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HOPE LIFE INTERNATIONAL HOLDINGS LIMITED

曠逸國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1683)

(1) PLACING OF CONVERTIBLE BONDS UNDER SPECIFIC MANDATE

AND

(2) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

PLACING AGENT



Yuet Sheung International Securities Limited

THE PLACING

On 23 July 2021 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Placing Agent has conditionally agreed to procure, on a best efforts basis, not less than six (6) Placees to subscribe for the Convertible Bonds in an aggregate principal amount of up to HK\$117,000,000 at the Conversion Price of HK\$0.13 (subject to adjustment).

The Convertible Bonds carry the right to be converted into the Conversion Shares at the Conversion Price (subject to adjustment). Assuming (i) the Convertible Bonds are fully placed and subscribed; (ii) all the Conversion Rights pursuant to the Convertible Bonds are exercised in full at the Conversion Price without adjustment; and (iii) there is no other change in the issued share capital of the Company between the date of this announcement and the full conversion of the Convertible Bonds, upon full conversion of the Convertible Bonds, a maximum of 900,000,000 Conversion Shares will be allotted and issued to the Placees, representing 150% of the existing issued share capital of the Company as at the date of this announcement and 60% of the Company's issued share capital as enlarged by the allotment and issue of the Conversion Shares.

The allotment and issue of the Conversion Shares are subject to the granting of the Specific Mandate by the Shareholders at the EGM. The Placing Agreement and the transactions contemplated thereunder, the issue of the Convertible Bonds and the allotment and issue of the Conversion Shares by the Company are subject to, among others, the Shareholders' approval at the EGM.

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares that may be allotted and issued upon conversion of the Convertible Bonds. No application will be made for listing of, or permission to deal in, the Convertible Bonds on the Stock Exchange or any other stock exchange.

INCREASE IN AUTHORISED SHARE CAPITAL

As at the date of this announcement, the authorised share capital of the Company is HK\$10,000,000 divided into 1,000,000,000 Shares, of which 600,000,000 Shares are in issue. In order to facilitate the allotment and issue of the Conversion Shares and to provide the Company with greater flexibility to accommodate future expansion and growth of the Group, the Company proposes to increase its authorised share capital from HK\$10,000,000 divided into 1,000,000,000 Shares to HK\$50,000,000 divided into 5,000,000,000 Shares by the creation of an additional 4,000,000,000 unissued Shares which, upon issue, will rank *pari passu* in all respects with the existing unissued Shares.

The proposed Authorised Share Capital Increase is conditional upon the passing of an ordinary resolution by the Shareholders at the EGM approving the Authorised Share Capital Increase.

GENERAL

The EGM will be convened for the purpose of considering and, if thought fit, approving, among other things, the grant of the Specific Mandate, the Placing Agreement and the transactions contemplated thereunder, and the Authorised Share Capital Increase. To the best of the knowledge, information and belief of the Directors, and having made all reasonable enquiries, no Shareholder has any material interest in the transactions contemplated under the Placing Agreement and will be required to abstain from voting on the resolution(s) to approve the Placing Agreement and the transactions contemplated thereunder at the EGM.

A circular containing, among other things, (i) further details of the proposed Placing, the Convertible Bonds and the proposed Authorised Share Capital Increase; and (ii) a notice convening the EGM, will be dispatched to the Shareholders as soon as practicable in accordance with the Listing Rules on or before 13 August 2021.

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

On 23 July 2021 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Placing Agent has conditionally agreed to procure, on a best efforts basis, not less than six (6) Placees to subscribe for the Convertible Bonds in an aggregate principal amount of up to HK\$117,000,000 at the Conversion Price of HK\$0.13 (subject to adjustment).

