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## **Wan Kei Group Holdings Limited**

### **宏基集團控股有限公司**

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

**(Stock Code: 1718)**

## **SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE**

### **SUBSCRIPTION OF NEW SHARES UNDER A GENERAL MANDATE**

On 15 August 2025 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for 23,040,000 Subscription Shares, representing (i) approximately 10.00% of the entire issued share capital of the Company as at the date of this announcement; and (ii) approximately 9.09% of the entire issued share capital of the Company as enlarged by the issue of the Subscription Shares, assuming there will be no other change in the issued share capital of the Company between the date of this announcement and the completion of the Subscription.

The Subscription Price of HK\$0.215 per Subscription Share represents (i) a discount of approximately 10.04% to the closing price of HK\$0.239 per Share as quoted on the Stock Exchange on 15 August 2025, being the date of the Subscription Agreement; and (ii) a discount of approximately 12.24% to the average of the closing prices per Share of HK\$0.245 as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Subscription Agreement.

The Subscription Shares will be allotted and issued under the General Mandate. The allotment and issue of the Subscription Shares is not subject to separate Shareholders' approval.

The gross proceeds from the Subscription will be approximately HK\$5.0 million and the net proceeds will be approximately HK\$4.8 million (after deduction of the expenses of the Subscription), which represents the net issue price of approximately HK\$0.208 per Subscription Share. The Directors intend to apply the net proceeds from the Subscription for general working capital of the Group.

**Completion of the Subscription is subject to the fulfilment of the conditions precedent in the Subscription Agreement. As the Subscription may or may not proceed, the Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.**

## **SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE**

On 15 August 2025 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for 23,040,000 Subscription Shares at the Subscription Price of HK\$0.215 per Subscription Share, on the terms and subject to the conditions set out in the Subscription Agreement.

## **PRINCIPAL TERMS OF THE SUBSCRIPTION AGREEMENT**

**Date** : 15 August 2025

**Parties** : (i) The Company (as issuer); and

(ii) Zhongshen Xihe Enterprise Limited (as subscriber)

### **Number of Subscription Shares**

The Subscription Shares comprise of 23,040,000 new Shares. Assuming that there will be no other change in the issued share capital of the Company between the date of this announcement and the completion of the Subscription, the Subscription Shares represent (i) approximately 10.00% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 9.09% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

## **Subscription Price**

The Subscription Price is HK\$0.215 per Subscription Share. The aggregate nominal value of the 23,040,000 Subscription Shares is HK\$2,304,000.00.

The Subscription Price represents:

- (i) A discount of approximately 10.04% to the closing price of HK\$0.239 per Share as quoted on the Stock Exchange on 15 August 2025, being the date of the Subscription Agreement; and
- (ii) a discount of approximately 12.24% to the average closing price of approximately HK\$0.245 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days being the trading day immediately preceding the date of the Subscription Agreement.

The Subscription Price was determined with reference to the prevailing market price of the Shares and recent market conditions and was negotiated on an arm's length basis between the Company and the Subscriber. The Directors consider that the terms of the Subscription (including the Subscription Price) are on normal commercial terms and are fair and reasonable and that the Subscription is in the interests of the Company and the Shareholders as a whole.

## **Ranking of Subscription Shares**

The Subscription Shares, when fully paid and allotted and issued, will rank *pari passu* in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Subscription Shares.

## **Conditions Precedent for the Subscription**

Completion of the Subscription is conditional in all respects upon:

- (a) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Subscription Shares;
- (b) having obtained all necessary consents and approvals as may be required to be obtained on the part of the Company in respect of the Subscription and the transactions contemplated under the Subscription Agreement by the Company;

- (c) having obtained all necessary consents and approvals as may be required to be obtained on the part of the Subscriber in respect of the Subscription and the transactions contemplated under the Subscription Agreement by the Subscriber; and
- (d) the warranties and representations as set out in the Agreement remaining true and accurate in all material respects.

The Subscriber may, at its sole discretion, at any time by notice in writing to the Company waive the conditions (b) and (d), and the Company may, at its sole discretion, at any time by notice in writing to the Subscriber waive the condition (c). The condition (a) is incapable of being waived by the Company or the Subscriber. In the event that any of the conditions not being fulfilled or waived in full by the Long Stop Date (or such other time and date as may be agreed between the Company and the Subscriber in writing), the Subscription Agreement shall cease and terminate and thereafter, neither Party shall have any obligations and liabilities hereunder save for any antecedent breaches of the provisions hereof. If the conditions are not fulfilled on or before the Long Stop Date, the Subscription Agreement shall lapse, whereupon all rights and obligations of the Parties shall cease to have effect except in respect of any accrued rights and obligations of the Parties.

### **Completion of the Subscription**

Completion of the Subscription shall take place on a date falling on the seventh Business Day after the date of the fulfilment (or waiver) of the conditions as set out in paragraph headed “Conditions Precedent for the Subscription” above (or such later date as may be agreed between the Company and the Subscriber in writing).

### **Lock-up undertaking**

The Subscriber undertakes to and covenants with the Company that, without the prior written consent of the Company, it shall not, and shall procure the registered owner or nominee of the Subscription Shares (if applicable) not to, at any time during a period commencing on the Completion Date and ending on the date which is 120 calendar days from the Completion Date (both dates inclusive), offer, pledge, charge, sell, contract to sell, sell any option or contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, lend or otherwise transfer or dispose of (nor enter into any agreement to transfer or dispose of or otherwise create any options, rights, interests or encumbrances), either directly or indirectly, conditionally or unconditionally, any of the Subscription Shares or any part thereof or any interest therein.

