

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 purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.



AMBER HILL FINANCIAL HOLDINGS LIMITED

安山金控股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 33)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



NERICO BROTHERS LIMITED

THE PLACING

The Board is pleased to announce that on 17 July 2020 (after trading hours of the Stock Exchange), the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, of up to 223,852,128 Placing Shares, to not less than six Places who and whose ultimate beneficial owners shall be Independent Third Parties at a price of HK\$0.105 per Placing Share.

The Placing Price of HK\$0.105 per Placing Share (i) is the same as the closing price of HK\$0.105 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) represents a discount of approximately 5.06% to the average of the closing prices per Share of approximately HK\$0.11 as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Placing Agreement.

The maximum number of the Placing Shares represents (i) 20% of the existing issued share capital of the Company 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 Placing Shares will be allotted and issued under the General Mandate. The allotment and issue of the Placing Shares is not subject to the approval of the Shareholders.

Assuming all the Placing Shares are fully placed, the gross proceeds from the Placing will be approximately HK\$23.50 million and the net proceeds will be approximately HK\$22.96 million (after deduction of commission and other expenses of the Placing). The Directors intend to use the net proceeds as to approximately HK\$22.96 million as working capital of the Group.

Completion of the Placing is subject to the satisfaction of the condition precedent in 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

The Board is pleased to announce that on 17 July 2020 (after trading hours of the Stock Exchange), the Company and the Placing Agent entered into the Placing Agreement in relation to the Placing.

The Placing Agreement

Date: 17 July 2020 (after trading hours of the Stock Exchange)

Parties: Issuer: The Company

Placing Agent: Nerico Brothers Limited

To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

The Placing Agent will charge the Company a placing commission of 2% of the gross proceeds from the Placing. The Placing commission was negotiated on arm's length basis between the Company and the Placing Agent and determined with reference to the prevailing market rates.

Placees

The Placing Shares are expected to be placed, on a best effort basis, to not less than six (6) Placees, who and whose ultimate beneficial owners, shall be Independent Third Parties.

Number of Placing Shares

Assuming that 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 of up to 223,852,128 Shares under the Placing represents (i) 20% of the existing issued share capital of the Company 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 Placing Shares under the Placing will be approximately HK\$223,852.

Placing Price

The Placing Price of HK\$0.105 per Placing Share:

- (i) is the same as the closing price of HK\$0.105 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and
- (ii) represents a discount of approximately 5.06% to the average of the closing prices per Share of HK\$0.11 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 with reference to the prevailing market price of the Shares and was negotiated on an arm's length basis between the Company and the Placing Agent.

Ranking of Placing Shares

The Placing Shares shall rank pari passu in all respects among themselves and with the existing Shares in issue as at the date of this announcement.

Condition of the Placing

The Placing is conditional upon the Listing Committee of the Stock Exchange agreeing to grant the approval for the listing of, and permission to deal in, the Placing Shares.

If the above condition is not fulfilled on or before the Long Stop Date, the Placing Agreement will be terminated and the Placing will not proceed and all rights, obligations and liabilities of the parties thereto shall cease and terminate and neither of the parties shall have any claim against the others in respect of the Placing (save for any antecedent breaches thereof and/or any rights or obligations which may have accrued thereunder prior to such termination).

Completion of the Placing

Completion of the Placing shall take place not later than two Business Days after the fulfilment of the condition as set out in paragraph headed "Condition of the Placing" above (or such later date as may be agreed between the parties).

Application for listing

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

General Mandate

The Placing Shares will be allotted and issued under the General Mandate granted to the Directors by resolution of the Shareholders passed at the EGM, subject to the limit up to 20% of the then issued share capital of the Company as at the date of the EGM. Under the General Mandate, the Company is authorised to issue up to 223,852,128 new Shares. Up to the date of this announcement, no Shares have been allotted and issued under the General

Mandate and 223,852,128 Shares remain to be allotted and issued under the General Mandate. Accordingly, the allotment and issue of the Placing Shares is not subject to the approval of the Shareholders.

Termination

The Placing Agent may terminate the Placing Agreement by notice to the Company given prior to 6:00 p.m. on the Business Day immediately preceding the Completion Date if in the opinion of the Placing Agent the success of the Placing or the business or financial prospects of the Group would or is likely to be materially and adversely affected by:

- (i) any material breach of any of the representations and warranties set out in the Placing Agreement; or
- (ii) any suspension in dealings in or the listing of the Shares on the Stock Exchange for a period of more than 5 consecutive days (other than in connection with the Placing); or
- (iii) the introduction of any new law or regulation or any change in existing laws or regulations or change in the interpretation or application thereof; or
- (iv) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events or changes occurring or continuing before, on and/or after the date hereof 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 or other nature, whether or not sui generis with any of the foregoing, resulting in a material adverse change in, or which might be expected to result in a material adverse change in, political, economic or stock market conditions; or
- (v) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise; or
- (vi) a change or development involving a prospective change in taxation in Hong Kong or Cayman Islands which shall or might materially and adversely affect the Group or its present or prospective shareholders in their capacity as such; or
- (vii) any change or deterioration in the conditions of local, national or international securities markets.