PLACING OF CONVERTIBLE BONDS UNDER SPECIFIC MANDATE

Principal terms of the Placing Agreement are set out as follows:

The Placing Agreement

Date: 23 July 2021 (after trading hours)

Parties

Issuer: The Company

Placing Agent: Yuet Sheung International Securities Limited

As advised by the Placing Agent, the Placing Agent is a company with limited liability incorporated in Hong Kong and it is a corporation licensed to carry out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

Subject matter

Pursuant to the terms and conditions of Placing Agreement, the Placing Agent has conditionally agreed to procure, on a best efforts basis, not less than six (6) Placees to subscribe for the Convertible Bonds in an aggregate principal amount of up to HK\$117,000,000 at the Conversion Price of HK\$0.13 (subject to adjustment). The actual amount of the Convertible Bonds to be placed shall be subject to the discretion of the Company.

Placee(s)

The Placing Agent shall use its reasonable endeavours to ensure that each of the Placees and/or their respective ultimate beneficial owner(s) shall be (i) Independent Third Parties; and (ii) independent of and not parties acting in concert with other Placee(s) and/or Shareholders to the effect that any Placing to such Placee(s) shall not trigger any mandatory offer obligation under Rule 26.1 of the Takeovers Code. The list of the Placees shall be subject to prior written confirmation by the Company.

Placing commission

The Placing Agent will be entitled a placing commission equal to 0.5% of the aggregate principal amount of the Convertible Bonds actually placed by the Placing Agent. The placing commission was determined after arm's length negotiations between the Company and the Placing Agent with reference to the prevailing market rate.

Conditions precedent

Completion is subject to and conditional upon:

- (a) the passing by the Shareholders who are entitled to vote and not required to abstain from voting under the Listing Rules and other applicable regulations of resolutions to approve the Placing Agreement and the transactions contemplated thereunder, including the issue of the Convertible Bonds and the grant of the Specific Mandate for the allotment and issue of the Conversion Shares at the EGM by way of poll;
- (b) approval having been granted by the Listing Committee for the listing of, and permission to deal in, the Conversion Shares in respect of the Placing and not being revoked;
- (c) all necessary consents and approvals having been obtained on the part of each of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated thereunder;
- (d) the list of the Placees contemplated under the Placing Agreement is provided by the Placing Agent to the Company's satisfaction with the Company confirming the same in writing; and
- (e) the Authorised Share Capital Increase having become effective.

If any of the conditions specified above has not been satisfied (or waived, as the case may be) by the Long Stop Date, the Placing Agreement will be terminated, all obligations and liabilities of the parties hereunder will forthwith cease and determine and no party will have any claim against the other party in respect of any matter or thing arising out of or in connection with the Placing Agreement save for (i) any antecedent breach of any obligation under the Placing Agreement; and (ii) any liabilities in respect of the representations and warranties of the Company, undertakings by the Placing Agent, indemnity and reimbursements under the Placing Agreement.

Termination

Termination right of the Placing Agent

The Placing Agent may, in its reasonable opinion, after consultation with the Company, terminate the Placing Agreement by notice in writing to the Company at any time up to 8:00 a.m. on the completion date of the Placing if:

- (a) there is any change in national, international, financial, exchange control, political, economic conditions in Hong Kong which in the reasonable opinion of the Placing Agent would be materially adverse in the consummation of the Placing; or
- (b) there is any breach of the warranties, representations and undertakings given by the Company in the Placing Agreement and such breach is considered by the Placing Agent on reasonable grounds to be material in the context of the Placing; or
- (c) there is any material change (whether or not forming part of a series of changes) in market conditions which in the reasonable opinion of the Placing Agent would materially, adversely and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed; or
- (d) any statement contained in the Placing Agreement has become or been discovered to be untrue, incorrect or misleading in any material respect which in the opinion of the Placing Agent would be materially adverse in the consummation of the Placing; or
- (e) there is any suspension of dealings in the Shares on the Stock Exchange for more than five (5) consecutive Business Days (other than as a result of or in connection with the Placing); or
- (f) any event of force majeure (being an event beyond the control of the parties and which is unforeseeable or unavoidable), including but without limiting the generality hereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out, occurs which prevents the performance of the contractual obligations of the parties thereunder.

