).

Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Company will send copies of the Prospectus to the Non-Qualifying Shareholders (if any) for their information only, but will not send any PAL to them.

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

Shareholders should note that the Shares are expected to be dealt in on an ex-right basis from Thursday, 23 November 2023. Dealings in the Rights Shares in the nil-paid form will take place from Wednesday, 6 December 2023 to Wednesday, 13 December 2023 (both dates inclusive).

Any Shareholder or other person contemplating selling or purchasing the Shares and/or nil-paid Rights Shares up to the date when the conditions of the Rights Issue are fulfilled will bear the risk that the Rights Issue may not become unconditional and may not proceed. Shareholders and the public are reminded to exercise caution when dealings in the Shares and any dealings in the Rights Shares in their nil-paid form from Wednesday, 6 December 2023 to Wednesday, 13 December 2023 (both dates inclusive) will accordingly bear the risk that the Right Issue cannot become unconditional and may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares or nil-paid Rights Shares are recommended to consult their own professional advisers.

### **PROPOSED RIGHTS ISSUE**

The Board proposed the Rights Issue, details of which are summarised below:

#### **Issue statistics**

Basis of the Rights Issue:	One (1) Rights Share for every two (2) existing Shares held on the Record Date
Subscription Price:	HK\$0.18 per Rights Share
Number of the existing Shares in issue as at the date of this announcement:	631,390,200 Shares
Number of Rights Shares to be issued under the Rights Issue	Up to 315,695,100 Rights Shares (assuming no new Shares are issued or repurchased on or before the Record Date)
Maximum enlarged issued share capital upon completion of the Rights Issue:	947,085,300 Shares (assuming no Shares are issued (other than the Rights Shares) or repurchased on or before the completion of the Rights Issue)

Maximum proceeds to be raised under the Rights Issue before expenses:	HK\$56,825,118 (assuming no Shares are issued or repurchased on or before the Record Date)
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As at the date of this announcement, the Company has no other outstanding convertible bonds, options, derivatives, warrants, conversion rights or other similar rights entitling holders thereof to subscribe for or convert into or exchange for new Shares.

Assuming no Shares are issued or repurchased on or before the Record Date, the maximum number of 315,695,100 Rights Shares to be issued pursuant to the terms of the Rights Issue represents 50.0% of the total number of the existing issued Shares as at the date of this announcement and 33.3% of the total number of the issued Shares as enlarged by the allotment and issue of the Rights Shares immediately upon completion of the Rights Issue.

The Company has not conducted any rights issue, open offer and/or specific mandate placing within the 12-month period immediately preceding the date of this announcement, or prior to such 12-month period where dealing in respect of the Shares issued pursuant thereto commenced within such 12-month 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-month period. The Rights Issue does not result in a theoretical dilution effect of 25% or more on its own.

#### **Non-underwritten basis**

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. In the event the Rights Issue is not fully subscribed, any Rights Shares not taken up by the Qualifying Shareholders and the NQS Unsold Rights Shares will be placed to independent places under the Compensatory Arrangements. Any Unsubscribed Rights Shares or NQS Unsold Rights Shares remain not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, the Qualifying Shareholder who applies to take up all or part of his/her/its entitlement under the Provisional Allotment Letter may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Qualifying Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Qualifying Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance to the note to Rule 7.19(5)(b) of the Listing Rules.

## Undertakings

The board of directors of the Company has not received any information or irrevocable undertaking from any substantial shareholder of the Company of any intention in relation to the Rights Shares to be provisionally allotted to that Shareholder under the Rights Issue as at the date of this announcement.

## Subscription Price

The Subscription Price of HK\$0.18 per Rights Share is payable in full when a Qualifying Shareholder accepts his/her/its provisional allotment under the Rights Issue or when a transferee of Nil Paid Rights accepts the provisional allotment of the Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 24.05% to the closing price of HK\$0.237 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 18.55% to the average of the closing prices per Share as quoted on the Stock Exchange for the five previous consecutive trading days up to and including the Last Trading Day of approximately HK\$0.221;
- (iii) a discount of approximately 13.88% to the average of the closing prices per Share as quoted on the Stock Exchange for the ten previous consecutive trading days up to and including the Last Trading Day of approximately HK\$0.209;
- (iv) a discount of approximately 17.43% to the theoretical ex-rights price of approximately HK\$0.218 per Share based on the closing price of HK\$0.237 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (v) a discount of approximately 49.15% to the audited consolidated net asset value attributable to the Shareholders as at 31 March 2023 as extracted from the annual report of the Company for the year ended 31 March 2023 of approximately HK\$0.354 per Share; and
- (vi) a dilution effect of approximately 8.02% to the existing Shareholders if they elect not to/cannot participate in the Rights Issue, which is calculated based on the theoretical ex-rights price of approximately HK\$0.218 per Share (taking into account the closing price of the Last Trading Day of HK\$0.237 per Share) and the average of the closing prices per Share as quoted on the Stock Exchange for the five previous consecutive trading days up to and excluding the Last Trading Day of approximately HK\$0.212 (the “**Theoretical Dilution Effect**”).

Under the Rights Issue, each Qualifying Shareholder is entitled to subscribe for the Rights Shares at the Subscription Price in proportion to his/her/its existing shareholdings in the Company. The Board considers that the discount of the Subscription Price to the current market price will encourage them

to participate in the Rights Issue. The Subscription Price and the Rights Issue ratio were determined by the Board based on the funding needs of the Group. The Board is of the view that the Rights Issue will provide the Group with sufficient funding to reduce the financial burden in the manner as set out under the section headed “*Reasons for the Rights Issue*” in this announcement. As such, the Directors consider that the Subscription Price is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

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

The Rights Shares (when allotted, issued and fully paid) will rank *pari passu* in all respects with the existing Shares in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid with a record date falling after the date of allotment and issue of the Rights Shares in their fully-paid form.

