

**DATE: 24 November 2022**

**JIMU GROUP LIMITED**

**(as Company)**

**AND**

**ZINVEST GLOBAL LIMITED**

**(as Placing Agent)**

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**PLACING AGREEMENT**  
**relating to the placing of up to**  
**120,384,000 new shares of**  
**Jimu Group Limited**

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**Khoo & Co.**  
**15<sup>th</sup> & 16<sup>th</sup> Floors (Reception)**  
**Tern Centre Tower 2**  
**251 Queen's Road Central**  
**Hong Kong**

**THIS AGREEMENT** is made on the 24 day of November 2022

**BETWEEN:**

- (A) **JIMU GROUP LIMITED**, a company incorporated in the Cayman Islands with limited liability having its registered office at Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and its principle place of business in Hong Kong at Unit 06, 12th Floor, The Broadway, No. 54-62 Lockhart Road, Hong Kong (the “**Company**”); and
- (B) **Zinvest Global Limited**, a company incorporated in Hong Kong with limited liability whose registered office is situated at Room 3502, Lippo Center Tower 2, 89 Queensway, Hong Kong (the “**Placing Agent**”).

**WHEREAS:**

- (A) As at the date of this Agreement, the Company has an authorised share capital of HK\$10,000,000 divided into 1,000,000,000 Shares (as defined hereinafter), of which 601,920,000 Shares have been issued and are fully paid up or credited as fully paid up. All the issued Shares are currently listed on GEM of the Stock Exchange (as defined hereinafter).
- (B) At the annual general meeting of the Company held on 28 June 2022, an ordinary resolution of shareholders of the Company was passed pursuant to which a general mandate (the “**General Mandate**”) was unconditionally given to the directors of the Company to allot, issue and deal with new Shares not exceeding 20% of the aggregate number of issued Share as at the date of passing of the resolution, i.e. up to 120,384,000 new Shares. No new Shares have been issued under the General Mandate since its grant on 28 June 2022.
- (C) The Placing Agent, as agent of the Company, has agreed to procure on a best effort basis not less than six (6) Placees (as defined hereinafter) to subscribe for the Placing Shares (as defined hereinafter) on and subject to the terms and condition set out in this Agreement. The Placing Shares are to be allotted and issued pursuant to the General Mandate.

**IT IS HEREBY AGREED:**

**1. INTERPRETATION**

- (A) In this Agreement, including the recitals and schedules hereto, unless the context otherwise requires:

“**acting in concert**” has the meaning as ascribed to it in the Codes on Takeovers and Mergers and Share Buy-backs of Hong Kong;

“**Agreement**” means this placing agreement as amended or varied from time to time by an agreement in writing duly executed and delivered by the parties hereto;

“**Announcement**” means an announcement in the form or substantially in the form of the draft annexed or contained in the Schedule 1 proposed to be issued by the Company as soon as possible following the execution of this Agreement;

“**Business Day**” means a day (excluding Saturday, Sunday, public holiday and any day on which “extreme conditions” caused by super typhoons is announced by the Government of Hong Kong or a tropical cyclone warning signal 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 licensed banks in Hong Kong are open for business throughout their normal business hours;

“**CCASS**” means the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited;

“**Completion**” means completion of the Placing in accordance with the terms and condition set out in this Agreement;

“**Completion Date**” means a date falling within four (4) Business Days after the day on which all the conditions set out in Clause 3(A) have been fulfilled (or such later date as may be agreed between the parties hereto in writing);

“**GEM Listing Rules**” means the Rules Governing the Listing of Securities on GEM of the Stock Exchange;

“**General Mandate**” has the meaning ascribed thereto in Recital (B);

“**Group**” means the Company and its subsidiaries and the expression “**member(s) of the Group**” shall be construed accordingly;

“**Hong Kong**” means the Hong Kong Special Administrative Region of the People’s Republic of China;

“**Placee(s)**” means any person or entity procured by the Placing Agent or its agent(s) to subscribe for any Placing Share;

“**Placing**” means the placing of the Placing Shares on and subject to the terms and condition set out in this Agreement;

“**Placing Price**” means HK\$0.0200 per Placing Share (exclusive of any brokerage, SFC transaction levy and Stock Exchange trading fee as may be payable);

