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YOUNGO 粵港灣

**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)

**(I) PROPOSED RIGHTS ISSUE ON THE BASIS OF
ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING SHARES
HELD ON THE RECORD DATE
(II) PROPOSAL FOR INCREASE IN AUTHORISED SHARE CAPITAL
(III) PROPOSED CHANGE IN BOARD LOT SIZE
AND
(IV) CLOSURE OF REGISTER OF MEMBERS**

PROPOSED RIGHTS ISSUE

The Company proposes to implement the Rights Issue on the basis of one (1) Rights Share for every two (2) existing Shares held by the Qualifying Shareholders on the Record Date, at the Subscription Price of HK\$0.23 per Rights Share, to raise gross proceeds of approximately HK\$62.41 million before deducting the costs and expenses by way of issuing up to 271,367,700 Rights Shares (assuming no change in the issued share capital of the Company on or before the Record Date other than the allotment and issue of the Rights Shares). The Rights Issue is not underwritten and will not be extended to the Excluded Shareholder(s) (if any).

The estimated net proceeds of the Rights Issue, if fully subscribed, will be up to approximately HK\$61.30 million (assuming no change in the issued share capital of the Company on or before the Record Date other than the allotment and issue of the Rights Shares).

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares.

The Rights Shares, when allotted, issued and fully paid, will rank *pari passu* in all respects among themselves and with the Shares in issue at the time. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid by the Company after the date of allotment and issue of the Rights Shares in their fully-paid form.

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

In order to facilitate the issuance of the Rights Shares pursuant to the implementation of the Rights Issue and to provide the Company with greater flexibility in fund-raising to accommodate and enhance future business growth, the Board of Directors proposes to implement the Increase in Authorised Share Capital. The Increase in Authorised Share Capital is subject to the approval of the Shareholders by way of passing an ordinary resolution at the EGM.

The EGM will be convened for the Shareholders to consider and, if thought fit, approve the Increase in Authorised Share Capital. A circular containing, among other things, (i) further details of the Increase in Authorised Share Capital; and (ii) notice of the EGM, is expected to be despatched to the Shareholders on or before 6 September 2024.

PROPOSED CHANGE IN BOARD LOT SIZE

The Board proposes that the board lot size of the Shares for trading on the Stock Exchange will be changed from 2,000 Shares to 8,000 Shares with effect from 9:00 a.m. on Monday, 7 October 2024. The Change in Board Lot Size will not result in any change in the relative rights of the Shareholders. Shareholders should take note that Shareholders' approval is not required for the Change in Board Lot Size.

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

As at the date of this announcement, there are 1,200,000 outstanding Share Options granted by the Company exercisable into 1,200,000 Shares. 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).

Save for the foregoing, as at the date of this announcement, the Company had no outstanding debt securities, derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into Shares prior to the Record Date. The Company has no intention to issue or grant any Shares, convertible securities, warrants and/or options on or before the Record Date.

CLOSURE OF REGISTER OF MEMBERS OF THE COMPANY

The register of members of the Company will be closed from Tuesday, 17 September 2024 to Monday, 23 September 2024 (both days inclusive) determining the identity of the Shareholders entitled to attend and vote at the EGM.

The register of members of the Company will be closed from Friday, 27 September 2024 to Friday, 4 October 2024 (both days inclusive) for determining the entitlements to the Rights Issue during which period no transfer of Shares will be registered.

LISTING RULES IMPLICATIONS

As the proposed Rights Issue will not increase the number of issued Shares 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) and the Rights Issue is not underwritten by a Director, chief executive or substantial shareholder of the Company (or any of their respective close associates), 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)(a) of the Listing Rules.

The theoretical diluted price, the benchmarked price and the theoretical dilution effect (as those terms are defined under Rule 7.27B of the Listing Rules) for the Rights Issue are approximately HK\$0.281 per Share, HK\$0.306 per Share and approximately 8.28%, respectively. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

GENERAL

Subject to the fulfillment of certain conditions of the Rights Issue including the registration of the Prospectus Documents in accordance with the applicable laws and regulations, the Prospectus Documents setting out details of the Rights Issue will be despatched to the Qualifying Shareholders on or about Monday, 7 October 2024. To the extent reasonably practicable, the Prospectus will be despatched to the Excluded Shareholder(s) (if any) for information only.

A copy of the Prospectus will also be made available on the websites of the Company (www.youngogroup.com) and the Stock Exchange (www.hkexnews.hk). Shareholders and potential investors should exercise caution in dealing in the Shares.

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

The Rights Issue is subject to the fulfilment of conditions including, amongst other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Please refer to the section headed “Conditions of the Rights Issue” in this announcement. Shareholders and potential investors of the Company should note that if the conditions to the Rights Issue are not satisfied, the Rights Issue will not proceed.

Any dealings in the Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled, and any Shareholders dealing in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

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

Shareholders and potential investors of the Company contemplating any dealings in the Shares and/or Rights Shares in their nil-paid form are advised to exercise Caution and recommended to consult their professional advisers.