### **Qualifying Shareholders**

To qualify for the Rights Issue, a Qualifying Shareholder must be registered as a member of the Company on the Record Date and not being a Non-Qualifying Shareholder. In order to be registered as members of the Company on the Record Date, all transfers of Shares (together with the relevant share certificate(s)) must be lodged with the Registrar by not later than 4:30 p.m. on Friday, 24 November 2023. It is expected that the last day of dealings in the Shares on a cum-rights basis is Wednesday, 22 November 2023 and the Shares will be dealt with on an ex-rights basis from Thursday, 23 November 2023.

The Company will despatch the Prospectus Documents to the Qualifying Shareholders on the Posting Date.

Application for all or any part of a Qualifying Shareholder’s provisional allotment should be made by completing the Provisional Allotment Letter and lodging the same with a cheque or banker’s cashier order for the Rights Shares being applied for with the Registrar on or before 4:00 p.m. on the Latest Acceptance Date.

The Qualifying Shareholders who take up their provisional allotment in full will not experience any dilution to their interests in the Company (except in relation to any dilution resulting from the taking up by third parties of any Rights Shares arising from the aggregation of fractional entitlements). **If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.**

### **Non-Qualifying Shareholders**

The Prospectus Documents will not be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong. The Company will send the Prospectus to the Non-Qualifying Shareholders for their information only, but will not send the Provisional Allotment Letter to them. Overseas Shareholders may not be eligible to take part in the Rights Issue as explained below.

The Board will make enquiry regarding the legal restrictions under the laws of the relevant overseas places and the requirements of the relevant regulatory body or stock exchange pursuant to Rule 13.36(2)(a) of the Listing Rules. If, after making such enquiry and based on legal opinion provided by the legal advisers to the Company, 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 the relevant place(s) or the requirements of the relevant regulatory body or stock exchange in the relevant place(s), no offer of the Rights Shares will be made to such Overseas Shareholders. Accordingly, the Rights Issue will not be extended to the Non-Qualifying Shareholders.

The Non-Qualifying Shareholders (which are excluded from the Rights Issue) would not have any entitlement under the Rights Issue. However, arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form, to be sold as soon as practicable after dealings in the Nil Paid Rights commence. The proceeds of such sale, less expenses and stamp duty, will be paid pro-rata (but rounded down to the nearest cent) to the relevant Non-Qualifying Shareholders to their shareholdings held on the Record Date in Hong Kong Dollars. The Company will retain individual amounts of less than HK\$100 for its own benefit.

Any unsold Rights Shares, which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form, will be placed by the Placing Agent under the Placing Arrangement together with the Unsubscribed Rights Shares. The proceeds of the sale as described above in the case of being sold by the Placing Agent, less the Subscription Price and expenses, will be paid pro-rata (but rounded down to the nearest cent) to the relevant Non-Qualifying Shareholders to their shareholdings held on the Record Date in Hong Kong Dollars together with the No Action Shareholders on the basis of all NQS Unsold Rights Shares and Unsubscribed Rights Shares. The Company will retain individual amounts of less than HK\$100 for its own benefit. Any Unsubscribed Rights Shares and the NQS Unsold Rights Shares remain not placed after completion of the Placing Arrangement will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

For the Nil Paid Rights that were sold as described above and the buyer of such Nil Paid Rights who will not take up the entitlement, such Unsubscribed Rights Shares will be subject to the Compensatory Arrangements.

**The Company reserves the right to treat as invalid any acceptance of or applications for Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, Non-Qualifying Shareholders should exercise caution when dealing in the Shares.**

## **Fractional entitlements**

The Company will not provisionally allot fractions of Rights Shares. All fractions of Rights Shares will be aggregated and sold in the market and, if a premium (net of expenses) can be achieved, the Company will keep the net proceeds for its own benefit. Any of these Rights Shares remain not sold in the market will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

## **Procedures in respect of Rights Shares not subscribed and the NQS Unsold Rights Shares and the Compensatory Arrangements**

The Company will make arrangements described in Rule 7.21(1)(b) of the Listing Rules to dispose of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by offering the Unsubscribed Rights Shares and the NQS Unsold Rights Shares to independent placees for the benefit of Shareholders to whom they were offered by way of the Rights Issue. There will be no excess application arrangements in relation to the Rights Issue.

The Company therefore appointed the Placing Agent to place the Unsubscribed Rights Shares and the NQS Unsold Rights Shares after the latest time for acceptance of the Rights Shares to be allotted and issued under the Rights Issue to independent placees on a best effort basis. Any premium over, the aggregate amount of (i) the Subscription Price for those Rights Shares; and (ii) the expenses of the Placing Agent (including any other related expenses/fees), that is realised will be paid to the No Action Shareholders and the Non-Qualifying Shareholders on a pro-rata basis. The Placing Agent will on a best effort basis, procure, by not later than 6:00 p.m., on Tuesday, 2 January 2024, acquirers for all (or as many as possible) of those Unsubscribed Rights Shares and the NQS Unsold Rights Shares. Any Unsubscribed Rights Shares and the NQS Unsold Rights Shares remain not placed after completion of the Placing Arrangement will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Net Gain (if any) will be paid (without interest) on pro-rata basis (on the basis of all Unsubscribed Rights Shares and NQS Unsold Rights Shares) to the No Action Shareholders (but rounded down to the nearest cent) as set out below:

- A. where the Nil Paid Rights are, at the time they lapse, represented by a Provisional Allotment Letter, to the person whose name and address appeared on the Provisional Allotment Letter (unless that person is covered by (C) below);
- B. where the Nil Paid Rights are, at the time they lapse, registered in the name of HKSCC Nominees Limited, to the beneficial holders (via their respective CCASS participants) as the holder of those Nil Paid Rights in CCASS (unless that person is covered by (C) below); and
- C. if the Rights Issue is extended to the Overseas Shareholders and where an entitlement to the Rights Shares was not taken up by such Overseas Shareholders, to that Overseas Shareholders.