“**Placing Shares**” means a total of up to 120,384,000 new Shares to be placed pursuant to this Agreement;

“**SFC**” means the Securities and Futures Commission of Hong Kong;

“**Shares**” means the ordinary shares of HK\$0.01 each in the share capital of the Company;

“**Shareholder(s)**” means holder(s) of the Shares;

“**Stock Exchange**” means The Stock Exchange of Hong Kong Limited;

“**subsidiary(ies)**” has the meaning ascribed thereto it in section 15 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);

“**HK\$**” means Hong Kong dollars, the lawful currency of Hong Kong; and

- (B) In this Agreement, references herein to ‘**Recitals**’, “**Clauses**” and the “**Schedules**” are to the recitals and clauses of and the schedules to this Agreement.
- (C) In this Agreement, the singular includes the plural and vice versa, words importing gender or the neuter include both genders and the neuter and references to persons include bodies corporate or unincorporate.
- (D) Headings inserted are for convenience only and shall not affect the interpretation of this Agreement.

## **2. PLACING**

- (A) Upon and subject to the terms and conditions set out in this Agreement, the Placing Agent agrees, as agent of the Company, to procure on a best effort basis not less than six (6) Placees to subscribe for the Placing Shares at the Placing Price. The Placing Agent may carry out the Placing itself and/or through such other agents as the Placing Agent may agree with the Company. The Placing Agent shall procure that such other agents shall comply with all relevant obligations to which the Placing Agent is subject under the terms of this Agreement.
- (B) The Company hereby appoints the Placing Agent as its agent to procure on a best effort basis not less than six (6) Placees to subscribe for the Placing Shares on and subject to the terms and condition set out in this Agreement. Any transaction properly carried out by the Placing Agent pursuant to this Agreement shall constitute a transaction carried out by the Placing Agent at the request of the Company and as its agent and not on account of or for the Placing Agent. The Placing Agent shall not be responsible for any loss or damage (except for any loss or damage which is caused, directly or indirectly, by fraud, wilful default or negligence on the part of the Placing Agent, or any sub-agent appointed by the Placing Agent pursuant to Clause 2(A)) to the Company arising directly or indirectly from any such transaction (other than as a result of non-compliance by the Placing Agent with its obligations under this Agreement).

- (C) The Company hereby confirms that the foregoing appointment confers on the Placing Agent all powers, authorities and discretion on its behalf which are necessary for, or incidental to, the Placing and hereby agrees to ratify and confirm any act which the Placing Agent shall or may lawfully and reasonably do or have done pursuant to or in anticipation of the terms and condition of this Agreement subject to the provisions contained herein.
- (D) The Company shall allot and issue the Placing Shares in accordance with the memorandum of association and articles of association of the Company, all applicable laws of Hong Kong and the Cayman Island and the rules and regulations of the Stock Exchange, and the Placing Shares shall rank *pari passu* in all respects among themselves and with the existing Shares in issue and be free from all liens, charges, encumbrances and third-party rights together with all rights attaching thereto as at the Completion Date, including but not limited to the rights to receive all future dividends and other distributions thereafter declared, made or paid.
- (E) By no later than 5:00 p.m. on two Business Days prior to the Completion Date (or such later date as may be agreed between the parties hereto in writing), the Placing Agent shall deliver to the Company the names, addresses and denominations (in board lots or otherwise) in which the Placing Shares are to be registered and, where relevant, the CCASS accounts to which the Placing Shares are to be credited. The choice of the Placees shall be determined by the Placing Agent at its sole discretion subject to the requirements of the GEM Listing Rules and/or any objection the Stock Exchange may have to any particular person or company being a Placee PROVIDED that the Placing Agent undertakes to use its best endeavours to procure that the Placing Shares shall only be placed to such persons or companies whose themselves and their respective ultimate beneficial owners (if applicable) are third parties independent of, and not connected with or acting in concert with, the Company, its connected persons (as defined under the GEM Listing Rules) and their respective associates (as defined under the GEM Listing Rules) of the Company in which obligation of the Company hereby acknowledges is fulfilled upon receipt by the Company of a written confirmation from each Placee substantially in the form set out in the Schedule 2 hereto signed by the relevant Placees.

