

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement appears for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.

Volcano Spring International Holdings Limited

火山邑動國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1715)

COMPLETION OF PLACING OF NEW SHARES UNDER SPECIFIC MANDATE

Placing Agent



Reference is made to the announcement of Volcano Spring International Holdings Limited (the “**Company**”) dated 10 May 2024 and the circular of the Company dated 31 May 2024 (the “**Circular**”) in relation to, among other matters, the Placing of 42,310,000 Placing Shares under Specific Mandate. Capitalised terms used herein shall have the same meanings as those defined in the Circular unless otherwise stated herein.

COMPLETION OF THE PLACING

The Board is pleased to announce that all the conditions set out in the Placing Agreement had been fulfilled and the completion of the Placing took place on 3 July 2024.

A total of 42,310,000 Placing Shares have been successfully placed by the Placing Agent to not less than six Placees at the Placing Price of HK\$0.52 per Placing Share pursuant to the terms and conditions of the Placing Agreement, representing approximately (i) 55.96% of the issued share capital of the Company immediately before Completion; and (ii) 35.88% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares.

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, (i) the Placees are individual, institutional or professional investors, who and whose ultimate beneficial owners are Independent Third Parties; and (ii) one of the Placees has become a substantial shareholder (as defined under the Listing Rules) of the Company immediately after Completion.

Among the total number of Placing Shares that have been successfully placed, 22,000,000 Placing Shares have been placed to Mr. Zhao Jie (“**Mr. Zhao**”). In addition to the 3,780,000 Shares held by Mr. Zhao immediately before Completion, the total number of Shares held by Mr. Zhao increased to 25,780,000 Shares immediately after Completion, representing approximately 21.86% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares. Accordingly, Mr. Zhao became a substantial Shareholder immediately after Completion.

Mr. Zhao is an entrepreneur with over 10 years of extensive experience in financial management and capital market services. In 2006, Mr. Zhao co-founded Shenzhen Zero Latitude Digital Technology Co., Ltd.* (深圳市零緯度數位科技有限公司), which was principally engaged in the provision of comprehensive customer relationship management solutions and strategic marketing planning services for government and real estate companies. In 2009, Mr. Zhao founded Shenzhen Tengwei Chuangzhan New Media Co., Ltd.* (深圳市騰為創展新媒體有限公司), which was principally engaged in the creation of exhibition content specifically for government and real estate companies. From 2014 to 2019, Mr. Zhao served as the Managing Director of Shenzhen Huayang Capital Holdings Co., Ltd.* (深圳華洋資本控股有限公司), responsible for project investment and financing and coordinating internal operations. From 2019 to 2020, he served as the Managing Director of Four Seas Changshi Joint Holdings Co., Ltd.* (四海長實聯合控股有限公司), providing professional financial advisory services. Since 2020, Mr. Zhao has been the founder and chairman of Shenzhen Jieshengsi Consulting Co., Ltd.* (深圳傑晟思顧問有限公司), which is principally engaged in the provision of mergers and acquisitions consulting, financial consulting, and capital market advisory services.

USE OF PROCEEDS

The net proceeds (after deducting the placing commission and other related expenses and professional fees) from the Placing amounted to approximately HK\$21.0 million. The net placing price per Placing Share will be approximately HK\$0.50.

The Company intends to apply approximately HK\$20.0 million or 95.2% of the net proceeds from the Placing towards the repayment of the Group’s other borrowing; and approximately HK\$1.0 million, or 4.8% of the net proceeds from the Placing to replenish the Group’s general working capital.

EFFECTS ON SHAREHOLDING STRUCTURE

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

Shareholders	Immediately before Completion		Immediately after Completion	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
Seashore Global Enterprises Limited ("Seashore Global") (Note)	15,000,000	19.84	15,000,000	12.72
Mr. Zhao	3,780,000	5.00	25,780,000	21.86
Other Placees	–	–	20,310,000	17.22
Other public Shareholders	56,832,000	75.16	56,832,000	48.20
Total	75,612,000	100	117,922,000	100

Note: The issued shares of Seashore Global are wholly-owned by Mr. Wu Huizhang. On 5 July 2022, the Company signed an agreement to pledge a total of 15,000,000 ordinary shares of the Company, which owned by Seashore Global to Kingston Finance Limited as security for loan facilities provided to the Company.

By order of the Board
Volcano Spring International Holdings Limited
Maeck Can Yue
Chairperson

Hong Kong, 3 July 2024

As at the date of this announcement, the executive Directors of the Company are Madam Maeck Can Yue and Mr. Wu Huizhang, and the independent non-executive Directors of the Company are Mr. Wang Shih-fang, Mr. Shen Shujing, Mr. Lin Dongming and Mr. Li Wei.

* For identification purpose only