For Net Gain (if any) to Non-Qualifying Shareholders, please refer to the section headed “*Non-Qualifying Shareholders*” above.

It is proposed that Net Gain to any of the No Action Shareholder(s) mentioned in “A” to “C” of HK\$100 or more will be paid to them in Hong Kong Dollars only and the Company will retain individual amounts of less than HK\$100 for its own benefit. Shareholders are reminded that Net Gain may or may not be realised, and accordingly the No Action Shareholders and the Non-Qualifying Shareholders may or may not receive any Net Gain.

### **Placing Arrangement for the Unsubscribed Rights Shares and the NQS Unsold Rights Shares**

On 17 November 2023 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed to procure independent placee(s), on a best effort basis, to subscribe for the Unsubscribed Rights Shares and NQS Unsold Rights Shares. Details of the Placing Arrangement are as follows:

Date: 17 November 2023

Placing Agent: Mouette Securities Company Limited was appointed as a Placing Agent to place the Unsubscribed Rights Shares and the NQS Unsold Rights Shares on a best effort basis.

Mr. Chan, an executive Director, was a director and the chief executive officer of the Placing Agent from April 2022 until his resignation on 31 August 2023. There is no current or historic shareholding, directorship (save as disclosed above), employment (save as disclosed above) or any other relationship between Mr. Chan and the Placing Agent.

Save as disclosed above, the Board is not aware of any past or existing relationship between the Company and its connected persons on the one hand, and the Placing Agent on the other, and the Placing Agent has confirmed that it is independent of and not connected with the Company and its connected person and not a connected person of the Company.

Fees and expenses:	The Company shall pay to the Placing Agent a placing commission equal to 2% of the aggregate amount of the placing price multiplied by the number of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares successfully placed by the Placing Agent pursuant to the terms of the Placing Agreement, which the Placing Agent is authorised to deduct from the payment to be made by the Placing Agent to the Company at completion. The Company will pay all the out-of-pocket expenses including all costs, disbursements, legal fees and other professional expenses properly and reasonably incurred by the Placing Agent in connection with the Placing on actual incurrence basis.
Placing price of each of the Unsubscribed Rights Share and/or the NQS Unsold Rights Share (as the case maybe):	The placing price of each of the Unsubscribed Rights Share and/or the NQS Unsold Rights Share (as the case maybe) shall be at least equal to the Subscription Price.  The final price determination depends on the demand and market conditions of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares during the process of placement.
Placees:	The Unsubscribed Rights Shares and the NQS Unsold Rights Shares are expected to be placed to placees, who and whose ultimate beneficial owners, shall be Independent Third Parties. If any of the placees subscribes for 10% or more of the Shares under the Placing, he/she/it will become a substantial shareholder after completion of the Placing.
Ranking of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares:	The Unsubscribed Rights Shares and the NQS Unsold Rights Shares (when placed, allotted, issued and fully paid) shall rank <i>pari passu</i> in all respects among themselves and with the existing Shares in issue as at the date of this announcement.

Termination:

The Placing Arrangement shall end on 4:00 p.m. on 3 January 2024 or any other subsequent Business Day by mutual written agreement between the Placing Agent and the Company.

The Placing Agent may terminate the Placing Agreement without any liability to the Company, by giving notice in writing to the Company prior to the Completion Date if at any time prior to 5:00 p.m. of the Business Day immediately preceding the Completion Date if any of the following events occurs:

- (a) the introduction of any new Law or regulation or any change in existing Laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Company;
- (b) the occurrence of any local, national or international event or change occurring after the date of the Placing Agreement of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Company or adversely prejudices the success of the Placing (such success being the completion of the placing of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares to potential investor(s)) or otherwise makes it inexpedient or inadvisable for the Company or the Placing Agent to proceed with the Placing;
- (c) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction on trading in securities) occurs after the date of the Placing Agreement which materially and adversely affects the success of the Placing (such success being the completion of the placing of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares to potential investor(s)) or otherwise in the reasonable

opinion of the Placing Agent make it inexpedient or inadvisable or inappropriate for the Company or the Placing Agent to proceed with the Placing;

- (d) the Company commits any material breach of or omits or fails to observe any of its obligations or undertakings under the Placing Agreement; or
- (e) any of the representations or warranties contained in the Placing Agreement was, when given or deemed to be repeated under the Placing Agreement, untrue or inaccurate in any material respect or would in any material respect be untrue or inaccurate, or if repeated the Placing Agent shall determine in its reasonable opinion that any such untrue representation or warranty represents or is likely to represent a material adverse change in the financial or trading position or prospects of the Company or will otherwise likely to have a material prejudicial effect on the Placing.