## **General Mandate**

The Subscription Shares will be allotted and issued under the General Mandate granted to the Directors by resolution of the Shareholders passed at the AGM, subject to the limit up to 20% of the total number of issued Shares as at the date of the AGM. Under the General Mandate, the Company is authorised to issue up to 23,040,000 new Shares. Up to the date of this announcement, no new Shares have been issued under the General Mandate. Accordingly, the allotment and issue of the Subscription Shares is not subject to separate Shareholders' approval.

## **Application for listing**

The Company will make an application to the Stock Exchange for the grant of the listing of, and permission to deal in, the Subscription Shares.

## **INFORMATION ON THE COMPANY AND THE SUBSCRIBER**

### **The Company**

The Company is a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1718). The Company is an investment holding company. The Group is principally engaged in the provision of (i) foundation construction; (ii) ground investigation services; (iii) financial services; (iv) trading of consumer products; and (v) e-commerce sales, live streaming and promotion business in the social media.

### **The Subscriber**

The Subscriber is a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of Zhongshen Jianye Holding Limited, whose shares are listed on the Main Board of the Stock Exchange (stock code: 2503). The Subscriber is an investment holding company. Zhongshen Jianye Holding Limited and its subsidiaries are principally engaged in the provision of construction services in the PRC.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Subscriber and its ultimate beneficial owner are Independent Third Parties of the Company and its connected persons.

## REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

The Directors consider that the Subscription represents a valuable opportunity for the Company to broaden the shareholder and capital base of the Company and strengthen the financial position of the Group. The Directors consider that the terms and conditions of the Subscription Agreement are fair and reasonable, on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

The aggregate gross proceeds of the Subscription will be approximately HK\$5.0 million and the aggregate net proceeds of the Subscription, after the deduction of the related expenses, are estimated to be approximately HK\$4.8 million, representing a net issue price of approximately HK\$0.208 per Subscription Share.

The Company intends to use the net proceeds from the Subscription for general working capital of the Group.

## FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has conducted the following equity fund raising activity in the 12-month period prior to the date of this announcement.

Date of relevant announcements/circulars	Fund raising activity	Intended use of proceeds	Approximate net proceeds	Actual use of proceeds as at the date of this announcement	Unutilised approximate net proceeds as at the date of this announcement
17 January 2025, 17 February 2025, 26 March 2025, 17 April 2025 and 8 May 2025	Rights Issue on the basis of one (1) rights share for every one (1) share held on the record date	General working capital	HK\$21.7 million	HK\$18.2 million	HK\$3.5 million

Save as disclosed above, the Company has not conducted any equity fund raising activities during the twelve months immediately preceding the date of this announcement.

## EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY FOLLOWING COMPLETION OF THE SUBSCRIPTION

	As at the date of this announcement		Immediately after the Completion (assuming no change in the issued share capital of the Company from the date of this announcement to the Completion Date)	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
Ms. Su Guifang	23,184,000	10.06	23,184,000	9.15
The Subscriber	–	–	23,040,000	9.09
Other public Shareholders	207,216,000	89.94	207,216,000	81.76
	<u>230,400,000</u>	<u>100.00</u>	<u>253,440,000</u>	<u>100.00</u>

Completion of the Subscription is subject to the fulfilment of the conditions precedent in the Subscription Agreement. As the Subscription may or may not proceed, the Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

## DEFINITIONS

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

“AGM”	the annual general meeting of the Company held on 19 August 2024
“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday and a day on which a tropical cyclone warning no.8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted 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 banks in Hong Kong are generally open for business

“Company”	Wan Kei Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose shares are listed on the Main Board of the Stock Exchange (stock code: 1718)
“Completion”	completion of the Subscription pursuant to the Subscription Agreement
“Completion Date”	means the seventh Business Day (or at such date as may be agreed by the Subscriber and the Company) following the day on which all the Conditions Precedent as set out in the Subscription Agreement are satisfied in full being the date on which Completion occurs in accordance with the terms and conditions of the Subscription Agreement
“Conditions Precedent”	the conditions precedent for the Completion as set out in the Subscription Agreement
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	director(s) of the Company
“General Mandate”	the general mandate which was granted to the Directors pursuant to an ordinary resolution passed at the AGM on 19 August 2024 to issue and allot up to 23,040,000 new Shares, representing 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of the AGM
“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 PRC
“Independent Third Party(ies)”	an individual or a company which is not a connected person of the Company within the meaning of the Listing Rules
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	14 October 2025 (or such later date as the Company and the Subscriber may agree)



“Parties” or “Party”	the named parties to the Subscription Agreements or any of them
“PRC”	the People’s Republic of China (excluding, for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)
“Share(s)”	the ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Zhongshen Xihe Enterprise Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of Zhongshen Jianye Holding Limited, whose shares are listed on the Main Board of the Stock Exchange (stock code: 2503)
“Subscription”	the subscription by the Subscriber for, and the allotment and issue by the Company of, the Subscription Shares under the terms and subject to the conditions of the Subscription Agreement
“Subscription Agreement”	the subscription agreement entered into between the Company and the Subscriber dated 15 August 2025 in relation to the Subscription
“Subscription Price”	HK\$0.215 per Subscription Share
“Subscription Shares”	23,040,000 new Shares to be issued and allotted by the Company to the Subscriber, representing approximately 10.00% of the entire issued share capital of the Company and 9.09% of the enlarged issued share capital of the Company immediately after Completion
“%”	per cent.

By order of the Board  
**Wan Kei Group Holdings Limited**  
**Xu Lin**  
*Chairman*

Hong Kong, 15 August 2025

*As at the date of this announcement, the executive Directors are Mr. Bai Huawei and Mr. Wang Yu; the non-executive Directors are Mr. Xu Lin and Mr. Lui Kwok Wai; and the independent non-executive Directors are Mr. Jiang Senlin, Mr. Zhang Yi and Ms. Dan Xi.*