PROPOSED RIGHTS ISSUE

The Company proposes to implement the Rights Issue on the basis of one (1) Rights Share for every two (2) existing Shares held by the Qualifying Shareholders on the Record Date, at the Subscription Price of HK\$0.23 per Rights Share, to raise gross proceeds of approximately HK\$62.41 million before deducting the costs and expenses by way of issuing up to 271,367,700 Rights Shares (assuming no change in the issued share capital of the Company on or before the Record Date other than the allotment and issue of the Rights Shares), details of the Rights Issue are set out as follows:

Issue statistics

Basis of the Rights Issue	:	One (1) Rights Share for every two (2) existing Shares held by the Qualifying Shareholders on the Record Date
Subscription Price	:	HK\$0.23 per Rights Share
Number of Shares in issue as at the date of this announcement	:	542,735,400 Shares
Number of Rights Shares to be issued pursuant to the Rights Issue	:	Up to 271,367,700 Rights Shares (assuming no change in the issued share capital of the Company on or before the Record Date other than the allotment and issue of the Rights Shares)
Aggregate nominal value of the Rights Shares:	:	Up to HK\$27,136,770.00 (assuming no change in the issued share capital of the Company on or before the Record Date other than the allotment and issue of the Rights Shares)
Number of Shares in issue immediately upon completion of the Rights Issue	:	Up to 814,103,100 Shares (assuming (i) the passing of the ordinary resolution at the EGM in approving the Increase in Authorised Share Capital; and (ii) no change in the issued share capital of the Company on or before the Record Date other than the allotment and issue of the Rights Shares)
Amount to be raised by the Rights Issue before expenses	:	Up to approximately HK\$62.41 million (assuming no change in the issued share capital of the Company on or before the Record Date other than the allotment and issue of the Rights Shares and all the Rights Shares will be taken up)
Right of excess applications	:	Qualifying Shareholders are entitled to apply for the Rights Shares in excess of their provisional allotment pursuant to Rule 7.21(1)(a) of the Listing Rules

Assuming that there is no change in the issued share capital of the Company from the date of this announcement up to the Record Date other than the allotment and issue of the Rights Shares, the maximum number of 271,367,700 Rights Shares to be issued and allotted pursuant to the Rights Issue (i) represent 50.00% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 33.33% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares.

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

Subscription Price

The Subscription Price of HK\$0.23 per Rights Share is payable in full when a Qualifying Shareholder accepts the relevant provisional allotment of Rights Shares or applies for excess Rights Shares or when a transferee of nil-paid Rights Shares applies for the relevant Rights Shares.

The Subscription Price represents:

- (a) a discount of approximately 22.03% to the closing price of HK\$0.295 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 21.77% to the average closing price of HK\$0.294 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the Last Trading Day;
- (c) a discount of approximately 26.63% to the average closing price of approximately HK\$0.314 per Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days up to and including the Last Trading Day;
- (d) a discount of approximately 15.85% to the theoretical ex-rights price of approximately HK\$0.273 per Share based on the closing price of HK\$0.295 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (e) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) represented by a discount of approximately 8.28%, represented by the theoretical diluted price of approximately HK\$0.281 per Share to the benchmarked price (as defined under Rule 7.27B of the Listing Rules) of approximately HK\$0.306 per Share, taking into account the closing price on the Last Trading Day of HK\$0.295 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five (5) previous consecutive trading days prior to the date of this announcement of HK\$0.306 per Share;

- (f) a discount of approximately 94.87% to the consolidated net asset value per Share of approximately RMB4.125 (representing approximately HK\$4.484) based on the latest published audited net asset value attributable to owners of the Company of approximately RMB2,238.66 million (representing approximately HK\$2,433.33 million) as disclosed in the annual report of the Company for the year ended 31 December 2023 and 542,735,400 Shares in issue as at the date of this announcement); and
- (g) a discount of approximately 90.50% to the consolidated net asset value per Share of approximately RMB2.226 (representing approximately HK\$2.420) based on the latest published unaudited net asset value attributable to owners of the Company of approximately RMB1,208.37 million (representing approximately HK\$1,313.44 million) as disclosed in the interim report of the Company for the six (6) months ended 30 June 2024 and 542,735,400 Shares in issue as at the date of this announcement).

The Subscription Price was determined with reference to, among others, (i) the market price of the Shares under the prevailing market conditions and the Shares' recent trading volume; (ii) the financial position of the Group; and (iii) the reasons as discussed in the section headed "REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS" in this announcement.

With respect to the Subscription Price, the Directors are of the view that the Subscription Price is set at a level considerably lower than that of the price of the Shares as at the date of this announcement, which enhances the attractiveness of the Rights Issue, and in turn encourages the Qualifying Shareholders to participate in the Rights Issue and subscribe for the Rights Shares in proportion to such Qualifying Shareholders' existing shareholding in the Company.

Therefore, with respect to the above factors, the Directors consider that the terms of the Rights Issue, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The net price per Rights Share (i.e. Subscription Price less cost and expenses incurred in the Rights Issue) upon full acceptance of the provisional allotment of Rights Shares is estimated to be approximately HK\$0.226 (assuming no change in the issued share capital of the Company on or before the Record Date other than the allotment and issue of the Rights Shares).

Non-underwritten basis

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the ultimate level of acceptances of the provisionally allotted Rights Shares.

In the event that there is an under-subscription of the Rights Issue, the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue, and there are no applicable statutory requirements under the laws of the Cayman Islands regarding minimum subscription levels in respect of the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, the Shareholder who applies to take up all or part of his/her/its entitlement under the PAL(s) or applies for excess Rights Shares under the EAF 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 Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder for his/her/its assured entitlement under the Rights Issue under the PAL or for excess Rights Shares under the EAF 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.