The engagement between the Company and the Placing Agent for the placing of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares was determined after arm's length negotiations between the Placing Agent and the Company. The Directors consider the fee charged by the Placing Agent is no less favourable to the Company than the commission in recent placing transactions and therefore the terms of the Placing Arrangement for the Unsubscribed Rights Shares and the NQS Unsold Rights Shares are on normal commercial terms. The Directors believe the expenses as typical and ordinary in the marketing of securities.

Given that the Compensatory Arrangements would provide (i) a distribution channel of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares to the Company; (ii) an additional channel of participation in the Rights Issue for independent Qualifying Shareholders and the Non-Qualifying Shareholders; and (iii) a compensatory mechanism for No Action Shareholders and the Non-Qualifying Shareholders, the Company considers that the Compensatory Arrangements are fair and reasonable and would provide adequate safeguard to protect the interest of the Company's minority Shareholders.

### **Application for listing**

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms. Nil Paid Rights are expected to be traded in same board lot size as the Shares, i.e., 12,000 shares in one board lot. No part of the securities of the Company in issue or for which listing or permission to deal is being or is proposed to be sought is listed or dealt in or on any other stock exchange.

## **Stamp duty and other applicable fees**

Dealings in the Rights Shares (in both nil-paid and fully-paid forms) will be subject to the payment of stamp duty, Stock Exchange trading fee, SFC transaction levy and other applicable fees and charges in Hong Kong.

## **Share certificates for the Rights Shares**

Subject to the fulfilment of the conditions of the Rights Issue as set out below, certificates for all fully-paid Rights Shares are expected to be sent by ordinary post on Monday, 8 January 2024 to those persons who have validly accepted and, where applicable, applied for, and paid for the Rights Shares, at their own risks.

Each Shareholder (except HKSCC Nominees Limited) will receive one share certificate for all allotted Rights Shares.

## **Conditions of the Rights Issue**

The Rights Issue is conditional on each of the following conditions being fulfilled:

- (i) The delivery to the Stock Exchange and registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly certified in compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance (and other documents required to be attached thereto) and otherwise complying with the requirements of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Companies Ordinance and the Listing Rules.
- (ii) The despatch of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus stamped “For Information Only” to the Non-Qualifying Shareholders, if any, for information purpose only.
- (iii) The Listing Committee of the Stock Exchange granting or agreeing to grant and not having withdrawn or revoked the listing of, and permission to deal in, the Rights Shares.
- (iv) All relevant consents and approvals being obtained from the regulatory authorities, including the Stock Exchange, as the case may require in connection with the Rights Issue by the relevant time that each consent and approval is required.

All of the conditions are incapable of being waived. If the conditions above are not satisfied on or before the Long Stop Date, the Rights Issue shall be terminated.

As at the date of this announcement, none of the conditions precedent has been fulfilled.

## **Rights Shares will be eligible for admission into CCASS**

Subject to the granting of listing of, and permission to deal in, the Rights Shares in both 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 commencement date of dealings in the Rights Shares on the Stock Exchange or such other date 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 settlement day thereafter.

All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. 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.

## **SHAREHOLDING STRUCTURE**

Set out below is the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after completion of the Rights Issue assuming full acceptance by the Qualifying Shareholders; (iii) immediately after completion of the Rights Issue assuming nil acceptance by the Qualifying Shareholders and all the Unsubscribed Rights Shares and the NQS Unsold Rights Shares have been placed by the Placing Agent; and (iv) immediately after completion of the Rights Issue assuming nil acceptance by the Qualifying Shareholders and none of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares have been placed by the Placing Agent:

	As at the date of this announcement		Immediately after completion of the Rights Issue assuming full acceptance by the Qualifying Shareholders		Immediately after completion of the Rights Issue assuming nil acceptance by the Qualifying Shareholders and all the Unsubscribed Rights Shares and the NQS Unsold Rights Shares have been placed by the Placing Agent		Immediately after completion of the Rights Issue assuming nil acceptance by the Qualifying Shareholders and none of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares have been placed by the Placing Agent	
	<i>Number of issued Shares</i>	<i>%</i>	<i>Number of issued Shares</i>	<i>%</i>	<i>Number of issued Shares</i>	<i>%</i>	<i>Number of issued Shares</i>	<i>%</i>
<b>Substantial Shareholders</b>								
Forever Star Capital Limited <sup>(Note 1)</sup>	243,989,600	38.64	365,984,400	38.64	243,989,600	25.76	243,989,600	38.64
Placees <sup>(Note 2)</sup>	–	–	–	–	315,695,100	33.33	–	–
<b>Public Shareholders</b>	<u>387,400,600</u>	<u>61.36</u>	<u>581,100,900</u>	<u>61.36</u>	<u>387,400,600</u>	<u>40.91</u>	<u>387,400,600</u>	<u>61.36</u>
<b>Total</b>	<u>631,390,200</u>	<u>100</u>	<u>947,085,300</u>	<u>100</u>	<u>947,085,300</u>	<u>100</u>	<u>631,390,200</u>	<u>100</u>

*Notes:*

1. There are 243,989,600 Shares which were registered in the name of Forever Star Capital Limited. Ms. Shen Wei holds 100% interest in Forever Star Capital Limited and is therefore deemed to be interested in the 243,989,600 Shares held by Forever Star Capital Limited.
2. If any of the placees subscribes for 10% or more of the Shares under the Placing, he/she/it will become a substantial shareholder after completion of the Placing.
3. Percentage figures around rounded to two decimal places, and certain percentage figures included in the above table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

**POSSIBLE ADJUSTMENTS TO THE OUTSTANDING SHARE OPTIONS UNDER THE SHARE OPTION SCHEME**

Pursuant to the terms of the Share Option Scheme, the subscription prices on the exercise of the Share Options and/or number of Shares related to the Share Options under the Share Option Scheme may be adjusted in accordance with the Share Option Scheme upon the Rights Issue becoming unconditional.

