

*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.*



## **Oshidori International Holdings Limited**

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 622)**

### **DISCLOSEABLE TRANSACTION SUBSCRIPTION OF SHARES IN THE TARGET COMPANY**

#### **THE SUBSCRIPTION**

On 17 February 2022 (after trading hours), the Subscriber, a wholly-owned subsidiary of the Company, and the Target Company entered into the Subscription Agreement pursuant to which the Target Company agreed to issue and the Subscriber agreed to subscribe for the Subscription Shares at the Consideration of HK\$750 million (equivalent to the price of HK\$200,000 per Subscription Share). Upon Completion, the Subscriber will hold 17.81% of the issued share capital of the Target Company as enlarged by the issue of the Subscription Shares.

#### **LISTING RULES IMPLICATIONS**

As certain applicable percentage ratios (as defined under the Listing Rules) in respect of the Subscription exceeds 5% but all of them are less than 25%, the Subscription constitutes a discloseable transaction of the Company and is therefore subject to the relevant reporting and announcement requirements under Chapter 14 of the Listing Rules.

#### **THE SUBSCRIPTION**

On 17 February 2022 (after trading hours), the Subscriber, a wholly-owned subsidiary of the Company, and the Target Company entered into the Subscription Agreement pursuant to which the Target Company agreed to issue and the Subscriber agreed to subscribe for the Subscription Shares at the Consideration of HK\$750 million (equivalent to the price of HK\$200,000 per Subscription Share). Upon Completion, the Subscriber will hold 17.81% of the issued share capital of the Target Company as enlarged by the issue of the Subscription Shares.

**THE SUBSCRIPTION AGREEMENT**

The principal terms of the Subscription Agreement are set out below:

Date: 17 February 2022 (after trading hours)

- Parties: (1) the Subscriber, a wholly-owned subsidiary of the Company; and
- (2) the Target Company

The Target Company and its ultimate beneficial owners are Independent Third Parties.

**THE SHAREHOLDERS’ AGREEMENT**

Pursuant to the Subscription Agreement, the Subscriber and the Target Company entered into the shareholders’ agreement, the major terms are summarised as below:

Board Composition: each shareholder of the Target Company shall be entitled to nominate such proportion of the directors of the Target Company as most closely reflects that shareholder’s shareholding in the Target Company and to remove from office and replace any person so nominated.

Dividend Policy: the Target Company shall distribute, to the extent permitted by law, having regard to the capital expenditure and working capital requirements of the Target Company, by way of dividends, in proportion to the Shareholders’ proportionate interest, not less than 60% of all profits after taxation for each financial year.

Other terms: if any shareholder of the Target Company intends to transfer all or part of its shares to third parties other than the shareholders of the Target Company, the other shareholders shall have the first right of refusal.

**Assets to be acquired**

Upon Completion, the Target Company will issue and allot 3,750 Subscription Shares to the Subscriber, representing 17.81% of the issued share of the Target Company as enlarged by the issue of the Subscription Shares.

## **BASIS OF DETERMINATION ON THE CONSIDERATION**

The Consideration of HK\$750 million shall be payable by the Subscriber to the Target Company in cash upon Completion, the Consideration of HK\$200,000 per Subscription Share represents:

- (i) a discount of 5.41% to the net asset value per enlarged issued share of the Target Company as at 31 December 2021;
- (ii) a price-to-earnings ratio of 3.43; and
- (iii) a price-to-book ratio of 0.95.

The Consideration was determined after arm's length negotiations between the Subscriber and the Target Company with reference to (i) financial position of the Target Group; (ii) the valuation report of the Target Group; (iii) the commercial potential and prospects of existing businesses of the Target Group; and (iv) the reasons and benefits as stated under the section headed "REASONS FOR AND BENEFITS OF THE SUBSCRIPTION" in this announcement.

In view of the above, the Directors (including the independent non-executive Directors) consider that the Consideration is fair and reasonable and the Subscription Agreement is on normal commercial terms which are fair and reasonable, and the entering into the Subscription Agreement is in the interests of the Company and the Shareholders as a whole.

## **Conditions Precedent**

Completion of the Subscription shall be conditional upon:

- (a) The Target Company and the Subscriber having passed board resolutions approving and authorising the execution and completion of the Subscription Agreement and the transactions contemplated thereunder;
- (b) the Target Company's warranties shall remain to be true and correct in all material respects and there has not been any material breach of the Target Company's warranties; and
- (c) if applicable, the obtaining of all consents from government or regulatory authorities or third parties which are necessary in connection with the execution and performance of the Subscription Agreement and the transactions contemplated thereunder.

If the conditions precedent have not been fulfilled on or before the Completion Date for whatever reason, the Subscription Agreement shall cease and determine, and thereafter neither party shall have any rights, obligations and liability towards each other thereunder save for any antecedent breaches of the terms of the Subscription Agreement.

