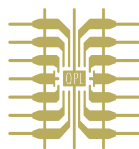


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QPL INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 243)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



中國保盛證券有限公司

CHINA PROSPECT SECURITIES LIMITED

On 24 October 2022 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Company has conditionally agreed to place, through the Placing Agent on a best effort basis, up to 45,124,422 Placing Shares at the Placing Price of HK\$0.20 per Placing Share to not less than six Placees who are individuals, corporate, institutional, or other investors that are third parties independent of the Company and its connected persons. The Placing Shares will be allotted and issued pursuant to the General Mandate.

Assuming the Placing Shares are fully placed, the maximum number of 45,124,422 Placing Shares under the Placing represents approximately 18.52% of the issued share capital of the Company as at the date of this announcement, and approximately 15.63% of the issued share capital as enlarged by the issue of the Placing Shares.

The Board considers that the Placing represents a good opportunity for the Company to raise additional funding for the business operations of the Group and to widen the Company's shareholder base. The terms of the Placing Agreement (including the Placing Price and the placing commission) were determined after arm's length negotiations between the Company and the Placing Agent. The Directors (including the independent non-executive Directors) consider that the terms of the Placing Agreement (including the Placing Price and the placing commission) are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Assuming that all the Placing Shares are fully placed, the estimated gross proceeds and net proceeds (after deducting the placing commission and other related expenses and professional fees) from the Placing will amount to approximately HK\$9.0 million and approximately HK\$8.7 million, respectively. The Company intends to use such net proceeds for upgrading and renovating the Group's existing property, plant and equipment and for general working capital of the Group.

Given that completion of the Placing may or may not take place, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

THE PLACING AGREEMENT

Date

24 October 2022 (after trading hours)

Parties

Issuer: The Company

Placing Agent: China Prospect Securities Limited

To the best knowledge, information and belief of the Board, having made all reasonable enquiries, the Placing Agent, its associates and their respective ultimate beneficial owner(s) are Independent Third Parties. As at the date of this announcement, the Placing Agent is not interested in any Shares.

Placing

The Placing Agent has conditionally agreed to place, or procure the placing of, up to 45,124,422 Placing Shares at the Placing Price of HK\$0.20 per Placing Share on a best effort basis and will receive a placing commission of 2.5% of the Placing Price multiplied by the actual number of Placing Shares placed by the Placing Agent (i.e. the gross proceeds from the Placing).

The placing commission payable to the Placing Agent under the Placing Agreement is arrived at after arm's length negotiations between the Company and the Placing Agent with reference to the prevailing market commission rate for similar transactions. The Directors are of the view that the placing commission is fair and reasonable.

Placees

The Placing Agent will place the Placing Shares to individuals, corporate, institutional, or other investors that are Independent Third Parties. It is expected that the Placing Shares will be placed to not less than six Placees and none of the Placees will become a substantial shareholder of the Company upon the completion of the Placing.

Number of Placing Shares

Assuming the Placing Shares are fully placed, the maximum number of 45,124,422 Placing Shares under the Placing represents approximately 18.52% of the issued share capital of the Company as at the date of this announcement, and approximately 15.63% of the issued share capital as enlarged by the issue of the Placing Shares. The maximum aggregate nominal value of the Placing Shares under the Placing will be HK\$451,244.22.

Placing Price

The Placing Price is HK\$0.20 per Placing Share which represents:

- (a) a discount of approximately 6.98% to the closing price of HK\$0.215 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and
- (b) a discount of approximately 7.41% to the average closing price of HK\$0.216 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Placing Agreement.

The Placing Price was determined on an arm's length basis between the Company and the Placing Agent and with reference to the prevailing market price of the Shares. The Directors consider that the Placing Price is fair and reasonable based on the current market conditions.

Placing Shares

The Placing Shares will be allotted and issued under the General Mandate granted to the Board at the AGM held on 28 October 2021 pursuant to which the Board is authorised to allot, issue and deal with up to 45,124,422 Shares. As at the date of this announcement, the Company has not utilised the General Mandate. The allotment and issue of the Placing Shares shall not be subject to Shareholders' approval.

Ranking of Placing Shares

The Placing Shares under the Placing will rank, upon issue, pari passu in all respects with the Shares in issue on the date of allotment and issue of the Placing Shares.

Application for listing

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

Condition precedent

Completion of the Placing Agreement is conditional upon the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in the Placing Shares.

If the above condition is not satisfied on or before 14 November 2022 or such later date to be agreed between the Company and the Placing Agent in writing, the Placing will be terminated and the Placing will not proceed and all obligations and liabilities of the parties under the Placing Agreement will forthwith cease and determine and no party will have any claim against the other (save for any antecedent breaches).

Completion

Completion of the Placing will take place within four Business Days after the fulfilment of the condition as set out above or such other date to be agreed between the Company and the Placing Agent in writing (the “**Completion Date**”).