The Company will notify the holders (if any) of the Share Options and the Shareholders by way of announcement (as and when appropriate) regarding adjustments to be made (if any) pursuant to the terms of the Share Option Scheme and such adjustment will be certified by an independent financial adviser or auditors of the Company (as the case may be).

## **FUND RAISING EXERCISE OF THE COMPANY IN THE PAST 12 MONTHS**

The Company has conducted the following equity fund raising activities during the 12 months immediately preceding the date of this announcement:

<b>Date of announcement</b>	<b>Event</b>	<b>Net proceeds raised (approximately)</b>	<b>Intended use of proceeds</b>	<b>Actual use of proceeds as at the date of this announcement</b>
5 September 2023	The Placing of 105,228,000 Shares at the placing price of HK\$0.25 under general mandate	HK\$25.5 million	General working capital of the Group	HK\$18.6 million have been utilised as working capital for the Group; and the remaining HK\$6.9 million will be utilised as intended before 31 December 2023

Save as the abovementioned, the Company had not conducted any other fundraising exercise in the past 12 months immediately preceding the date of this announcement.

## **EXPECTED TIMETABLE FOR THE RIGHTS ISSUE**

The expected timetable for the Rights Issue is set out in below.

<b>Event</b>	<b>Date</b>
Announcement of Rights Issue . . . . .	Friday, 17 November 2023
Last day of dealings in the Shares on a cum-rights basis . . . . .	Wednesday, 22 November 2023
First day of dealings in the Shares on an ex-rights basis . . . . .	Thursday, 23 November 2023
Latest time for lodging transfer documents of the Shares in order to qualify for the Rights Issue . . . . .	4:30 p.m. on Friday, 24 November 2023

Register of members of the Company closes for determining entitlements under the Rights Issue (both days inclusive) . . . . . Monday, 27 November 2023 to Friday, 1 December 2023

Record date for determining entitlements under the Rights Issue . . . . . Friday, 1 December 2023

Register of members of the Company reopens . . . . . Monday, 4 December 2023

Despatch of Prospectus Documents (in the case of Non-Qualifying Shareholders, the Prospectus only) . . . . . Monday, 4 December 2023

First day of dealing in Nil Paid Rights . . . . . Wednesday, 6 December 2023

Latest time for splitting Nil Paid Rights . . . . . 4:00 p.m., on Friday, 8 December 2023

Last day of dealing in Nil Paid Rights . . . . . Wednesday, 13 December 2023

Latest time for lodging transfer documents of nil-paid Rights Shares in order to qualify for the payment of Net Gain . . . . . 4:00 p.m., on Monday, 18 December 2023

Latest time for acceptance of and payment for the Rights Shares . . . . . 4:00 p.m. on Monday, 18 December 2023

Announcement of the number of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares subject to the Compensatory Arrangements to be posted on the Stock Exchange’s website and the Company’s website on or before . . . . . Wednesday, 27 December 2023

Commencement of placing of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by the Placing Agent . . . . . Thursday, 28 December 2023

Latest time of placing of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by the Placing Agent . . . . . 6:00 p.m. on Tuesday, 2 January 2024

Latest Time for Termination . . . . . 4:00 p.m., on Wednesday,  
3 January 2024

Announcement of the results of the Rights Issue  
(including results of the placing of  
Unsubscribed Rights Shares and the NQS Unsold  
Rights Shares and the amount of the Net Gain  
per Unsubscribed Rights Share and the NQS Unsold  
Rights Shares under the Compensatory Arrangements)  
to be posted on the Stock Exchange’s website and  
the Company’s website on or before . . . . . Friday, 5 January 2024

Despatch of Refund cheques (if any) . . . . . Monday, 8 January 2024

Despatch of certificates for fully-paid Rights Shares . . . . . Monday, 8 January 2024

Commencement of dealings in fully-paid Rights Shares . . . . . 9:00 a.m. on Tuesday,  
9 January 2024

Payment of the Net Gain (if any) to  
relevant No Action Shareholders and  
Non-Qualifying Shareholders (if any) . . . . . Wednesday, 24 January 2024

*Note:* All times and dates in this announcement refer to Hong Kong local times and dates. Shareholders should note that the dates or deadlines specified in the expected timetable for the Rights Issue as set out above, and in other parts of this announcement, are indicative only, the Board may extend, or make adjustment to, the timetable if it considers appropriate. Any such extension or adjustment to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate.

**EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES**

The latest time for acceptance of and payment for Rights Shares will not take place if there is a tropical cyclone warning signal no. 8 or above, or a “black” rainstorm warning and/or “extreme conditions caused by super typhoons” as announced by the Hong Kong Government:

- (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 Latest Acceptance Date. Instead the latest time for acceptance of and payment for the Rights Shares will be extended to 5:00 p.m. on the same day; and
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the Latest Acceptance Date. Instead the latest time of acceptance of and payment for the Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m. If the latest time for acceptance of and payment for the Rights Shares does not take place on the Latest Acceptance

Date, the dates mentioned in the section headed “*Expected timetable for the Rights Issue*” may be affected. The Company will notify the Shareholders by way of announcement(s) of any change to the expected timetable as soon as practicable.