### **3. CONDITIONS**

- (A) The Placing is conditional upon the fulfillment of the following conditions:
- (i) the GEM Listing Committee of the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Placing Shares; and
  - (ii) all necessary consents and approvals to be obtained on the part of each of the Placing Agent and the Company in respect of this Agreement and the transactions contemplated hereunder having been obtained.

- (B) The Company shall use its reasonable endeavours to procure the fulfillment of the condition referred to in Clause 3(A)(i). The parties shall use their respective reasonable endeavours to procure the fulfillment of the condition referred to in Clause 3(A)(ii). In the event any of the conditions referred to in Clause 3(A) is not fulfilled on or before 15 December 2022 (or such later date as may be agreed between the parties hereto in writing), all rights, obligations and liabilities of the parties hereto shall cease and terminate and neither of the parties shall have any claim against the other save for any antecedent breach under this Agreement prior to such termination.

#### **4. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS**

- (A) The Company hereby represents, warrants and undertakes to the Placing Agent that:
- (i) the Placing Shares shall be allotted and issued in accordance with the memorandum of association and articles of association of the Company, all applicable laws of Hong Kong and the Cayman Island and the rules and regulations of the Stock Exchange, and the Placing Shares shall rank *pari passu* in all respects among themselves and with the existing Shares in issue and be free from all liens, charges, encumbrances, claims, options and third-party rights together with all rights attaching thereto as at the Completion Date, including but not limited to the rights to receive all future dividends and other distributions thereafter declared, made or paid;
  - (ii) subject to the fulfillment of the conditions referred to in Clause 3(A), the Company has full power and authority to issue the Placing Shares and has obtained all the relevant approval(s), consent(s) and license(s) required (if any) for the allotment and issue of the Placing Shares;
  - (iii) the Company has the power to enter into this Agreement and this Agreement has been duly authorised and executed by, and constitutes legal, valid and binding obligations of the Company which shall be enforceable against the Company in accordance with its terms and condition; and
  - (iv) the Placing Shares will be allotted and issued pursuant to the general mandate granted to directors of the Company on 28 June 2022.
- (B) The Placing Agent hereby represents, warrants and undertakes to the Company that:
- (i) it has power to enter into this Agreement and this Agreement has been duly authorised and executed by, and constitutes legal, valid and binding obligations of the Placing Agent which shall be enforceable against the Placing Agent in accordance with its terms and condition;

- (ii) the Placing Agent will procure not less than six (6) Placees to subscribe for the Placing Shares at the Placing Price on and subject to the terms and condition set out in this Agreement;
- (iii) in each jurisdiction in which the Placing Agent solicits subscription for the Placing Shares the Placing Agent will do so in accordance with all applicable laws, rules and regulations in force in such jurisdiction. The Placing Shares shall not be offered to or placed in circumstances which would constitute an offer to the public in Hong Kong within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) or in any other place or in any manner in which the securities laws, rules or regulations of any place may be infringed or not complied with;
- (iv) no action has been or will be taken directly or indirectly in any jurisdiction that would result in a public offering of the Placing Shares and neither it nor persons acting on its behalf will offer or sell any Placing Shares otherwise than in compliance with applicable laws and regulations in each jurisdiction in which any such offer or sale takes place, and without prejudice to the generality of the foregoing, as the Placing Shares have not been and will not be registered under the Securities Act of the United States (the “**Securities Act**”), they may not be offered, sold, transferred and delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, and accordingly the Placing Shares have not been and will not be offered or sold to a buyer in the United States, except to those persons it reasonably believes to be qualified institutional buyers (as defined in Rule 144A under the Securities Act). Neither it nor any person acting on its behalf has engaged or will engage in any directed selling efforts in the United States (as defined in Regulation S under the Securities Act) or any form general solicitation or general advertising (each as used in Rule 5.02(c) of Regulation D under the Securities Act) with respect to the Placing Shares;
- (v) the Placing Agent will use its best endeavours and make all reasonable enquiries to ensure that the Placees and their respective ultimate beneficial owners (if applicable) will be third parties independent of, and not connected with or acting in concert with, the Company, its connected persons (as defined under the GEM Listing Rules) and their respective associates (as defined under the GEM Listing Rules);
- (vi) the Placing Agent will use its best endeavours and make all reasonable enquiries to ensure that none of the Placees will, immediately upon the Completion, become a substantial shareholder (as defined under the GEM Listing Rules) of the Company;
- (vii) the Placing Agent will make available and promptly supply, or use its best endeavours to procure the relevant Placees to make available and promptly supply, to the Stock Exchange and the SFC or any other

relevant authority all information in relation to the Placees which may be required by the Stock Exchange, the SFC and/or such other authority; and