Status of the Rights Shares

The Rights Shares, when allotted, issued and fully paid, will rank *pari passu* in all respects among themselves and with the Shares in issue at the time. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid by the Company after the date of allotment and issue of the Rights Shares in their fully-paid form.

Basis of provisional allotment

The basis of the provisional allotment shall be one (1) Rights Share (in nil-paid form) for every two (2) existing Shares held by the Qualifying Shareholder as at the close of business on the Record Date.

The PAL relating to the Rights Shares will be enclosed with the Prospectus entitling the Qualifying Shareholders to whom it is addressed to subscribe for the Rights Shares as shown therein. Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing a PAL and lodging the same with a remittance by cheque or banker's cashier order for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance.

Any holdings (or balance of holdings) of less than two (2) Shares will not entitle their holders to be provisionally allotted a Rights Share. Please refer to the arrangement as referred to in the section headed "Fractional entitlements to the Rights Shares" below.

Qualifying Shareholders

The Rights Issue will only be available to the Qualifying Shareholders and will not be available to the Excluded Shareholders on the Record Date. The Company will despatch the Prospectus Documents to the Qualifying Shareholders on the Prospectus Posting Date. The Company will, to the extent permitted under the relevant laws and regulations and reasonably practicable, despatch the Prospectus (without the PAL or the EAF) to the Excluded Shareholders (if any) for their information only.

To qualify for the Rights Issue, a Shareholder (i) must be registered as a member of the Company; and (ii) is not an Excluded Shareholder.

In order to be registered as a member of the Company on the Record Date, a Shareholder must lodge the relevant transfer(s) of Share(s) (with the relevant share certificates and instruments of transfer) with the Registrar at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong by 4:30 p.m. on Thursday, 26 September 2024.

The last day of dealings in the Shares on a cum-rights basis is Tuesday, 24 September 2024. The Shares will be dealt with on an ex-rights basis from Wednesday, 25 September 2024.

Shareholders with their Shares held by a nominee (or held in CCASS) should note that the Board will consider the nominee (including HKSCC Nominees Limited) as one single Shareholder according to the register of members of the Company.

Shareholders with their Shares held by a nominee (or held in CCASS) are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own names prior to the Record Date. For investors whose Shares are held by a nominee (or held in CCASS) and would like to have their names registered on the register of members of the Company, they must lodge all necessary documents with the Registrar at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 26 September 2024.

Qualifying Shareholders who take up their pro rata entitlement in full will not suffer 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 accordingly diluted.**

Rights of Overseas Shareholders (if any)

The Prospectus Documents will not be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong. Overseas Shareholders may not be eligible to take part in the Rights Issue as explained below.

Pursuant to Rule 13.36 of the Listing Rules, the Directors will make enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholder(s) under the laws of the relevant overseas jurisdictions and the requirements of the relevant regulatory bodies or stock exchanges. If, after making such enquiries, the Directors are of the opinion that it would be necessary or expedient 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 to exclude such Overseas Shareholder(s) from the Rights Issue, no Rights Shares (whether in nil-paid or fully-paid form) will be offered to such Overseas Shareholder(s). In such circumstances, the Rights Issue will not be extended to the Excluded Shareholder(s). In such circumstances, the Company will send the Prospectus to the Excluded Shareholders for their information only but will not send the PAL and/or EAF(s) to them. The results of the enquiries and basis for excluding the Excluded Shareholders, if any, from the Rights Issue, will be set out in the Prospectus.

Arrangements will be made for the Rights Shares which would otherwise have been provisionally allotted to the Excluded Shareholders to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence on the Stock Exchange and in any event before the last day for dealings in nil-paid Rights Shares if a premium (net of expenses) can be obtained. Proceeds of each sale, less expenses and stamp duty, above HK\$100 will be distributed by the Company to the relevant Excluded Shareholders pro rata to their shareholdings on the Record Date (but rounded down to the nearest cent) in Hong Kong dollars. The Company will retain individual amounts of HK\$100 or less for the benefit of the Company. Any unsold nil-paid Rights Shares of the Excluded Shareholders will be made available for excess application by the Qualifying Shareholders.

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue, subject to the results of enquiries made by the Directors pursuant to Rule 13.36(2)(a) of the Listing Rules. 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, Overseas Shareholders should exercise caution when dealing in the securities of the Company.

Fractional entitlements to the Rights Shares

The Company will not provisionally allot and will not accept applications for any fractions of the Rights Shares and the entitlements of the Qualifying Shareholders will be rounded down to the nearest whole number. All fractions of the Rights Shares will be aggregated (and rounded down to the nearest whole number). All nil-paid Rights Shares arising from such aggregation will be provisionally allotted (in nil-paid form) and sold in the market as soon as practicable after dealings in the nil-paid Rights Shares commence and in any event before the dealings in nil-paid Rights Shares end, for the benefit of the Company if a premium in excess of all expenses of sale can be obtained, and the Company will retain the proceeds from such sale. Any unsold fractions of Rights Shares will be made available for excess application by the Qualifying Shareholders as described in the section headed “Application for Excess Rights Shares” below.