## **REASONS FOR THE RIGHTS ISSUE**

The Group is principally engaged in (i) trading business (including the trading of computer and peripheral products and electronics products), (ii) food trading business and (iii) financial services business.

The Company intends to apply the net proceeds from the Rights Issue towards (i) expanding the Group’s trading business and financial services business, (ii) exploiting any opportunities to acquire new businesses or make strategic investments to broaden or create synergy for the Group’s trading business, and (iii) the general working capital of the Group. For details, please see the section headed “*Proposed Use of Proceeds*” below.

As disclosed in the Company’s Annual Report 2023, the Company’s management has been dedicated to exploiting new business opportunities and new business segment from time to time, including business opportunities in the trading business. While the Company’s has weathered difficult business conditions in the past years due to a number of extrinsic factors and notwithstanding the Group was receptive to proposals to downsize or terminate its financial services business as stated in the Company’s Annual Report 2023, since October 2023, the Board has shifted to a more optimistic view towards the potential for growth of the financial services business of the Group, as the general economic environment has begun to show signs of stabilising and resumption of its normal pace. Further, the Board anticipates that many countries and jurisdictions would consider and adopt flexible and accommodative monetary policies and may introduce fiscal stimuli to jump-start and sustain economic recovery. Notably, the Hong Kong Government has made a number of beneficial proposals in the policy address published on 25 October 2023, including (i) reducing the rate of the Hong Kong stamp duty chargeable for stock transfers from 0.13% to 0.1% per side, (ii) facilitate the set-up or expansion of 200 family offices from 2022 to 2025, and (iii) the implementation of the Capital Investment Entrant Scheme, allowing entry for eligible investors with HK\$30 million or more invested in assets such as stocks, funds and bonds. Therefore, the Board believes that it is an opportune time to raise funds to equip the Group with the capacity to expand and/or make investments in relation to its existing businesses to take advantage of a rebound from prior years.

Separately, in view of (i) the continuing economic recovery in the PRC, and continued vitality in new consumer electronics, developments in 5G-networks and the internet-of-things, (ii) the general demand for electronic and semi-conductor components used in different sectors of manufacturing (from phones and personal electronics to new vehicles with navigation aids, etc.), and (iii) the risk of impact to the supply of electronic and semi-conductor components due to political and trade disputes between the United States of America and the PRC, as well as geopolitical tensions in various regions, the Board believes this presents opportunities in the electronics and semi-conductor industry,

as well as the businesses supporting it in the PRC. The Board believes that having sufficient funds on hand would enable the Group to better verify and perform due diligence on potential investment opportunities, and allow the Group to represent itself as a genuinely interested party.

As of the date of this announcement, the Group has been engaged in discussions over an opportunity to acquire a business in the PRC engaged in trading of electronic assembly equipment and semiconductor machinery (the “**Strategic Opportunity**”).

The Group is conducting a due diligence exercise for the Strategic Opportunity as at the date of this announcement. Based on the due diligence exercise, the Board understands that the target of the Strategic Opportunity (the “**Target**”) supplies electronic assembly equipment to factories manufacturing electronic products in the PRC, and its customers include businesses engaged in the production of automobile electronics, computers servers, mobile phones and electrical home appliances, etc.. The Board aims to achieve synergy with the Group’s existing electronics trading business through the Strategic Opportunity, as the Target’s customers would require electronic components such as integrated circuits, memories chips and passive components, etc. in their production, which the Group supplies. By acquiring the Target, the Board expects to increase the Group’s customer base and enable the Group to supply these manufacturers (potentially without the hurdle of becoming an approved supplier for such manufacturers). Likewise, the Group’s current customers may be valuable for the Target’s business. As at the date of this announcement, the Group has not entered into any binding commitment with respect to the Strategic Opportunity and/or the Target. Should such acquisition materializes, the Company will comply with the requirements under the Listing Rules.

In view of the above, notwithstanding the Company’s recent Placing completed on 19 September 2023 (for further details, please refer to the section headed “*Fund raising exercise of the Company in the past 12 months*” in this announcement), the Board considers that the Rights Issue will provide a good opportunity for the Company to raise funds to strengthen its capital base and improve its financial position for the reasons noted above, while also allowing all outstanding Shareholders to maintain their proportional shareholdings in the Company.

The Board has considered other fund-raising methods including debt financing and equity placement. The Board had considered fund raising by debt financing, however it would create additional interest burden on and result in a higher gearing ratio of the Group, especially with recent global interest rate hikes; and subject the Group to repayment obligations which are less beneficial to the Group. In view of this, the Board has avoided raising funds via debt financing on this occasion.

Equity fund raising, such as the placing of new Shares, would be relatively small scale as compared to a rights issue and may not be received well following the Company’s recent completion of the Placing.

In addition, the Rights Issue is pre-emptive in nature, allowing Qualifying Shareholders to maintain their respective pro-rata shareholding through their participation in the Rights Issue. Pursuant to the Rights Issue, the Qualifying Shareholders may (a) increase their respective interests in the

shareholding of the Company by acquiring additional rights entitlement in the open market (subject to availability); or (b) reduce their respective interests in the shareholding of the Company by disposing of their rights entitlements in the open market (subject to market demand). The Board considers that the Rights Issue effected on a pro-rata basis gives all the Qualifying Shareholders an equal opportunity to participate in the enlargement of the capital base of the Company, whereas an open offer does not provide Shareholders with the same opportunity to increase or decrease their respective interests in the shareholding of the Company as described above. As such, the Board considered an open offer to be less favourable to the Shareholders and did not pursue it. The Board considers it is prudent and preferable to finance the long-term growth of the Group in the form of equity fund raising which will not increase the Group's financing 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.