- (viii) the Placing Agent will ensure the fulfillment and compliance of all applicable rules and regulations of the Stock Exchange and if applicable, the rules and codes of the SFC in relation to its role as placing agent for the Placing, and will issue appropriate written confirmation of such fulfilment and compliance upon request by the Company and/or the relevant authority.
- (C) Each party to this Agreement undertakes that, save for the Announcement and any other disclosure as may be required to be made in compliance with the GEM Listing Rules or any other applicable laws, rules and regulations and/or as may be required by the relevant authority, no announcements, press releases or other general public disclosure in relation to the Placing shall be made by any of them without the prior written consent of the other party (such consent shall not be unreasonably withheld or delayed).
- (D) The representations, warranties and undertakings contained in this Clause are deemed to be given as at the date of this Agreement and shall be deemed to be repeated on the Completion Date as if given on such date with reference in each case to the facts and circumstances then subsisting and shall remain in full force and effect notwithstanding Completion. Each party hereto hereby undertakes to notify the other party to this Agreement of any matter or event coming to its attention which may render any of the representations, warranties or undertakings untrue or inaccurate or misleading in any material respect at any time prior to the Completion Date.

## **5. COMPLETION**

Completion of this Agreement shall take place at 4:00 p.m. on the Completion Date at the principal office of the Company in Hong Kong (or such other date, time and/or place as the parties hereto may agree in writing) when all (but, not part only) of the following businesses shall be transacted:

- (i) the Placing Agent shall deliver to the Company an application by each of the Placees in the form set out in the Schedule 2 for such number of Placing Shares to be subscribed by it, and effect payment to the Company by way of cheque or cashier order or telegraphic transfer in Hong Kong dollars for value to the Company of an amount equal to the Placing Price multiplied by the number of the Placing Shares actually placed by the Placing Agent less the amounts deducted by the Placing Agent under Clause 6;
- (ii) the Company shall allot and issue to the Placees such number of the Placing Shares subscribed by them and shall procure that the Placees or their nominees be registered on the branch register of members of the Company in Hong Kong in respect thereof; and

- (iii) the Company shall arrange to deliver to the Placing Agent upon Completion the definitive share certificates in the form of jumbo certificate or in such denomination as the Placing Agent may instruct pursuant to Clause 2(E) issued in the names of the Placees or their nominees in respect of such number of Placing Shares to be subscribed by each of them respectively and in accordance with such instructions referred to above or arrange for the Placing Shares to be deposited into CCASS in accordance with such instructions.

## **6. COMMISSIONS AND EXPENSES**

- (A) Subject to completion of the Placing, the Company shall pay to the Placing Agent a placing commission in Hong Kong dollars, of HK\$50,000, and the Placing Agent is hereby authorised to deduct from the payment to be made by it to the Company at Completion pursuant to Clause 5(i).
- (B) Subject to Clause 6(C), the Company shall pay all out-of-pocket expenses properly and reasonably incurred by the Placing Agent in connection with the Placing.
- (C) Each of the parties hereto shall be respectively liable for its own legal and other professional fees and expenses in connection with the preparation of this Agreement.