Termination right of the Company

The Company shall have the sole and absolute discretion to terminate the Placing Agreement notwithstanding any terms and conditions contained in the Placing Agreement.

Upon termination of the Placing Agreement pursuant to any of the above-mentioned events, all liabilities of the parties to the Placing Agreement shall cease and determine and no party thereto shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Placing Agreement save for (i) any antecedent breach of any obligation under the Placing Agreement; and (ii) any liabilities in respect of the representations and warranties of the Company, undertakings by the Placing Agent, indemnity and reimbursements under the Placing Agreement.

Completion of the Placing

Subject to the fulfilment of the conditions precedent to the Placing Agreement and the performance by the Placing Agent of its obligations thereunder, the Completion shall take place on the Closing Date.

PRINCIPAL TERMS OF THE CONVERTIBLE BONDS

The following summarises certain of the principal terms of the Convertible Bonds:

Issuer:	The Company
Principal amount:	Up to HK\$117,000,000
Maturity date:	The date falling on the third anniversary of the date of issue of the Convertible Bonds, provided that if such day is not a Business Day, the Business Day immediately after such date.
Interest rate:	3% per annum payable annually. For those Convertible Bonds being redeemed or converted, interest accrued and unpaid on those Convertible Bonds up to the date of redemption or on the date of conversion, as the case may be, will be payable on those dates.
Conversion period:	The period commencing from the issue date of the Convertible Bonds up to the close of business on the day falling seven (7) Business Days prior to the Maturity Date.
Conversion price:	The Conversion Price of HK\$0.13 per Conversion Share (subject to adjustments) represents: (a) a premium of approximately 17.12% to the closing price of HK\$0.111 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (b) a premium of approximately 11.11% to the average closing price of approximately HK\$0.117 per Share for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

The Conversion Price (subject to the adjustment in certain adjustment events as set out in the paragraph headed “Adjustment to the Conversion price” in the section headed “Principal Terms of the Convertible Bonds” of this announcement) was determined after arm’s length negotiations between the Company and the Placing Agent with reference to the prevailing market prices of the Shares. The Directors consider that the Conversion Price is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Conversion Shares:

Assuming the Convertible Bonds are fully placed and subscribed, a maximum of 900,000,000 Conversion Shares will be issued, representing 150% of the existing issued share capital of the Company as at the date of this announcement and 60% of the Company’s then issued share capital as enlarged by the allotment and issue of the Conversion Shares (assuming all the Conversion Rights pursuant to the Convertible Bonds are exercised in full at the Conversion Price without adjustment and there is no further issue or repurchase of Shares, or otherwise any other change in the issued share capital of the Company between the date of this announcement and the full conversion of the Convertible Bonds).

The allotment and issue of the Conversion Shares are subject to the granting of the Specific Mandate by the Shareholders at the EGM.

Conversion rights and restrictions:

Subject to the terms and conditions of the Convertible Bonds, the Bondholder(s) shall be entitled to convert, in whole or in part, the Convertible Bonds into the Conversion Shares at any time during the Conversion Period. Any conversion shall be made in amounts of not less than a whole multiple of HK\$1,000,000 on each conversion unless the amount of the outstanding Convertible Bonds is less than HK\$1,000,000 in which case the whole (but not part only) of that amount shall be convertible.

The Bondholder(s) agree and undertake to the Company that it shall not exercise any of the Conversion Rights if (i) the Bondholder(s) and parties acting in concert with it/them will directly or indirectly control or be interested in such percentage of voting rights of the Company which the Bondholder(s) would be obliged to make a general offer under the Takeovers Code unless (a) a whitewash waiver is obtained in accordance with the requirement of the Takeovers Code; or (b) a general offer is made in accordance with the requirement of the Takeovers Code; or (ii) the Company will be unable to meet the public float requirements under the Listing Rules.

Redemption:

Unless previously purchased or converted for the Conversion Shares, the Company shall on the Maturity Date redeem the outstanding principal amount of the Convertible Bonds plus any accrued and unpaid interest.