Rescission of the Placing Agreement

If any of the following events occur at any time prior to 10:00 a.m. on the Completion Date, the Placing Agent may (after such consultation with the Company and/or its advisers as the circumstances shall admit or be necessary), by giving a written notice to the Company, at any time prior to the Completion Date provided that such notice is received prior to 6:00 p.m. on the day immediately preceding the Completion Date, rescind the Placing Agreement without liability to the other party, and the Placing Agreement shall thereupon cease to have effect and none of the parties shall have any rights or claims by reason thereof save for any rights or obligations which may accrue under the Placing Agreement prior to such termination:

- (i) in the reasonable opinion of the Placing Agent there shall have been since the date of the Placing Agreement such a change in national or international financial, political or economic conditions or taxation or exchange controls as would be likely to prejudice materially the consummation of the Placing; or
- (ii) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any matter whatsoever which may adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
- (iii) any material breach of any of the representations and warranties set out in the Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the Completion Date which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of the representations and warranties contained in the Placing Agreement untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of the Placing Agreement; or

- (iv) any moratorium, suspension or restriction on trading in shares or securities generally on the Stock Exchange due to exceptional financial circumstances; or
- (v) there is any adverse change in the financial position of the Company which in the reasonable opinion of the Placing Agent is material in the context of the Placing.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are (i) the manufacture and sale of integrated circuit leadframes, heatsinks, stiffeners and related products, (ii) securities trading, and (iii) investment holding and (iv) money lending. It is the Group's objective to pursue its existing business and seek opportunities to expand its customer base.

The Directors are of the view that the Placing represents a good opportunity for the Company to raise additional funding for the business operations of the Group and strengthen the Group's financial position, and enlarge shareholders' base of the Company which may in turn enhance the liquidity of the Shares. The net placing price per Placing Share will be HK\$0.193.

Assuming that all the Placing Shares are fully placed, the estimated gross proceeds and net proceeds (after deducting the placing commission and other related expenses and professional fees) from the Placing will amount to approximately HK\$9.0 million and approximately HK\$8.7 million, respectively. The Company intends to use such net proceeds for upgrading and renovating the Group's existing property, plant and equipment, and for general working capital of the Group.

The terms of the Placing Agreement (including the Placing Price and the placing commission) were determined after arm's length negotiations between the Company and the Placing Agent. The Directors (including the independent non-executive Directors) consider that the terms of the Placing Agreement (including the Placing Price and the placing commission) are on normal commercial terms, fair and reasonable and in the interests of the Company and Shareholders as a whole.

EQUITY FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST 12 MONTHS

The Company has not conducted any equity fund raising activities in the past 12 months from the date of this announcement.

SHAREHOLDING STRUCTURE OF THE COMPANY UPON COMPLETION OF THE PLACING

The shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon completion of the Placing (assuming the maximum number of Placing Shares are placed and there is no other change in the share capital of the Company) are set out as follows:

Name of Shareholders	As at the date of this announcement		Immediately upon completion of the Placing	
	No. of Shares	Approximate %	No. of Shares	Approximate %
Directors:				
Mr. Li Tung Lok (<i>Note</i>)	5,755,271	2.36	5,755,271	1.99
Ms. Tung Siu Ching	1,800,000	0.74	1,800,000	0.62
Mr. Lai Sau Him	1,800,000	0.74	1,800,000	0.62
Ms. Chung Hoi Yan	1,800,000	0.74	1,800,000	0.62
Mr. Chu Chun On, Franco	1,800,000	0.74	1,800,000	0.62
Public Shareholders:				
The Places	–	–	45,124,422	15.63
Ms. Hui Sau King Florence	37,600,000	15.43	37,600,000	13.02
Other public Shareholders	193,066,839	79.25	193,066,839	66.88
Total	<u>243,622,110</u>	<u>100.00</u>	<u>288,746,532</u>	<u>100.00</u>

Note: Mr. Li Tung Lok has personal interests in 5,292,960 Shares, family interests in 75,000 Shares and corporate interests in 387,311 Shares

Given that completion of the Placing may or may not take place, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, the following expressions have the meaning set out below unless the context requires otherwise:

“AGM”	the annual general meeting of the Company held on 28 October 2021
“Board”	the board of Directors
“Business Day(s)”	a day other than a Saturday, Sunday or public holiday or a day on which typhoon signal no. 8 or above or a “black” rainstorm warning is hoisted in Hong Kong, on which banks are open for commercial business in Hong Kong

“Company”	QPL International Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 243)
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate granted to the Directors by the Shareholders at the AGM to allot, issue and deal with up to 20% of the then issued share capital of the Company as at 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 People’s Republic of China
“Independent Third Party(ies)”	party who is independent of, and not connected with the Directors, chief executive or substantial shareholders of each of the Company, its subsidiaries and their respective associates, in accordance with the Listing Rules.
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	any individuals, corporate, institutional or other investor(s) procured by the Placing Agent or its agents to subscribe for any of the Placing Shares pursuant to the Placing Agreement
“Placing”	the placing of up to 45,124,422 Placing Shares pursuant to the terms of the Placing Agreement
“Placing Agent”	China Prospect Securities Limited, a licensed corporation to carry on business in Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	the conditional placing agreement entered into between the Company and the Placing Agent dated 24 October 2022 in relation to the Placing
“Placing Price”	HK\$0.20 per Placing Share

“Placing Shares”	up to 45,124,422 new Shares to be placed pursuant to the Placing Agreement
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By order of the Board
QPL International Holdings Limited
Tung Siu Ching
Executive Director

Hong Kong, 24 October 2022

As at the date of this announcement, the Board comprises four Executive directors, namely Mr. Li Tung Lok (Executive Chairman and Chief Executive), Mr. Phen Hoi Ping, Patrick, Mr. Lai Sau Him and Ms. Tung Siu Ching, and three Independent Non-executive directors, namely Ms. Chung Hoi Yan, Mr. Liu Rongrui and Mr. Chu Chun On, Franco.

In the case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.