## **7. TERMINATION**

- (A) Notwithstanding anything contained in this Agreement, the Placing Agent may terminate this Agreement without any liability to the Company save for antecedent breach under this Agreement prior to such termination, by notice in writing given to the Company at any time prior to 8:00 a.m. on the Completion Date upon the occurrence of the following events which, in the reasonable opinion of the Placing Agent, has or may have an adverse effect on the business or financial conditions or prospects of the Company or the Group taken as a whole or the success of the Placing or the full placement of all of the Placing Shares or has or may otherwise make it inappropriate, inadvisable or inexpedient to proceed with the Placing on the terms and in the manner contemplated in this Agreement if there develops, occurs or comes into force:
  - (i) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date of this Agreement) and including an event or change in relation to or a development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, resulting in a change in, or which may result in a change in, political, economic, fiscal, financial, regulatory or stock market conditions and which in the Placing Agent's reasonable opinion would adversely affect the success of the Placing; or

- (ii) the imposition of any moratorium, suspension (for more than seven (7) trading days) or restriction on trading in the securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise and which in the Placing Agent's reasonable opinion, would adversely affect the success of the Placing; or
  - (iii) any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other jurisdiction relevant to the Group and if in the Placing Agent's reasonable opinion any such new law or change may adversely affect the business or financial prospects of the Group and/or the success of the Placing; or
  - (iv) any litigation or claim being instigated against any member of the Group, which has or may have an adverse effect on the business or financial position of the Group and which in the Placing Agent's reasonable opinion would adversely affect the success of the Placing; or
  - (v) any material adverse change in the business or in the financial or trading position or prospects of the Group as a whole; or
  - (vi) any breach of any of the representations and warranties set out in Clause 4(A) comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of this Agreement and prior to the Completion Date which if had occurred or arisen before the date of this Agreement would have rendered any of such representations and warranties untrue or incorrect or there has been a breach by the Company of any other provision of this Agreement; or
  - (vii) 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 and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed.
- (B) If notice is given pursuant to Clause 7(A), this Agreement shall terminate and be of no further effect and neither party shall be under any liability to the other party in respect of this Agreement save for any antecedent breach under this Agreement prior to such termination.

## **8. MISCELLANEOUS**

- (A) All provisions of this Agreement shall so far as they are capable of being performed or observed continue in full force and effect notwithstanding Completion except in respect of those matters which have already been performed.
- (B) This Agreement may be executed in two or more counterparts each of which shall be binding on the parties hereto and shall together constitute one agreement.

- (C) This Agreement shall be binding on and endure for the benefit of the successors of the parties hereto but assignment may only be made after prior written consent of the other party has been given.

**9. NOTICE**

- (A) All notices delivered hereunder shall be in writing and shall be communicated to the following addresses:

If to the Company, to:

Address : Unit 06, 12th Floor,  
The Broadway,  
No. 54-62 Lockhart Road,  
Hong Kong  
Facsimile : (852) 3007 6555  
Attention : The Board of Directors

If to the Placing Agent to:

Address : Room 3502, Lippo Center Tower 2, 89 Queensway,  
Hong Kong  
Facsimile : (852) 3852 2189  
Attention : Ken Mak

- (B) Any such notice shall take effect in the case of delivery by hand upon delivery; in the case of despatch by local mail 24 hours after posting; and in the case of facsimile, on production of a transmission report by the machine from which the facsimile was sent which indicates that the facsimile was sent in its entirety to the facsimile number of the recipient.

**10. TIME OF ESSENCE**

Time shall be of the essence of this Agreement.

**11. GOVERNING LAW AND JURISDICTION**

- (A) This Agreement is governed by and shall be construed in accordance with the laws of Hong Kong.
- (B) The parties hereto irrevocably submit to the non-exclusive jurisdiction of the courts of Hong Kong.
- (C) Unless expressly provided to the contrary in this Agreement, a person who is not a party to this Agreement has no right under Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce or to enjoy the benefit of any term of this Agreement.

**Schedule 1**  
**Announcement**

*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.*

*This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.*



**JIMU GROUP LIMITED**  
**積木集團有限公司**

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

**(Stock Code: 8187)**

**PLACING OF NEW SHARES UNDER GENERAL MANDATE**

**Placing Agent**



**PLACING OF NEW SHARES UNDER GENERAL MANDATE**

The Board is pleased to announce that on 24 November 2022 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Placing Agent conditionally agreed to place as the Company's placing agent on a best effort basis the Placing Shares up to 120,384,000 new Shares to not less than six Places at the Placing Price of HK\$0.0200 per Placing Share. The Placing Shares will be allotted and issued pursuant to the General Mandate granted to the Directors at the AGM.