Application for Excess Rights Shares

The Company shall make the excess Rights Shares available for subscription by the Qualifying Shareholders by means of EAF, and the excess Rights Shares represent:

- (i) any entitlements of the Excluded Shareholders provisionally allotted to a nominee of the Company which are left unsold;
- (ii) any Rights Share(s) (in nil-paid form) provisionally allotted but not accepted by any of the Qualifying Shareholders prior to the Latest Time for Acceptance; and
- (iii) any unsold Rights Shares arising out of the aggregation of fractional entitlements.

Application for excess Rights Shares can be made only by duly completing and signing an EAF (in accordance with the instructions printed therein) and lodging the same with a separate cheque or banker's cashier order for the sum payable for the excess Rights Shares being applied for with the Registrar at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by not later than 4:00 p.m. on Tuesday, 22 October 2024 (Hong Kong time).

The Directors will allocate the excess Rights Shares (if any) at their discretion on a fair and equitable basis and on a pro rata basis in proportion to the number of excess Rights Shares being applied for under each application. No reference will be made to Rights Shares subscribed through applications by PAL(s) or the existing number of Shares held by Qualifying Shareholders. If the aggregate number of Rights Shares not taken up by the Qualifying Shareholders under PAL(s) is greater than the aggregate number of excess Rights Shares applied for through EAF(s), the Directors will allocate in full to each Qualifying Shareholder the number of excess Rights Shares applied for under the EAF(s).

In applying the above principles, reference will only be made to the number of excess Rights Shares being applied for. No preference will be given to topping up odd lots to whole board lots.

The latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares is expected to be at 4:00 p.m. on Tuesday, 22 October 2024 (Hong Kong time).

Shareholders with Shares held by a nominee (or which are held in CCASS) should note that the Board will consider the nominee (including HKSCC Nominees Limited) as one single Shareholder according to the register of members of the Company. Accordingly, such Shareholders should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to the relevant beneficial owners individually.

Shareholders with Shares held by a nominee (or which are held in CCASS) are advised to consider whether they would like to arrange for the registration of their relevant Shares under the names of the beneficial owners prior to the Record Date for the purpose of the Rights Issue. Shareholders and investors should consult their professional advisers if they are in doubt as to their status.

Conditions of the Rights Issue

The Rights Issue is conditional upon the following conditions:

- (i) the passing by the Shareholders at the EGM of the necessary resolution(s) to approve the Increase in Authorised Share Capital;
- (ii) the Listing Committee granting or agreeing to grant and not having withdrawn or revoked the listing of, and permission to deal in, all the Rights Shares (in their nil-paid and fully-paid forms);
- (iii) the electronic delivery to the Stock exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively of one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the Listing Rules and the Companies (WUMP) Ordinance by no later than the Prospectus Posting Date; and
- (iv) the posting of the Prospectus Documents to the Qualifying Shareholders (and where applicable, the posting of the Prospectus to the Excluded Shareholders, if any, for information purposes only) by the Prospectus Posting Date.

None of the above conditions can be waived. As at the date of this announcement, none of the conditions has been satisfied. If any of the conditions precedent are not satisfied by Monday, 28 October 2024 (or where time is specified, such condition(s) precedent is not satisfied at or prior to such time stipulated therein), the Rights Issue will not proceed.

As the proposed Rights Issue is subject to the above conditions, such Rights Issue may or may not proceed. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the Shares.

Application for listing of the Rights Shares

The Company will apply to the Listing Committee for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms to be issued and allotted pursuant to the Rights Issue. No part of the share capital of the Company is listed or dealt in or on which listing or permission to deal in is being or is proposed to be sought on any other stock exchange.

Dealing in the Rights Shares in both their nil-paid and fully-paid forms will be in the new board lots of 8,000 Rights Shares.

Rights Shares will be eligible for admission into CCASS

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their 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 respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates 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 trading 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.

Odd lots arrangements and matching services

To alleviate the difficulties in trading odd lots of the Shares arising from the Rights Issue, the Company has appointed Computershare Hong Kong Investor Services Limited as an agent to provide matching services on a best effort basis to the Shareholders who wish to top up or sell their holdings of odd lots of the Shares during the period from 9:00 a.m. on Monday, 7 October 2024 to 4:00 p.m. on Wednesday, 20 November 2024 (both days inclusive).

Holders of the Shares in odd lot who wish to take advantage of this facility to either dispose of their odd lots of the Shares or top up their odd lots to a full board lot may directly or through their brokers contact Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (telephone number: (852) 2862 8555) during office hours within such period. Shareholders would like to match odd lots are recommended to make an appointment in advance by dialing the telephone number of Computershare Hong Kong Investor Services Limited set forth above.

Holders of the Shares in odd lots should note that successful matching of the sale and purchase of odd lots of the Shares is not guaranteed. The Shareholders are recommended to consult their professional advisers if they are in doubt about the above arrangements.

Stamp duty and other applicable fees

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

Shareholders should seek advice from their stockbrokers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Taxation

Qualifying Shareholders are recommended to consult their professional advisers if they are in doubt as to the taxation implications of subscribing for the Rights Shares, or about purchasing, holding or disposals of, or dealings in or exercising any rights in relation to the Shares or the Rights Shares, and similarly, the Excluded Shareholders (if any) as regards their receipt of the net proceeds of sale of the Rights Shares otherwise falling to be issued to them under the Rights Issue under the laws of jurisdictions in which they are liable to taxation. It is emphasised that none of the Company, the Directors nor any other parties involved in the Rights Issue accepts responsibility for any tax effects on, or liabilities of, any person resulting from subscribing for, purchasing, holding, disposal of, dealings in or exercising any rights in relation to the Shares or the Rights Shares.