The Company may by no less than ten (10) Business Days' prior written notice to relevant holder(s) of the Convertible Bonds to early redeem of all or part of the outstanding principal amount of the Convertible Bonds by paying outstanding principal amount of the Convertible Bonds plus any accrued and unpaid interest up to the date of early redemption, provided that such service of written notice to early redemption takes place no less than one (1) month before the Maturity Date.

Transferability:

The Convertible Bonds are assignable and transferable subject to the applicable laws and regulations, and the Listing Rules, provided that no assignment or transfer shall be made to a connected person (within the meaning ascribed thereto in the Listing Rules) of the Company without prior approval of the Company and provided further that the principal amount to be assigned or transferred is at least HK\$1,000,000 and in integral multiples of HK\$1,000,000, unless the outstanding principal amount of the Convertible Bonds is less than HK\$1,000,000 in which case the whole (but not part only) of that amount may be assigned and transferred.

Adjustments to the
Conversion Price:

The Conversion Price shall from time to time be adjusted upon the occurrence of the following:

- (a) consolidation or subdivision of the Shares;
- (b) capitalisation of profits or reserves (other than in lieu of a cash dividend);
- (c) capital distribution to the Shareholders or grant to the Shareholders rights to acquire for cash assets of the Company or any of its subsidiaries;
- (d) offer new Shares to the Shareholders for subscription by way of rights, or grant to the Shareholders any options or warrants to subscribe for new Shares by way of rights at a price which is less than 80% of the market price as at the date of the announcement of the terms of the offer or grant;
- (e) issue (otherwise than in (d) above) any Shares (other than Shares issued on the exercise of Conversion Rights or on the exercise of any other rights of conversion into, or exchange or subscription for, Shares) or issue or grant (otherwise than (d) above) options, warrants or other rights to subscribe for or purchase Shares, in each case at less than 80% of the market price on the date of such issue or grant;
- (f) issue wholly for cash of any securities which are convertible into, exchangeable for or carry rights of subscription for new Shares at an effective price initially receivable which is less than 80% of the market price at the date of the announcement of the terms of issue of such securities; and
- (g) the rights of conversion or exchange or subscription attached to any such securities as are mentioned in (d) to (f) are modified so that the effective price initially receivable which is less than 80% of the market price on the date of announcement of the proposal to modify such rights of conversion or exchange or subscription.

- Events of defaults: The Convertible Bonds contain events of default provisions which provide that on the occurrence of certain events of default specified in the Convertible Bonds, each of the holders of the Convertible Bonds shall be entitled to demand for immediate repayment of the principal amount outstanding with interest under the relevant Convertible Bonds. The events of default include:
- (a) the authorised share capital of the Company is insufficient to enable the Company to perform its obligations upon the conversion of the Convertible Bonds;
 - (b) the Company fails to pay the principal or any interest on any of the Convertible Bonds when due or commits other default, and the default continues for a period of fourteen (14) Business Days;
 - (c) a serious breach in respect of the terms and conditions under the Bond Instrument has occurred and was not remedied within thirty (30) Business Days;
 - (d) a material part of the Company's assets or business is taken over by a security holder or liquidator;
 - (e) a material part of the Company's assets is confiscated or seized and not released within thirty (30) Business Days; and
 - (f) the trading of the Shares is suspended on the Stock Exchange for more than ninety (90) consecutive trading days or the Company is delisted from the Stock Exchange.
- Voting: The Bondholder(s) will not be entitled to attend or vote at any meetings of the Company by reason only of being the holders of the Convertible Bonds.
- Listing: Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares that may be allotted and issued upon conversion of the Convertible Bonds. No application will be made for listing of, or permission to deal in, the Convertible Bonds on the Stock Exchange or any other stock exchange.
- Ranking: The Conversion Shares shall rank *pari passu* with all other Shares in issue as at the date on which the Conversion Rights attached to the Convertible Bonds are exercised and be entitled to all dividends and other distributions the record date of which falls on a date on or after the such conversion date of the Convertible Bonds.