The Placing Shares represent (i) 20% of the existing total number of issued Shares as at the date of this announcement; and (ii) approximately 16.67% of the total number of issued Shares as enlarged by the allotment and issue of the Placing Shares in full, assuming there will be no change in the issued share capital of the Company between the date of this announcement and the Closing Date. The aggregate nominal value of the maximum number of Placing Shares under the Placing will be HK\$1,203,840.

Assuming that all the Placing Shares are successfully placed by the Placing Agent, the maximum gross proceeds from the Placing are estimated to be approximately HK\$2.41 million, and the maximum net proceeds, after deducting the placing commission, professional fees and all related expenses which may be borne by the Company, from the Placing are estimated to be approximately HK\$2.31 million.

The maximum net proceeds from the Placing of approximately HK\$2.31 million are intended to be used for the purposes of replenishing the working capital of the Group and developing the Group's businesses.

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

## **THE PLACING AGREEMENT**

The principal terms of the Placing Agreement are summarized below:

**Date** : 24 November 2022 (after trading hours)

**Issuer** : The Company

**Placing Agent** : Zinvest Global Limited

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Placing Agent and its ultimate beneficial owner(s) is an Independent Third Party as at the date of this announcement.

Pursuant to the terms of the Placing Agreement, the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, a maximum of 120,384,000 Placing Shares to not less than six Placees who and whose ultimate beneficial owners are third parties independent of the Company and its connected persons.

### **Placing Commission**

The Placing Agent will charge the Company a fixed fee of HK\$50,000 being the placing commission to the Placing Agent.

### **Placees**

The Placing Agent will, on a best efforts basis, place the Placing Shares to currently expected to be not less than six Placees who and whose ultimate beneficial owner(s) (if applicable) shall be Independent Third Parties.

## **Number of Placing Shares**

Assuming there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Placing, the maximum number of Placing Shares under the Placing represent (i) 20% of the existing issued share capital of the Company of 601,920,000 Shares as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares. The aggregate nominal value of the maximum number of Placing Shares under the Placing will be HK\$1,203,840.

## **Ranking of Placing Shares**

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

## **Placing Price**

The Placing Price of HK\$0.0200 per Placing Share represents:

- (a) a discount of approximately 16.7% to the closing price of HK\$0.0240 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and
- (b) a discount of approximately 13.8% to the average closing price of HK\$0.0232 per Share as quoted on the Stock Exchange in the last five consecutive trading days immediately prior to the date of the Placing Agreement.

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

Subject to completion of the Placing, it is expected that the maximum gross proceeds and net proceeds (after deducting placing commission and other relevant costs and expenses) from the Placing will be approximately HK\$2.41 million and approximately HK\$2.31 million respectively. On such basis, the net issue price will be approximately HK\$0.0190 per Placing Share.

## **General Mandate to allot and issue of the Placing Shares**

The Placing Shares will be allotted and issued pursuant to the General Mandate. The maximum number of Shares that can be issued under the General Mandate is 120,384,000 Shares. As at the date of this announcement, no Shares have been allotted and issued under the General Mandate. The General Mandate is sufficient for the allotment and issue of all the Placing Shares. As such, the issue of the Placing Shares is not subject to further Shareholders' approval. The General Mandate will be fully utilised upon the allotment and issue of all the Placing Shares.

## **Application for Listing of Placing Shares**

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

## **Conditions and Completion of the Placing**

Completion of the Placing is conditional upon fulfilment of the following conditions:

- (i) the GEM Listing Committee of the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Placing Shares; and
- (ii) all necessary consents and approvals to be obtained on the part of each of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated thereunder having been obtained.

In the event that any of the above conditions is not fulfilled on or before 15 December 2022 (or such later date as may be agreed between the parties to the Placing Agreement in writing), all rights, obligations and liabilities of the parties to the Placing Agreement shall cease and terminate and neither of the parties thereto shall have any claim against the other save for any antecedent breach under the Placing Agreement prior to such termination.

## **Completion of the Placing**

Completion of the Placing will take place within four (4) Business Days after the fulfillment of the above conditions precedent or such other date to be agreed between the Company and the Placing Agent in writing.