## **PROPOSED USE OF PROCEEDS**

The estimated maximum net proceeds from the Rights Issue (after deducting the expenses) are approximately HK\$55.2 million. Assuming the Rights Issue is fully subscribed, the Company intends to apply the net proceeds from the Rights Issue as to:

- (i) approximately 35-40% of the net proceeds to expand or make investments in relation to the Group's food trading business, and financial services business, applied in the following manner and amounts:
  - (a) in respect of the Group's food trading business, approximately 15-20% of the net proceeds would be applied towards new sources of supplier(s) for the procurement of frozen food products (such as chicken paw, wings, drumsticks, and other types and cuts of meat, etc.) from various regions of the world including but not limited to Brazil, in order to supply the Hong Kong and PRC markets; and
  - (b) in respect of the Group's financial services business, approximately 20% of the net proceeds would be applied towards strengthening the Group's securities brokerage services and expanding its financial services to include book-building and placing activities with a focus on equity capital markets and debt capital markets, such as acting as a placing agent for shares, underwriting issuances, and acting as the bookrunner to place bond/debenture issues by (1) employing new staff with relevant experience and expertise, (2) upgrading and replacing the Group's trading and computer systems, and (3) strengthening the capital base which the Group is required to maintain under the relevant regulations for the Group's financial services business;
- (ii) up to approximately 30-35% of the net proceeds towards the Strategic Opportunity; and
- (iii) any balance of the net proceeds would be applied towards the general working capital of the Group.

In the event that the Rights Issue is not subscribed in full, the Board would allocate the net proceeds in the following order: (i) pursuing the Strategic Opportunity (to the extent that the proceeds from the Rights Issue is sufficient for that purpose); (ii) expanding the Group's food trading business; and (iii) expanding the Group's financial services businesses. If the Strategic Opportunity does not proceed, for the reasons set out under the section headed "*Reasons for the Rights Issue*" in this announcement, the Board would apply the proceeds for the Strategic Opportunity towards an investment opportunity for another business that is also related to the semiconductor and electronics industry. Further, if the Strategic Opportunity does not proceed and the Board does not identify an alternate investment opportunity within 12 months after the completion of the Rights Issue, the proceeds for the Strategic Opportunity would be applied towards the general working capital of the Group. From the information currently available, the Company expects to completely utilise the proceeds of the Rights Issue within 12 months from the date of this announcement. The Company will make further announcement(s) on the use of proceeds as appropriate in accordance with the Listing Rules.

The estimated expenses of the Rights Issue (including advisory fees for the professional parties, printing, registration, translation, legal, accounting and documentation charges) are estimated to be approximately HK\$1.6 million and will be payable by the Company. The net subscription price per Rights Share upon full acceptance of the relevant provisional allotment of Rights Shares are expected to be approximately HK\$0.175. The aggregate nominal value of the Rights Shares will be approximately HK\$2,631,000 (assuming no change in number of Shares on or before the Record Date).

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

**Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon certain conditions including, among others, the Listing Committee granting the listing of and permission to deal in the Rights Shares (in their nil-paid and fully-paid forms). Accordingly, the Rights Issue may or may not proceed. Shareholders and potential investors of the Company should exercise extreme caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.**

**The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares.**

**Shareholders should note that the Shares will be dealt in on an ex-rights basis commencing from Thursday, 23 November 2023. Any Shareholder or other person dealing in the Shares and/or Nil Paid Rights up to the date on which all conditions to which the Rights Issue is subject are fulfilled, will accordingly bear the risk that the Rights Issue cannot become unconditional and may not proceed. Any Shareholder or other person contemplating any dealings in the Shares and/or Nil Paid Rights, who is in any doubt about his/her/its position, is recommended to consult his/her/its own professional advisers.**

## LISTING RULES IMPLICATIONS

As the Company has not conducted any rights issue or open offer within the 12-month period prior to the date of this announcement and the Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to Shareholders' approval under the 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 7.27B of the Listing Rules.

## DEFINITIONS

Unless the context otherwise requires, terms used in this announcement shall have the following respective meanings:

“Annual Report 2023”	the annual report of the Company for the year ended 31 March 2023
“Authority”	any administrative, governmental or regulatory commission, board, body, authority or agency, or any stock exchange, self-regulatory organization or other non-governmental regulatory authority, or any court, tribunal or arbitrator, in each case whether national, central, federal, provincial, state, regional, municipal, local, domestic or foreign, and “Authorities” shall be interpreted and construed accordingly
“Board”	the board of Directors
“Business Day”	any day on which banks are generally open for business in Hong Kong (excluding Saturday and Sunday)
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong)
“Company”	Huabang Technology Holdings Limited (Stock Code: 3638), a company duly incorporated in the Cayman Islands with limited liability, and the shares of which are listed on the Main Board

“Compensatory Arrangements”	the compensatory arrangements pursuant to Rule 7.21(1)(b) of the Listing Rules as described in the paragraph headed “ <i>Procedures in respect of Rights Shares not subscribed and the NQS Unsold Rights Shares and the Compensatory Arrangements</i> ” in this announcement
“Completion Date”	the date on which the Rights Shares (in fully-paid form) having been duly allotted and issued to the Qualifying Shareholders
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“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 PRC
“Independent Third Party(ies)”	third party(ies) independent of the Company and any connected person(s) of the Company and not a connected person of the Company
“Last Trading Day”	Friday, 17 November 2023, being the last trading day for the Shares immediately before the release of this announcement
“Latest Acceptance Date”	18 December 2023, being the last day for acceptance and payment of the Rights Issue, or such other date as the Company may determine
“Latest Time for Termination”	the latest time to terminate the Placing Agreement