EFFECTS ON SHAREHOLDING STRUCTURE

As at the date of this announcement, the Company has 600,000,000 Shares in issue. Set out below is the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after the allotment and issue of the Conversion Shares upon the exercise of the Conversion Rights in full (assuming that (a) the Convertible Bonds are fully placed and subscribed; and (b) there is no further issue or repurchase of Shares, or otherwise any other change in the issued share capital of the Company between the date of this announcement and the full conversion of the Convertible Bonds):

Shareholders	As at the date of this announcement		Immediately after the allotment and issue of the Conversion Shares upon exercise of the Conversion Rights in full (for illustration purpose only) (Note 3)	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Substantial Shareholders				
Starcross Group Limited (Note 1)	52,155,111	8.69%	52,155,111	3.48%
Ample Platinum Enterprises Limited (Note 2)	149,900,000	24.98%	149,900,000	9.99%
Public Shareholders				
The Placees	–	–	900,000,000	60.00%
Other public Shareholders	397,944,889	66.33%	397,944,889	26.53%
	<u>600,000,000</u>	<u>100.00%</u>	<u>1,500,000,000</u>	<u>100.00%</u>

Notes:

- As at the date of this announcement, the issued share capital of Starcross Group Limited is owned as to 75% by Mr. LEONG Hing Loong Rudoff (“**Mr. Leong**”) and 25% by Ms. CHEW Christina Mooi Chong (“**Ms. Chew**”), the spouse of Mr. Leong. By virtue of the SFO, both Mr. Leong and Ms. Chew were deemed to be interested in the 52,155,111 Shares in which Starcross Group Limited was interested.
- As at the date of this announcement, Ample Platinum Enterprises Limited was the registered holder of 149,900,000 Shares and Mr. HUI Kee Fung (“**Mr. Hui**”) is the sole shareholder of Ample Platinum Enterprises Limited. Under Part XV of the SFO, Mr. Hui was therefore deemed to be interested in the 149,900,000 Shares in which Ample Platinum Enterprises Limited was interested. Mr. Hui is also one of the executive Directors and the chairman of the Board.
- This is for illustrative purpose only as there are restrictions under the terms of the Bond Instrument, pursuant to which restricting any conversion which will trigger a mandatory offer obligation under Rule 26 of the Takeovers Code.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The principal activity of the Company is investment holding. The Group is principally engaged in construction and its ancillary services which include design, fitting-out, decoration, alteration and addition, construction and other related businesses, financial services and consumer goods business which include but not limited to the Chinese Wine Business.

The Company observed that the Chinese yellow wine market in the PRC has been expanding, save for 2020, during which the Chinese yellow wine market in the PRC had been seriously affected by the COVID-19 pandemic and experienced a dip.

In November 2020, the China Alcoholic Drinks Association* (中國酒業協會) announced the Guiding Opinions on the Development of China's Wine Industry in the "14th Five-Year Plan" (Draft for Solicitation of Comments)* 《中國酒業“十四五”發展指導意見(徵求意見稿)》 (the "**Guiding Opinions**") pursuant to which the Guiding Opinions has depicted the plan of Chinese yellow wine for the next five years, including but not limited to further optimise the layout of the Chinese yellow wine industry and put forward the industrial development direction of "high-end, younger, and fashionable". The Company is of the view that the prospect of Chinese Wine Business in the coming years is promising.

Besides, general health and wellness industry is one of the largest components of the economy in the PRC, especially after the outbreak of the COVID-19, which has enhanced people's awareness of the importance of health, and having considered that (i) the expenditure in connection with health has soared significantly in the past few years in the PRC; (ii) the growing awareness of the importance of health; and (iii) the increase in the consumption level of health products in China, the Company is of the view that there will be a significant growth on the spending on consumer products in connection to health in the future and thus creating more business opportunities, benefiting industries such as the Chinese traditional yellow wine industry.