## **Termination**

The Placing Agent may terminate the Placing Agreement without any liability to the Company save for antecedent breach under the Placing Agreement prior to such termination, by notice in writing given to the Company at any time prior to 8:00 a.m. on the Placing Completion Date upon the occurrence of the following events:

- (i) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date of the Placing Agreement) and including an event or change in relation to or a development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, resulting in a change in, or which may result in a change in, political, economic, fiscal, financial, regulatory or stock market conditions and which in the Placing Agent's absolute opinion would adversely affect the success of the Placing; or

- (ii) the imposition of any moratorium, suspension (for more than seven (7) trading days) or restriction on trading in the securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise and which in the Placing Agent's absolute opinion, would adversely affect the success of the Placing; or
- (iii) any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other jurisdiction relevant to the Group and if in the Placing Agent's absolute opinion any such new law or change may adversely affect the business or financial prospects of the Group and/or the success of the Placing; or
- (iv) any litigation or claim being instigated against any member of the Group, which has or may have an adverse effect on the business or financial position of the Group and which in the Placing Agent's absolute opinion would adversely affect the success of the Placing; or
- (v) any material adverse change in the business or in the financial or trading position or prospects of the Group as a whole; or
- (vi) any breach of any of the representations and warranties of the Company to the Placing Agent under 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 Placing Completion Date which if had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties untrue or incorrect or there has been a breach by the Company of any other provision of the Placing Agreement; or
- (vii) there is any material change (whether or not forming part of a series of changes) in market conditions which in the absolute opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed.

If notice is given pursuant to this section, the Placing Agreement shall terminate and be of no further effect and neither party shall be under any liability to the other party in respect of this Agreement save for any antecedent breach under this Agreement prior to such termination.

## **REASONS FOR AND BENEFITS OF THE PLACING AND USE OF PROCEEDS**

The Group is principally engaged in the footwear and apparel businesses and the loan facilitation and credit assessment businesses.

In view of the current market conditions, the Directors consider that the Placing represents a good opportunity to broaden the shareholders base and capital base of the Company and to raise capital for its operation and future business developments.

Subject to completion of the Placing, it is expected that the maximum the gross proceeds and net proceeds (after deduction of placing commission and other expenses of the Placing) from the Placing will be approximately HK\$2.41 million and HK\$2.31 million respectively. The Company intends to apply the net proceeds from the Placing for business operation and general working capital.

The Directors consider that the Placing Agreement is entered into upon normal commercial terms following arm's length negotiations between the Company and the Placing Agent with reference to the prevailing market conditions and the recent trading performance of the Shares and the terms of the Placing Agreement (including the Placing Price and the placing commission) are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

### **EQUITY FUND RAISING ACTIVITIES OF THE COMPANY**

Apart from the fund raising activity mentioned below, the Company has not conducted any other fund raising activities involving the issue of its equity securities in the 12 months immediately preceding the date of this announcement.

<b>Date of announcement</b>	<b>Fund raising activity</b>	<b>Net proceeds raised</b>	<b>Proposed use of proceeds</b>	<b>Actual use of proceeds</b>
17 January 2022	Placing of 100,320,000 new ordinary shares of HK\$0.01 each under general mandate at the placing price of HK\$0.107 per share to not less than six places who and whose respective ultimate beneficial owners shall be independent third parties (closing price per Share on the date of the placing agreement was HK\$0.132)	HK\$10,264,000	Intended to be used for the business operation and general working capital of the Group	Fully utilised as intended

## EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming there being no other changes in the share capital of the Company from the date of this announcement up to completion of the Placing, set out below is the shareholding structure of the Company (i) as at the date of this announcement and (ii) immediately after completion of the Placing.