Share certificates and refund cheques for the Rights Issue

Subject to the fulfilment of the conditions of the Rights Issue as set out in the sub-section headed “Conditions of the Rights Issue” in this announcement, share certificates for all fully-paid Rights Shares are expected to be posted on or about Wednesday, 30 October 2024 by ordinary post to the allottees (i.e. those who have validly accepted and paid for the Rights Shares and those successful applicants for the excess Rights Shares), at their own risk, to their registered addresses.

If the Rights Issue does not become unconditional, refund cheques will be posted on or before Wednesday, 30 October 2024 by ordinary post to the respective Shareholders, at their own risk, to their registered addresses. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) will be despatched on or before Wednesday, 30 October 2024 by ordinary post to the addresses as aforesaid at the respective Shareholders’ own risks.

REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND THE USE OF PROCEEDS

The Company is an investment holding company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the main board of the Stock Exchange. The Group is principally engaged in the development, sales and operation of residential properties, commercial trade and logistics centers in the PRC.

The real estates market of the PRC is currently undergoing a period of fundamental adjustment. Despite the frequent implementation of housing support policies since 2023, the real estates market continued to decline in the first half of 2024. Affected by various unfavorable factors such as macro economy, real estate market environment and financial environment, the Group has been under enormous operating, financial and cash flow pressure. In light of this, the Group has implemented a wide range of measures including optimizing the terms of overseas US dollar bonds, extending and reducing interest rates on loans to domestic financial institutions, accelerating sales and collection, increasing efforts to recover various receivables, asset disposal, cost savings, and other means in order to bolster liquidity. Despite the efforts, the sales performance has remained unsatisfying and persistently declined, and the Group has incurred net loss for three consecutive years since 2021, asset disposals and collection of other receivables had been difficult and slow in light of the adverse market condition.

In order to ensure the delivery of properties and the operation and long-term development of the Group, as part of these efforts, the Company proposed to raise funds through Rights Issue. The Board has considered the difficulty, the costs and benefits of different fund-raising alternatives available to the Group, and the possible impact on the interest savings, and considers that the Rights Issue is a preferred option as it would provide additional equity to the Group without incurring additional debts and paying interest expenses. This is particularly important for the Group considering the liquidity pressure.

With respect to the Rights Issue, the Qualifying Shareholders who take up their pro rata entitlement in full will not suffer 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), and it would provide an opportunity to the Qualified Shareholders to apply for the Rights Shares on a pro rata basis at the Subscription Price and, subject to market demand, would provide the Qualifying Shareholders with the flexibility to sell some or all their provisional allotment in the open market and realise the cash value therefrom. Accordingly, the Directors consider that the Rights Issue is beneficial and is in the interests of the Company and the Shareholders as a whole.

The Company may raise, through the Rights Issue, gross proceeds of up to approximately HK\$62.41 million and the net proceeds (after deducting the relevant costs and expenses of the Rights Issue) of up to approximately HK\$61.30 million, assuming the full acceptance of the Rights Issue and no new Shares will be allotted or issued on or before the Record Date. If there is an under-subscription of the Rights Issue, the amount of the net proceeds of the Rights Issue will reduce accordingly. The Company intends to apply the net proceeds from the Rights Issue for general working capital purpose including the payment of construction amount to ensure the property deliveries, the payment of tax expenses, the payment of interests for bank loans, and other daily operating expenses such as the staff cost, the rental expense and other maintenance expense. **For the avoidance of doubt, those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and Excluded Shareholder(s) (if any) should note that their shareholdings will be diluted.**

EQUITY FUND-RAISING ACTIVITIES OF THE COMPANY DURING THE PAST 12 MONTHS

The following are fund-raising activities of the Company during the past 12 months immediately preceding the date of this announcement:

Date of announcements	Fund-raising activity	Net proceeds		
		raised (approximately)	Intended use of net proceeds	Actual use of net proceeds
13 May 2024, 14 May 2024 and 28 May 2024	Subscription of new shares	HK\$8,400,000.00	General working capital of the Group	Used as intended

EFFECTS OF THE RIGHTS ISSUE ON SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming there is no change in the issued share capital of the Company other than the allotment and issue of the Rights Shares from the date of this announcement up to and including the date of completion of the Rights Issue, to the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, for illustrative purpose only, set out below is the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon completion of the Rights Issue assuming full acceptance of the Rights Shares by the existing Shareholders:

Shareholders	As at the date of this announcement		Immediately upon completion of the Rights Issue assuming full acceptance of the Rights Shares by the existing Shareholders	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
China Guangdong – Hong Kong Greater Bay Area Holdings Limited (“China GBA Holdings”) (Note 1)	276,443,711	50.94	414,665,566	50.94
Eminent Ascend Limited (Note 2)	33,280,000	6.13	49,920,000	6.13
Mr. He Fei (Note 3)	22,686,770	4.18	34,030,155	4.18
Other Public Shareholders	210,324,919	38.75	315,487,379	38.75
Total (Note 4)	<u>542,735,400</u>	<u>100.00</u>	<u>814,103,100</u>	<u>100.00</u>

Notes:

