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**GUANGDONG – HONG KONG GREATER BAY AREA
HOLDINGS LIMITED
粵港灣控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1396)*

ISSUE AND SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

SUBSCRIPTION OF NEW SHARES

The Board announces that on 13 May 2024 (after trading hours), the Company entered into the Subscription Agreements with each of the Subscribers, pursuant to which the Company has conditionally agreed to allot and issue, and each of the Subscribers has conditionally agreed to subscribe for, an aggregate of 89,000,000 Subscription Shares at the Subscription Price of HK\$0.085 per Subscription Share.

The Subscription Shares represent (i) approximately 19.62% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.40% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, subject to completion of the Subscription (assuming that there will not be any changes in the issued share capital of the Company between the date of this announcement and the Completion Date save for the allotment and issue of the Subscription Shares).

It is expected that the gross proceeds from the Subscription will be approximately HK\$7,565,000. After deducting related professional fees and all related expenses to be borne by the Company under the Subscription, the net proceeds from the Subscription will amount to approximately HK\$ 7,065,000. The Company intends to use the net proceeds for the general working capital of the Group.

Completion of the Subscription is subject to fulfillment of the conditions precedent in the respective Subscription Agreement and the Subscription may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

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SUBSCRIPTION AGREEMENTS

The principal terms of each of the Subscription Agreements are identical (save as particulars of the Subscribers) . Set out below are the key terms of the Subscription Agreements.

Date: 13 May 2024

Parties:

- (1) the Company as issuer; and
- (2) each of the Subscribers as subscriber

Subscription Shares

The Subscription Shares represent (i) approximately 19.62% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.40% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares in aggregate, subject to completion of the Subscription (assuming that there will not be any changes in the issued share capital of the Company between the date of this announcement and the Completion Date save for the allotment and issue of the Subscription Shares).

Based on the par value of HK\$0.1 per Share, the aggregate nominal value of the 89,000,000 Subscription Shares will be HK\$8,900,000.

Subscription Price

The Subscription Price, being HK\$0.085 per Subscription Share, represents:

- (1) a discount of approximately 3.4% to the closing price of HK\$0.088 per Share as quoted on the Stock Exchange on the date of the Subscription Agreements; and
- (2) a discount of approximately 11.8% to the average closing price of HK\$0.096 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the date of the Subscription Agreements.

The Subscription Price was determined after arm's length negotiations between the Company and each of the Subscribers with reference to the prevailing market price of the Shares and recent trading volume of the Shares. Having considered the current market conditions, the Directors consider that the Subscription Price and the terms of the Subscription Agreements are on normal commercial terms are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Conditions Precedent To The Subscription

Completion of the Subscription under each of the Subscription Agreements is conditional upon the fulfilment of the following conditions:

- (1) the Board having approved such Subscription Agreement and the transactions contemplated thereunder;
- (2) the respective Subscriber having obtained all necessary authorizations and approvals for such Subscription Agreement and the transactions contemplated thereunder, and complied with the relevant laws and regulations of the PRC and Hong Kong; and
- (3) the Listing Committee of the Stock Exchange having granted approval for the listing of, and permission to deal in, the Subscription Shares and such approval and permission not subsequently being revoked or withdrawn.

If the above conditions are not fulfilled by 31 May 2024 or such other date as the parties to the respective Subscription Agreement may agree, the respective Subscription Agreement shall terminate and neither of the parties shall have any claim against the other for costs, damages, compensation or otherwise save for any antecedent breach of such Subscription Agreement.

Completion

Completion of the Subscription will take place on the fifth (5) Business Day after the fulfilment of the conditions precedent, or any other date as agreed by the parties to the respective Subscription Agreement in writing.

Completion of the Subscription under each of the Subscription Agreements is not interconditional with each other.

Lock-up Undertaking

Each of the Subscribers unconditionally and irrevocably undertakes to the Company that, for the period of three (3) months from the Completion Date, without the prior written consent of the Company, will not directly or indirectly: (i) offer, sell, transfer, or otherwise dispose of such Subscription Shares or any interests therein; or (ii) enter into any swap or derivatives that transfer the economic effect of ownership of such Subscription Shares or any interests therein; or (iii) announce any intention to enter into or effect any such transactions described in (i) or (ii) above.

RANKING OF THE SUBSCRIPTION SHARES

The Subscription Shares, when allotted and issued, will rank *pari passu* in all respects among themselves free from all liens, charges, pledges, encumbrances, and adverse claims, and with the Shares in issue on the date of allotment and issue of the Subscription Shares including all dividends declared or payable or distribution made or proposed on or after the Completion Date.

GENERAL MANDATE

The Subscription Shares will be allotted and issued pursuant to the General Mandate, which has been granted to the Directors to allot and issue up to 90,747,080 Shares. As at the date of this announcement, no Shares have been allotted and issued under the General Mandate. The General Mandate is sufficient for the allotment and issue of the Subscription Shares, and the issue of the Subscription Shares is not subject to the approval of the Shareholders.