The Company has been actively working out a business plan to reinforce the business segment of health products and consumer goods, including the development of the Chinese Wine Business. As disclosed in the announcements of the Company dated 15 October 2020 and 23 November 2020, the Jiangxi JV has been formed and which will be principally engaged in Chinese traditional yellow wine production and sales. In addition, the Company has entered into the Equipment Purchase Agreement to purchase a number of equipment and machines with ancillary facilities for yellow wine production.

Assuming the Convertible Bonds are fully placed by the Placing Agent, the gross proceeds and the net proceeds from the Placing (after deducting the placing commission payable to the Placing Agent and other expenses incurred in the Placing) are estimated to be approximately HK\$117,000,000 and HK\$116,000,000, respectively. The net Conversion Price, after deduction of relevant expenses, is approximately HK\$0.129 per Conversion Share.

The net proceeds from the Placing are intended to be applied as to (i) approximately HK\$30,000,000 for the development and promotion of the health and consumer goods business of the Group, including but not limited to (a) setting up theme retail stores in the PRC and Hong Kong promoting the Group's organic juice, yellow wine and other health products; (b) advertising and launching marketing campaign to promote the organic juice, yellow wine and health products of the Group; and (c) developing online sales channel for the Group's health products; (ii) approximately HK\$46,000,000 for the purchase of raw materials for the production of wine products in connection with the Chinese Wine Business; and (iii) the remaining of the net proceeds in the approximate amount of HK\$40,000,000 for the operating cost and general working capital of the Group.

In light of the above, the Directors consider that the entering into of the Placing Agreement and the terms of the Placing Agreement (including but not limited to the placing commission) and the Bond Instruments with respect to the Convertible Bonds, which were on normal commercial terms and arrived at after arm's length negotiations between the Company and the Placing Agent, are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

Date of announcements	Fund raising activities	Net Proceeds	Intended use of net proceeds	Actual use of the net proceeds
2 November 2020	Placing of new Shares under general mandate	Approximately HK\$93.8 million	Approximately HK\$40 million for the capital injection in the joint venture company by the Group under the discloseable transaction as announced on 15 October 2020 and as to the remaining balance towards the general working capital and business development of the Group	Used as intended

Save as disclosed above, the Company has not conducted any equity fund raising activities in the 12 months prior to the date of this announcement.

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

As at the date of this announcement, the authorised share capital of the Company is HK\$10,000,000 divided into 1,000,000,000 Shares, of which 600,000,000 Shares are in issue. In order to facilitate the allotment and issue of the Conversion Shares and to provide the Company with greater flexibility to accommodate future expansion and growth of the Group, the Company proposes to increase its authorised share capital from HK\$10,000,000 divided into 1,000,000,000 Shares to HK\$50,000,000 divided into 5,000,000,000 Shares by the creation of an additional 4,000,000,000 unissued Shares which, upon issue, will rank *pari passu* in all respects with the existing unissued Shares.

The proposed Authorised Share Capital Increase is conditional upon the passing of an ordinary resolution by the Shareholders at the EGM approving the Authorised Share Capital Increase.

GENERAL

The EGM will be convened for the purpose of considering and, if thought fit, approving, among other things, the grant of the Specific Mandate, the Placing Agreement and the transactions contemplated thereunder, and the Authorised Share Capital Increase. To the best of the knowledge, information and belief of the Directors, and having made all reasonable enquiries, no Shareholder has any material interest in the transactions contemplated under the Placing Agreement and will be required to abstain from voting on the resolution(s) to approve the Placing Agreement and the transactions contemplated thereunder at the EGM.

A circular containing, among other things, (i) further details of the proposed Placing, the Convertible Bonds and the proposed Authorised Share Capital Increase; and (ii) a notice convening the EGM, will be dispatched to the Shareholders as soon as practicable in accordance with the Listing Rules on or before 13 August 2021.