1. China GBA Holdings is owned as to 84% by Ruixinhaide Holdings Limited (“**RXHD Holdings**”), RXHD Holdings is owned as to 100% by Solid Wealth Holdings Limited (“**Solid Wealth**”), and Solid Wealth is owned as to 90% by Ms. Zeng Yan. By virtue of Part XV of the SFO, Ms. Zeng Yan is deemed to be interested in the 276,443,711 Shares through China Greater Bay Area Holdings, RXHD Holdings and Solid Wealth, representing approximately 50.94% of the issued shares of the Company. Furthermore, the spouse of Ms. Zeng Yan (Mr. Luo Jieping, an executive Director) is also deemed to be interested in the Shares which Ms. Zeng Yan is interested in under Part XV of the SFO.
2. Eminent Ascend Limited is wholly-owned by Sunet Global Limited, which in turn wholly-owned by Mr. Wong Kim, hence each of Sunet Global Limited and Mr. Wong Kim is deemed to be interested in all the Shares held by Eminent Ascend Limited, and the spouse of Mr. Wong Kim is deemed to be interested in the Shares which Mr. Wong Kim is interested in under Part XV of the SFO.
3. Mr. He Fei, an executive Director, beneficially owns 22,686,770 shares of the Company, and the spouse of Mr. He Fei is deemed to be interested in the Shares which Mr. He Fei is interested in under Part XV of the SFO. Furthermore, Mr. He Fei also holds 1,200,000 share options of the Company.
4. Shareholders and public investors should note that the above shareholding scenarios are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Rights Issue are subject to various factors, including the results of acceptance of the Rights Issue.

The public float requirements under the Listing Rules shall be maintained by the Company at all times, and the Company will take all appropriate steps to ensure that sufficient public float shall be at all times in compliance with Rule 8.08 of the Listing Rules.

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

In order to facilitate the issuance of the Rights Shares pursuant to the implementation of the Rights Issue and to provide the Company with greater flexibility in fund-raising to accommodate and enhance future business growth, the Board proposes to implement the Increase in Authorised Share Capital, with an increase in the Company’s authorised share capital from HK\$80,000,000 divided into 800,000,000 Shares to HK\$500,000,000 divided into 5,000,000,000 Shares by the creation of additional 4,200,000,000 Shares. The Increase in Authorised Share Capital is subject to the approval of the Shareholders by way of passing an ordinary resolution at the EGM.

The EGM will be convened for the Shareholders to consider and, if thought fit, approve the Increase in Authorised Share Capital. A circular containing, among other things, (i) further details of the Increase in Authorised Share Capital; and (ii) notice of the EGM, is expected to be despatched to the Shareholders on or before 6 September 2024.

PROPOSED CHANGE IN BOARD LOT SIZE

The Board proposes that the board lot size of the Shares for trading on the Stock Exchange will be changed from 2,000 Shares to 8,000 Shares with effect from 9:00 a.m. on Monday, 7 October 2024. Pursuant to the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by The Hong Kong Exchange and Clearing Limited, the expected value per board lot should be greater than HK\$2,000 taking into account the minimum transaction costs for a securities trade. The Change in Board Lot Size will not result in any change in the relative rights of the Shareholders. The Board is of the opinion that the Change in Board Lot Size is in the interests of the Company and its Shareholders as a whole. Shareholders should take note that Shareholders’ approval is not required for the Change in Board Lot Size.

Based on the theoretical ex-rights price of approximately HK\$0.273 per Share (calculated based on the closing price of HK\$0.295 per Share as quoted on the Stock Exchange on the Last Trading Day), the market value of each existing board lot is approximately HK\$546 and the estimated market value of each proposed new board lot is approximately HK\$2,184.

To alleviate the difficulties in trading odd lots of the Shares arising from the change in board lot size of the Shares, the Company has appointed Computershare Hong Kong Investor Services Limited as an agent to provide matching services on a best effort basis to the Shareholders who wish to top up or sell their holdings of odd lots of the Shares during the period from 9:00 a.m. on Monday, 7 October 2024 to 4:00 p.m. on Wednesday, 20 November 2024 (both days inclusive).

Holders of the Shares in odd lot who wish to take advantage of this facility to either dispose of their odd lots of the Shares or top up their odd lots to a full board lot may directly or through their brokers contact Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong (telephone number: (852) 2862 8555) during office within such period. Shareholders would like to match odd lots are recommended to make an appointment in advance by dialing the telephone number of Computershare Hong Kong Investor Services Limited set forth above.

Holders of the Shares in odd lots should note that successful matching of the sale and purchase of odd lots of the Shares is not guaranteed. The Shareholders are recommended to consult their professional advisers if they are in doubt about the above arrangements. Further details in respect of the odd lots arrangement will be set out in the Prospectus.

All existing share certificates in board lot of 2,000 Shares will remain good evidence of the legal title to the Shares and continue to be valid for delivery, transfer, trading and settlement purposes. No new share certificates for existing Shareholders will be issued as a result of the change in the board lot size, and therefore no arrangement for free exchange of existing share certificates in board lot size of 2,000 Shares to new share certificate in board lot size of 8,000 Shares is necessary.