## Completion

Conditional upon fulfilment of the conditions precedent, the Subscription shall be completed at or before 5:00 p.m. on the Completion Date at such place in Hong Kong as may be agreed by the parties.

Upon Completion, the Subscriber will hold 17.81% of the issued share of the Target Company as enlarged by the issue of the Subscription Shares.

## INFORMATION OF THE TARGET COMPANY

The Target Company is incorporated in Cayman Islands with limited liability and the Target Group principally engages in property investments.

Prior to the Subscription, the Target Company is wholly-owned by Ms. Lo Ki Yan Karen. The Target Company and its ultimate beneficial owner are Independent Third Parties.

Set out below is the unaudited consolidated financial information of The Target Company extracted for the year ended 31 December 2021:

	<b>For the year ended 31 December 2020</b> (Unaudited) <i>HK\$'000</i>	<b>For the year ended 31 December 2021</b> (Unaudited) <i>HK\$'000</i>
Revenue	0	35,898
Profit before tax	(38)	1,228,357
Profit after tax	(38)	1,227,080

Based on the unaudited consolidated financial information of the Target Company for the year ended 31 December 2021, the unaudited consolidated net asset value of the Target Company was HK\$3,701 million for the year ended 31 December 2021.

## INFORMATION OF THE GROUP AND THE COMPANY

The Group principally engages in investment holdings, tactical and/or strategical investments (including property investments), and the provision of financial services including the Securities and Futures Commission regulated activities, namely Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 9 (asset management); and provision of credit and lending services regulated under the Money Lenders Ordinance. During the financial year of 2021, the Group acquired quality investment properties to facilitate the Group's intention to explore potential investment opportunities, particularly in real estate.

## **REASONS FOR AND BENEFIT OF THE SUBSCRIPTION**

The Board is constantly looking for businesses with potentials and positive prospects in order to enrich its business mix and enhance the value of both the Company and its Shareholders. The Target Group owns commercial and/or industrial properties, residential properties and other investment properties with a fair value of HK\$4,750 million as at 31 December 2021.

The Directors consider that the Subscription provides the Group with a great opportunity to facilitate property investment activities, and allows the Group to diversify its investment and broaden the Group's revenue base.

Therefore, the Directors (including non-executive Directors) consider that the Subscription is fair and reasonable and in the best interests of the Company and its Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As certain applicable percentage ratios (as defined under the Listing Rules) in respect of the Subscription exceeds 5% but all of them are less than 25%, the Subscription constitutes a discloseable transaction of the Company and is therefore subject to the relevant reporting and announcement requirements under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

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

“Board”	board of Directors
“Business Day(s)”	a day on which banks in Hong Kong are open for business other than (i) a Saturday or (ii) a “general holiday” as defined in Section 2 of the General Holidays Ordinance Cap. 149, or one of the days specified from time to time in the schedule to that Ordinance as being “general holidays” under Section 3 thereof or (iii) a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is hoisted in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon
“Company”	Oshidori International Holdings Limited (stock code: 622), a company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange

“Completion”	the completion of the Subscription pursuant to the Subscription Agreement
“Completion Date”	within 5 Business Days from the signing of the Subscription Agreement or such other date as the parties may agree in writing, and following the satisfaction of the conditions pursuant to the Subscription Agreement
“Consideration”	the total consideration of HK\$750,000,000 payable by the Subscriber to the Target Company for the Subscription
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Party(ies)”	the third party(ies) independent of the Company and its connected persons (as defined in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on Stock Exchange as amended from time to time
“PRC”	the People’s Republic of China
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Subscriber”	Win Wind Capital I Limited, a wholly-owned subsidiary of the Company
“Subscription”	the subscription of the Subscription Shares by the Subscriber from the Target Company pursuant to the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 17 February 2022 entered into by the Subscriber and the Target Company in respect of the Subscription

“Subscription Shares”	means the 3,750 ordinary share(s) of par value of US\$1.00 each issued by the Target Company, representing 17.81% of the issued share capital of the Target Company as enlarged by the issue of the Subscription Shares.
“Target Company”	Future Capital Limited, a company incorporated in the Cayman Islands with limited liabilities
“Target Group”	the Target Company and its subsidiaries
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

By order of the Board  
**Oshidori International Holdings Limited**  
**Wong Wan Men**  
*Executive Director*

Hong Kong, 17 February 2022

As at the date of this announcement, the Board comprises the following Directors:

<i>Executive Directors:</i>	<i>Non-Executive Directors:</i>	<i>Independent Non-Executive Directors:</i>
Ms. Wong Wan Men Mr. Wong Yat Fai	Mr. Alejandro Yemenidjian ( <i>Non-Executive Chairman</i> ) Hon. Joseph Edward Schmitz Mr. Sam Hing Cheong	Hon. Chan Hak Kan, <i>S.B.S., J.P.</i> Mr. Cheung Wing Ping Mr. Hung Cho Sing, <i>B.B.S.</i> Dr. Lo Wing Yan William, <i>J.P.</i>