	As at the date of this announcement		Immediately after completion of the Placing (assuming all the Placing Shares are fully placed)	
	Number of Shares	Approx. %	Number of Shares	Approx. %
<b>Public Shareholders</b>				
The Placees	–	–	120,384,000	16.67
Other public Shareholders	<u>601,920,000</u>	<u>100.00</u>	<u>601,920,000</u>	<u>83.33</u>
Total	<u><u>601,920,000</u></u>	<u><u>100.00</u></u>	<u><u>722,304,000</u></u>	<u><u>100.00</u></u>

**Completion of the Placing is subject to the fulfillment of the conditions as set out in the Placing Agreement, the Placing may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

## DEFINITIONS

Unless the context requires otherwise, the following terms have the following meanings in this announcement:

“AGM”	the annual general meeting of the Company held on 28 June 2022
“Board”	the board of Directors
“Business Day”	a day (excluding Saturday, Sunday, public holiday and any day on which “extreme conditions” caused by super typhoons is announced by the Government of Hong Kong or a tropical cyclone warning signal 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 licensed banks in Hong Kong are open for business throughout their normal business hours

“Company”	Jimu Group Limited, an exempted company with limited liability incorporated under the laws of the Cayman Islands
“Directors”	Directors of the Company
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the rules governing the listing of securities on GEM
“General Mandate”	the general mandate granted to the Directors to allot, issue and deal in not more than 120,384,000 new Shares by the Shareholders at the AGM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	independent third party(ies), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, who is not connected with the Company and its connected persons (as defined under the GEM Listing Rules)
“Placee(s)”	any person or entity procured by the Placing Agent or its agent(s) to subscribe for any Placing Share
“Placing”	the placing of the Placing Shares on and subject to the terms and condition set out in the Placing Agreement
“Placing Agent”	Zinvest Global Limited, a licensed corporation to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 5 (advising on futures contracts) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	the agreement entered into between the Company and the Placing Agent dated 24 November 2022 in respect of the Placing
“Placing Completion Date”	a date falling within four (4) Business Days after the day on which all the conditions set out in the section headed “Conditions and completion of the Placing” of this announcement have been fulfilled (or such later date as may be agreed between the parties hereto in writing)

“Placing Price”	HK\$0.0200 per Placing Share
“Placing Share(s)”	up to 120,384,000 Shares new Shares to be placed pursuant to the Placing Agreement
“Share(s)”	the ordinary shares of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board  
**Jimu Group Limited**  
**Wei Ju**  
*Executive Director*

Hong Kong, 24 November 2022

*As at the date of this announcement, the executive Directors of the Company are Ms. Wei Ju and Mr. Tsang Hing Bun; the non-executive Directors of the Company is Mr. Shum Tsz Yeung; and the independent non-executive Directors of the Company are Mr. Hung Wai Che, Mr. Choi Ho Yan and Mr. Yiu Yu Hong John.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and (2) there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Listed Company Announcements” page of the Stock Exchange’s website at <http://www.hkexnews.hk> for at least 7 days from the date of its posting and on the Company’s website at <http://www.jimugroup8187.com>.*

## Schedule 2

day of

2022

To: Jimu Group Limited (the “Company”)

We/I refer to the placing agreement dated 24 November 2022 (the “**Agreement**”) and entered into between the Company and Zinvest Global Limited. Expressions defined in the Agreement shall have the same meanings when used herein.

We/I hereby apply for [●] new Shares (the “**Placing Shares**”) at the Placing Price subject to the memorandum of association and articles of association of the Company.

We/I confirm that we are/I am not connected with any of the directors, chief executives and substantial shareholders of the Company or any of its subsidiaries or any of their respective associates (as defined in the GEM Listing Rules).

In addition, we undertake to respond promptly, in writing, to questions raised by you concerning ourselves and which relate to the Placing.

We/I set out below our/my details for registration of the Placing Shares:

Name:

Place of Incorporation:

Company Number/ID Number:

Registered/Residential Address:

CCASS participant I.D.:

Yours faithfully,

IN WITNESS whereof this Agreement has been executed on the day and year first above written.

**THE COMPANY**

SIGNED by )  
for and on behalf of )  
JIMU GROUP LIMITED )

in the presence of:- )

For and on behalf of  
**Jimu Group Limited**  
積木集團有限公司

  
.....  
Authorized Signature(s)

**THE PLACING AGENT**

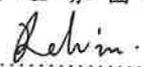
SIGNED by WANG Haowei )  
for and on behalf of )  
Zinvest Global Limited )

in the presence of :- )

QIU Yue



For and on behalf of  
**Zinvest Global Limited**  
尊嘉證券國際有限公司

  
.....  
Authorized Signature(s)