EXPECTED TIMETABLE OF THE RIGHTS ISSUE

The expected timetable for the Rights Issue, Increase in Authorised Share Capital and Change in Board Lot Size is set out below:

Events	Time and Date
Publication of the Rights Issue announcement.	Monday, 2 September 2024
Expected despatch date of circular in relation to the Increase in Authorised Share Capital with notice and form of proxy for the EGM.	Friday, 6 September 2024
Latest time for lodging transfers of Shares to qualify for attendance and voting at the EGM	4:30 p.m. on Monday, 16 September 2024
Closure of register of members of the Company for attending the EGM (both dates inclusive).	Tuesday, 17 September 2024 to Monday, 23 September 2024
Latest time for lodging forms of proxy for the purpose of the EGM.	10:30 a.m. on Saturday, 21 September 2024
Record date for determining attendance and voting at the EGM.	Monday, 23 September 2024
Expected date and time of the EGM.	10:30 a.m. on Monday, 23 September 2024
Announcement of poll results of the EGM.	Monday, 23 September 2024
Last day of dealings in Shares on a cum-rights basis relating to the Rights Issue	Tuesday, 24 September 2024
First day of dealings in Shares on an ex-rights basis relating to the Rights Issue	Wednesday, 25 September 2024

Events	Time and Date
Latest time for lodging transfer of the Shares in order to qualify for the Rights Issue.	4:30 p.m. on Thursday, 26 September 2024
Closure of the register of members of the Company for the Rights Issue (both dates inclusive)	Friday, 27 September 2024 to Friday, 4 October 2024
Record Date for determining entitlements to the Rights Issue	Friday, 4 October 2024
Register of members of the Company re-opens (in respect of the Rights Issue)	Monday, 7 October 2024
Despatch of the Prospectus Documents to the Qualifying Shareholders (in the case of Excluded Shareholders, the Prospectus only)	Monday, 7 October 2024
Effective date of change in board lot size from 2,000 Shares to 8,000 Shares.	Monday, 7 October 2024
Designated broker starts to stand in the market to provide matching services for odd lots of Shares.	9:00 a.m. on Monday, 7 October 2024
First day of dealings in nil-paid Rights Shares	Wednesday, 9 October 2024
Latest time for splitting of the PALs	4:30 p.m. on Monday, 14 October 2024
Last day of dealings in nil-paid Rights Shares.	Thursday, 17 October 2024
Latest time for acceptance and payment for rights shares and application for excess rights shares	4:00 p.m. on Tuesday, 22 October 2024
Latest time for the Rights Issue to become unconditional	4:00 p.m. on Monday, 28 October 2024
Announcement of the allotment results of the Rights Issue	Tuesday, 29 October 2024

Events	Time and Date
Despatch of Share certificates for fully-paid Rights Shares.	Wednesday, 30 October 2024
Refund cheques, if any, to be despatched	Wednesday, 30 October 2024
Expected commencement of dealings in fully-paid Rights Shares	9:00 a.m. on Thursday, 31 October 2024
Designated broker ceases to stand in the market to provide matching services for odd lots of Shares.	Wednesday, 20 November 2024

All times and dates in this announcement refer to Hong Kong local times and dates.

Dates or deadlines specified in the expected timetable above or in other parts of this announcement are indicative only and may be extended or varied by the Company. Any changes to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate in accordance with the Listing Rules.

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

If there is a “black” rainstorm warning or a tropical cyclone warning signal number 8 or above or “extreme conditions” announced by the Government of Hong Kong in force in Hong Kong on Tuesday, 22 October 2024, being the date of the Latest Time of Acceptance:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Tuesday, 22 October 2024. The latest time for acceptance of and payment for the Rights Shares will instead be extended to 5:00 p.m. on the same Business Day; or
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Tuesday, 22 October 2024. The latest time for acceptance of and payment for the Rights Shares will instead be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m..

If the Latest Time for Acceptance does not take place by 4:00 p.m. on Tuesday, 22 October 2024, the dates mentioned in the “EXPECTED TIMETABLE” above may be affected. The Company will notify the Shareholders by way of announcement(s) on any change to the expected timetable of the Rights Issue as soon as practicable.

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

As at the date of this announcement, there are 1,200,000 outstanding Share Options granted by the Company exercisable into 1,200,000 Shares. 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).

Save for the foregoing, as at the date of this announcement, the Company had no outstanding debt securities, derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into Shares prior to the Record Date. The Company has no intention to issue or grant any Shares, convertible securities, warrants and/or options on or before the Record Date.

CLOSURE OF REGISTER OF MEMBERS OF THE COMPANY

The register of members of the Company will be closed from Tuesday, 17 September 2024 to Monday, 23 September 2024 (both days inclusive) determining the identity of the Shareholders entitled to attend and vote at the EGM.

The register of members of the Company will be closed from Friday, 27 September 2024 to Friday, 4 October 2024 (both days inclusive) for determining the entitlements to the Rights Issue during which period no transfer of Shares will be registered.

LISTING RULES IMPLICATIONS

As the proposed Rights Issue will not increase the number of issued Shares 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) and the Rights Issue is not underwritten by a Director, chief executive or substantial shareholder of the Company (or any of their respective close associates), 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)(a) of the Listing Rules.