APPLICATION FOR LISTING OF THE SUBSCRIPTION SHARES

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the Company has 453,735,400 Shares in issue. Set out below is a table showing the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon completion of the Subscription, assuming that all of the Subscription Shares are allotted and issued and there is no other change in the share capital of the Company between the date of this announcement and completion of the Subscription:

Name of Shareholder	As at the date of this announcement		Immediately after completion of the Subscription	
	Number of Shares	Approximate % shareholding	Number of Shares	Approximate % shareholding
China Guangdong – Hong Kong Greater Bay Area Holdings Limited ⁽¹⁾	276,443,711	60.93%	276,443,711	50.94%
Eminent Ascend Limited ⁽²⁾	33,280,000	7.33%	33,280,000	6.13%
Mr. He Fei	22,686,770	5.00%	22,686,770	4.18%
Public Shareholders				
Subscribers	–	–	89,000,000	16.40%
Other public Shareholders	121,324,919	26.74%	121,324,919	22.35%
Total	453,735,400	100.00%	542,735,400	100.00%

Notes:

- (1) China Guangdong – Hong Kong Greater Bay Area Holdings Limited is owned as to 84% by RXHD Holdings Limited. RXHD Holdings Limited is owned as to 100% by Solid Wealth Holdings Limited, and Solid Wealth Holdings Limited is owned as to 90% by Ms. Zeng Yan.
- (2) Eminent Ascend Limited is wholly-owned by Sunet Global Limited and in turn wholly-owned by Mr. Wong Kim.

INFORMATION ON THE GROUP AND THE SUBSCRIBERS

The Group is principally engaged in the development of residential and urban renewal projects in Guangdong-Hong Kong-Macao Greater Bay Area.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, as at the date of this announcement, each of the Subscribers and its ultimate beneficial owner(s) are Independent Third Parties. Upon Completion, none of the Subscribers will become a substantial Shareholder (as defined in the Listing Rules). As at the date of this announcement, the Subscribers are not interested in any Shares.

REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

The Directors consider that it is in the best interests of the Company and its shareholders to replenish the Group's general working capital for its operations and a good opportunity to broaden the shareholders base and capital base of the Company and to further improve its gearing ratio. In view of the above, the Directors are of the view that the terms of the Subscription Agreements (including the Subscription Price) and the transactions contemplated thereunder are on normal commercial terms agreed upon after arm's length negotiations between the parties, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Assuming all the Subscription Shares are fully subscribed, the gross proceeds from the Subscription are expected to be approximately HK\$7,565,000. After deducting related professional fees and all related expenses to be borne by the Company under the Subscription, the net proceeds of the Subscription will amount to approximately HK\$7,065,000. The Company intends to use the net proceeds for the general working capital of the Group.

EQUITY FUND RAISING ACTIVITIES BY THE COMPANY IN THE PAST TWELVE MONTHS

During the past 12 months immediately preceding the date of this announcement, the Company has not conducted any equity fund raising activities.

WARNING

Completion of the Subscription is subject to fulfillment of the conditions precedent in the respective Subscription Agreement and the Subscription may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	GUANGDONG – HONG KONG GREATER BAY AREA HOLDINGS LIMITED (stock code: 1396), a company incorporated in the Cayman Islands with limited liability, the shares of which is listed on the Main Board of the Stock Exchange
“Completion Date”	the fifth (5) Business Day after the fulfilment of the conditions precedent, or any other date as agreed by the parties to the respective Subscription Agreement in writing
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate granted to the Directors by the Shareholders at the annual general meeting of the Company held on 6 June 2023 to allot and issue up to 90,747,080 Shares
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and the connected persons of the Company in accordance with the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)

“PRC”	the People’s Republic of China excluding Hong Kong, the Macao Special Administrative Region and Taiwan for the purpose of this announcement
“Shareholder(s)”	holder(s) of the Shares
“Share(s)”	ordinary shares of the Company with a nominal value of HK\$0.1 each
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber (s)”	eight subscribers under the Subscription Agreements
“Subscription”	subscription of the Subscription Shares by the Subscribers pursuant to the Subscription Agreements, and with respect to each Subscription Agreement, the subscription of the relevant Subscription Shares by the relevant Subscriber pursuant to such Subscription Agreement
“Subscription Agreements”	the eight subscription agreements of identical terms (save as particulars of the Subscribers) entered into between the Company and each of the Subscribers in relation to the Subscriptions
“Subscription Price”	HK\$0.085 per Subscription Share
“Subscription Shares”	the 89,000,000 new ordinary shares to be subscribed by the Subscribers pursuant to the Subscription Agreements
“%”	per cent.

By Order of the Board
GUANGDONG – HONG KONG GREATER BAY AREA HOLDINGS LIMITED
LUO Jieping
Chairman and Executive Director

Hong Kong, 13 May 2024

As at the date of this announcement, the executive Directors of the Company are Mr. LUO Jieping, Mr. Wong Choi Hing, Mr. Cai Hongwen, Mr. He Fei and Ms. Wei Haiyan; the non-executive Director of the Company is Mr. Zeng Yunshu and the independent non-executive Directors of the Company are Mr. Guan Huanfei, Mr. Han Qinchun and Mr. Chen Yangsheng.