If notice is given pursuant to the paragraph above, 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 the Placing Agreement save for any rights or obligations which may have accrued under the Placing Agreement prior to such termination.

The Directors are not aware of the occurrence of any such events as at the date of this announcement.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Group is principally engaged in securities brokerage and assets management, trading of party products, advancing business, credit guarantee and investment business and trading of metals and minerals.

Assuming the maximum number of the Placing Shares is placed under the Placing Agreement, the gross proceeds from the Placing will be approximately HK\$23.50 million, and the net proceeds will be approximately HK\$22.96 million (after deduction of commission and other expenses of the Placing), representing a net issue price of approximately HK\$0.10 per Placing Share.

The Company intends to use the net proceeds from the Placing as general working capital of the Group.

The Directors consider that the Placing represents an opportunity to raise additional funding for the business operations of the Group and will strengthen the Group's financial position, and enlarge shareholders' base of the Company which may in turn enhance the liquidity of the Shares, and provide working capital to the Group to meet any financial obligations of the Group without any interest burden, within a relatively shorter time frame and at lower costs when compared with other means of fundraising.

The Board has considered other alternative fundraising methods such as debt financing and other methods of equity fundraising. For debt financing, since the Company does not have any existing bank facilities, it may be subject to lengthy due diligence and negotiations. In addition, the interest incurred from debt financing will further worsen the net liabilities position of the Group. On the other hand, as compared with other methods of equity fundraising, the Company considers the issue of new Shares under the General Mandate to be the most appropriate option for the purpose of replenishing its working capital in a timely and cost efficient manner.

FUND RAISING ACTIVITY OF THE COMPANY IN THE PAST TWELVE MONTHS

The Company has conducted the following equity fund raising activity for the twelve months immediately before the date of this announcement:

Date of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds as at the date of this announcement
18 March 2019, 15 July 2019, 17 July 2019 and 22 July 2019	Subscription of new Shares under general mandate	Approximately HK\$5 million	Working capital of the Group	The proceeds was fully utilised as intended
26 February 2020 and 20 April 2020	Placing of new Shares under general mandate	Approximately HK\$17.97 million	Working capital of the Group	The proceeds was fully utilised as intended

“Business Day”	a day (excluding Saturday, Sunday, public holiday and any day on which 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”	Amber Hill Financial Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 33)
“Completion Date”	not later than two Business Days after the fulfilment of the condition set out in the Placing Agreement (or such later date as may be agreed between the Company and the Placing Agent)
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company held on 7 July 2020
“General Mandate”	the mandate granted to the Directors by the Shareholders at the EGM to allot, issue and deal with up to 20% of the then issued share capital of the Company as at the date of the EGM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any persons or company(ies) and their respective ultimate beneficial owners, to the best of the Director’s knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third parties independent of the Company and its connected persons in accordance with the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	7 August 2020, being the date falling 21 days after the date of the Placing Agreement (or such other date as the Placing Agent and the Company shall agree in writing)

“Placee(s)”	any person(s) or entity(ies) procured by the Placing Agent or its agent(s) to subscribe for any of the Placing Shares pursuant to the Placing Agent’s obligations under the Placing Agreement
“Placing”	the placing, on a best effort basis, of up to 223,852,128 Placing Shares pursuant to the terms of the Placing Agreement
“Placing Agent”	Nerico Brothers Limited, a licensed corporation to carry on business in Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 3 (leveraged foreign exchange trading) and Type 9 (asset management) 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 17 July 2020 in relation to the Placing
“Placing Price”	HK\$0.105 per Placing Share
“Placing Share(s)”	up to 223,852,128 new Shares to be placed pursuant to the Placing Agreement
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Share(s)”	ordinary share(s) of HK\$0.001 each in the share capital of the Company
“Shareholders”	holder(s) of the issued 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
Amber Hill Financial Holdings Limited
Ng Yu
Chairman and Executive Director

Hong Kong, 17 July 2020

As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Ng Yu, Mr. Wei Weicheng, Mr. Chan Chi Ming, Mr. Lin Feng and Ms. Zhao Hong Mei; one non-executive Director Mr. Huang Shao Long and three independent non-executive Directors, namely Mr. Anthony Espina, Mr. Wang Jun Sheng and Mr. Lo Hang Fong.