Completion of the Placing is subject to the satisfaction of the conditions precedent set out in the Placing Agreement. As the Placing may or may not proceed, 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 expressions shall have the following meanings:

“associate(s)”	has the same meaning ascribed thereto under the Listing Rules
“Authorised Share Capital Increase”	an increase in the authorised share capital of the Company from HK\$10,000,000 divided into 1,000,000,000 Shares to HK\$50,000,000 divided into 5,000,000,000 Shares by creating an additional 4,000,000,000 unissued Shares
“Board”	the board of Directors of the Company
“Bond Instrument”	the instrument constituting the Convertible Bonds
“Bondholder(s)”	holders of the Convertible Bonds
“Business Day(s)”	any day (excluding Saturdays, Sundays, public holidays and days on which a tropical cyclone warning No. 8 or above a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks generally are open for general banking business in Hong Kong

“Chinese Wine Business”	the Group’s Chinese traditional yellow wine production and sales business
“Closing Date”	such date within three (3) Business Days after the date on which the Placing Agent serves a written notice to the Company in connection with the subscription of the Convertible Bonds; and after the conditions precedent of the Placing Agreement are fulfilled, or such other date as agreed in writing by the Company and the Placing Agent
“Company”	Hope Life International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on main board of the Stock Exchange (Stock Code: 1683)
“Completion”	completion of the Placing
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Conversion Price”	the initial conversion price of HK\$0.13 per Conversion Share, subject to adjustments
“Conversion Rights”	the rights pursuant to the terms and conditions of the Bond Instruments attached to the Convertible Bonds, to convert the principal amount or a part thereof into Shares
“Conversion Shares”	the Shares to be issued by the Company upon exercise by the Bondholder(s) of the conversion rights attached to the Convertible Bonds
“Convertible Bonds”	the 3% per annum coupon interest rate convertible bonds proposed to be issued by the Company in the aggregate principal amount of up to HK\$117,000,000 to be placed under the Placing
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting to be convened by the Company to approve, among others, the grant of the Specific Mandate, the Placing Agreement and the transaction contemplated thereunder and the Authorised Share Capital Increase

“Equipment Purchase Agreement”	the equipment purchase agreement dated 23 November 2020 and entered into between Beijing Yaogehui Trading Co., Ltd.* (北京耀格輝商貿有限公司), a company established in the People’s Republic of China with limited liabilities, as vendor, and the Jiangxi JV as purchaser
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of, and not connected with or acting in concert with the directors, chief executives or substantial shareholders of the Company, any of its subsidiaries or their respective associates
“Jiangxi JV”	Jiangxi Zhongniang Jiuye Co., Ltd.* (江西中釀酒業有限公司), the joint venture company to be established in Jiangxi Province, the People’s Republic of China
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the main board
“Long Stop Date”	5:00 p.m. on the date falling on the 21st day after the date of EGM or such other date as the Placing Agent and the Company may agree in writing
“Maturity Date”	the third anniversary of the date of issue of the Convertible Bonds
“Placee(s)”	any individuals, corporate, institutional investors or other investors procured by or on behalf of the Placing Agent to subscribe for any of the Convertible Bonds
“Placing”	the placing of the Convertible Bonds in accordance with the terms and conditions set out in the Placing Agreement
“Placing Agent”	Yuet Sheung International Securities Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO
“Placing Agreement”	the conditional placing agreement dated 23 July 2021 and entered into between the Company and the Placing Agent in relation to the Placing

“PRC”	the People’s Republic of China which shall, for the purpose of this announcement, exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“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)”	ordinary shares of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Specific Mandate”	the specific mandate granted to the Board to allot, issue and deal with the Conversion Shares at the relevant extraordinary general meeting of the Company to be convened by the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers in Hong Kong
“%”	per cent.

By order of the Board of
Hope Life International Holdings Limited
LIANG Zhichao
Executive Director

Hong Kong, 23 July 2021

As at the date of this announcement, the Board of Directors of the Company comprises Mr. HUI Kee Fung and Mr. LIANG Zhichao as executive Directors; and Mr. CHEUNG Ting Pong, Ms. XIE Yanbin and Ms. FU Ling as independent non-executive Directors.

* *For identification purposes only*