The theoretical diluted price, the benchmarked price and the theoretical dilution effect (as those terms are defined under Rule 7.27B of the Listing Rules) for the Rights Issue are approximately HK\$0.281 per Share, HK\$0.306 per Share and approximately 8.28%, respectively. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

GENERAL

Subject to the fulfillment of certain conditions of the Rights Issue including the registration of the Prospectus Documents in accordance with the applicable laws and regulations, the Prospectus Documents setting out details of the Rights Issue will be despatched to the Qualifying Shareholders on or about Monday, 7 October 2024. To the extent reasonably practicable, the Prospectus will be despatched to the Excluded Shareholder(s) (if any) for information only.

A copy of the Prospectus will also be made available on the websites of the Company (www.youngogroup.com) and the Stock Exchange (www.hkexnews.hk). Shareholders and potential investors should exercise caution in dealing in the Shares.

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

The Rights Issue is subject to the fulfilment of conditions including, amongst other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Please refer to the section headed “Conditions of the Rights Issue” in this announcement. Shareholders and potential investors of the Company should note that if the conditions to the Rights Issue are not satisfied, the Rights Issue will not proceed.

Any dealings in the Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled, and any Shareholders dealing in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

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

Shareholders and potential investors of the Company contemplating any dealings in the Shares and/or Rights Shares in their nil-paid form are advised to exercise Caution and recommended to consult their professional advisers.

DEFINITIONS

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

“associates”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (excluding Saturday, Sunday and any day on which “extreme conditions” is announced by the Government of Hong Kong or a tropical cyclone warning signal no. 8 or above is issued or remains issued between 9:00 a.m. and 12:00 noon and is not cancelled at or before 12:00 noon or on which a “black” rainstorm warning is in effect or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on the Stock Exchange from 2,000 Shares per board lot to 8,000 Shares per board lot
“Companies (WUMP) Ordinance”	Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong)
“Company”	Guangdong – Hong Kong Greater Bay Area Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the main board of the Stock Exchange (stock code: 1396)
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules

“Director(s)”	the director(s) of the Company
“EAF(s)”	the excess application form(s) for use by the Qualifying Shareholders who wish to apply for Rights Shares in excess of their entitlements under the Rights Issue
“EGM”	extraordinary general meeting of the Company to be held and convened to consider and approve the Increase in Authorised Share Capital
“Excluded Shareholder(s)”	such Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary or expedient not to offer the Rights Shares to such Shareholder(s) on account either of legal restrictions under the laws of the relevant jurisdiction or the requirements of the relevant regulatory body or stock exchange in that jurisdiction
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Increase in Authorised Share Capital”	the proposed increase in the Company’s authorised share capital from HK\$80,000,000 divided into 800,000,000 Shares to HK\$500,000,000 divided into 5,000,000,000 Shares by the creation of additional 4,200,000,000 Shares
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons and is not acting in concert (as defined in the Takeovers Code) with any of the connected persons of the Company or any of their respective associates (as defined under the Listing Rules)
“Last Trading Day”	2 September 2024, being the last full trading day for the Shares prior to the release of this announcement
“Latest Time for Acceptance”	4:00 p.m. on Tuesday, 22 October 2024, being the latest time for acceptance of the offer of and payment for the Rights Shares

“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Overseas Shareholder(s)”	the Shareholder(s) (whose names appears on the register of members of the Company at the close of business on the Record Date) with registered address(es) outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“Prospectus”	the prospectus to be issued to the Shareholders containing, among other things, details of the Rights Issues (or in case of Excluded Shareholder(s), the Prospectus only)
“Prospectus Documents”	the Prospectus, the PAL(s) and the EAF(s)
“Prospectus Posting Date”	Monday, 7 October 2024 or such other date as the Company may determine, being the date on which the Prospectus Documents are posted to the Qualifying Shareholders
“Qualifying Shareholders”	Shareholders, other than the Excluded Shareholders, whose names appear on the register of members of the Company as at the Record Date
“Record Date”	Friday, 4 October 2024 or such other date as the Company may determine, being the date by reference to which the Shareholders’ entitlements to the Rights Shares pursuant to the Rights Issue are to be determined
“Registrar”	Computershare Hong Kong Investor Services Limited, the Company’s branch share registrar in Hong Kong, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong

“Rights Issue”	the proposed issue of the Rights Shares by way of rights on the basis of one (1) Rights Share for every two (2) existing Shares held by the Qualifying Shareholders on the Record Date at the Subscription Price payable in full on application and otherwise on the terms and subject to the conditions set out in the pursuant to the Prospectus Documents
“Rights Share(s)”	up to 271,367,700 new Shares (assuming no change in the issued share capital of the Company on or before the Record Date other than the allotment and issue of the Rights Shares) to be allotted and issued under the Rights Issue
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary shares in the issued share capital of the Company, with a par value of HK\$0.10 each
“Share Option(s)”	the share options granted by the Company pursuant to the Share Option Scheme
“Share Option Scheme”	the share option scheme of the Company adopted on 30 May 2019
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.23 per Subscription Share
“substantial shareholder”	has the meaning ascribed thereto in the Listing Rules
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC
“trading day”	means a day on which the Exchange is open for the trading of securities

“%”

per cent

By order of the Board
Guangdong – Hong Kong Greater Bay Area Holdings Limited
LUO Jieping
Chairman and Executive Director

Hong Kong, 2 September 2024

Unless the context requires otherwise, conversion of Renminbi into Hong Kong dollars is based on the approximate exchange rate of HK\$1 to RMB0.92. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amounts in Hong Kong dollars or Renminbi have been, could have been or may be converted at such or any other rate or at all.

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.