“Law”	any and all national, central, federal, provincial, state, regional, municipal, local, domestic or foreign laws (including, without limitation, any common law or case law), statutes, ordinances, legal codes, regulations or rules (including, without limitation, any and all regulations, rules, orders, judgments, decrees, rulings, opinions, guidelines, measures, notices or circulars (in each case, whether formally published or not and to the extent mandatory or, if not complied with, the basis for legal, administrative, regulatory or judicial consequences) of any Authority)
“Listing Committee”	has the same meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	29 February 2024 (or such other date as the Company may determine)
“Main Board”	the Main Board of the Stock Exchange
“Mr. Chan”	Mr. Chan Wing Sum, an executive Director
“Net Gain”	the aggregate of any premiums (being the aggregate amount paid by the placees after deducting (a) the aggregate amount of the Subscription Price for the Unsubscribed Rights Shares and the NQS Unsold Rights Shares placed by the Placing Agent under the Compensatory Arrangements; and (b) the aggregate amount of the expenses of the Placing Agent and any other related expenses/fees)
“Nil Paid Rights”	rights to subscribe for Rights Shares (in the form of Rights Shares in nil-paid form) before the Subscription Price is paid
“No Action Shareholder(s)”	Qualifying Shareholders who do not subscribe for the Rights Shares (whether partially or fully) under the provisional allotment letters or their renounees, or such persons who hold any Nil Paid Rights at the time such Nil Paid Rights are lapsed

“Non-Qualifying Shareholder(s)”	Overseas Shareholder(s) in respect of whom the Directors, based on legal advice provided by legal advisers in the relevant jurisdictions, consider it necessary or expedient to exclude from the Rights Issue, on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“NQS Unsold Rights Shares”	the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form that have not been sold by the Company
“Overseas Shareholder(s)”	Shareholder(s) whose names appear on the register of members of the Company as at the close of business on the Record Date and whose address(es) as shown on such register is/are outside Hong Kong
“Placing Agent”	Mouette Securities Company Limited, a corporation licensed to carry on Regulated Activities Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), acting as the sole and exclusive placing agent of the Placing Shares under the Placing Agreement
“Placing Agreement”	the placing agreement dated 17 November 2023 entered into between the Company and the Placing Agent in relation to the placing of Unsubscribed Rights Shares and the NQS Unsold Rights Shares
“Placing Arrangement”	the placing arrangement for the Unsubscribed Rights Shares and the NQS Unsold Rights Shares as described in the section headed “ <i>Placing Arrangement for the Unsubscribed Rights Shares and the NQS Unsold Rights Shares</i> ” in this announcement
“Placing”	the Company’s placing of 105,228,000 Shares at the placing price of HK\$0.25 under general mandate, which was completed on 19 September 2023
“Posting Date”	4 December 2023 or such other date as the Company may determine in writing for the despatch of the Prospectus Documents

“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Prospectus”	the prospectus to be issued by the Company in relation to the Rights Issue
“Prospectus Documents”	the Prospectus and the Provisional Allotment Letter
“Provisional Allotment Letter(s)” or “PAL(s)”	the provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue in such form as the Company may approve
“Qualifying Shareholder(s)”	Shareholder(s), other than the Non-Qualifying Shareholder(s), whose name(s) appear on the register of members of the Company as at the close of business on the Record Date
“Record Date”	1 December 2023, being the date by reference to which entitlements of the shareholders under the Rights Issue are expected to be determined
“Registrar”	the branch share registrar and transfer office of the Company, being Tricor Investor Services Limited at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Rights Issue”	the proposed offer of the Rights Shares to the Qualifying Shareholders at the Subscription Price, on the basis of one (1) Rights Share for every two (2) existing Shares held by each Qualifying Shareholder on the Record Date
“Rights Shares”	the new Share(s) to be allotted and issued in respect of the Rights Issue
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance
“Share(s)”	ordinary share(s) of the Company
“Share Option”	the share option(s) of the Company granted pursuant to the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Company on 28 September 2023

“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strategic Opportunity”	has the meaning as defined under the section headed “ <i>Reasons for the Rights Issue</i> ” in this announcement
“Subscription Price”	the subscription price of HK\$0.18 per Rights Share
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“subsidiary(ies)”	has the same meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Codes on Takeovers and Mergers and Share Buy-backs
“Target”	has the meaning as defined under the section headed “ <i>Reasons for the Rights Issue</i> ” in this announcement
“United States” or “US”	the United States of America (including its territories and dependencies, any state in the US and the District of Columbia)
“Unsubscribed Rights Shares”	the Rights Shares that are not subscribed by the Qualifying Shareholders, or holders of Nil Paid Rights
“US person(s)”	any person(s) or entity(ies) deemed to be a US person for the purposes of Regulation S under the US Securities Act of 1933, as amended
“%”	per cent or percentage

By order of the Board  
**Huabang Technology Holdings Limited**  
**Qu Hongqing**  
*Executive Director*

Hong Kong, 17 November 2023

*As at the date of this announcement, the executive Directors of the Company are Mr. Qu Hongqing, Mr. Chan Wing Sum and Ms. Kwok Ling Yee Pearl Elizabeth; and the independent non-executive Directors of the Company are Mr. Loo Hong Shing, Vincent, Mr. Li Huaqiang and Mr. Zhu Shouzhong.*