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**apollo**

**APOLLO FUTURE MOBILITY GROUP LIMITED**

**力世紀有限公司**

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

**(Stock Code: 860)**

**SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE  
AND RESUMPTION OF TRADING**

**THE SUBSCRIPTION AGREEMENT**

The Board is pleased to announce that on 7 December 2020 (before trading hours), the Company and no less than six Subscribers entered into the Subscription Agreement, pursuant to which the Subscribers have agreed to subscribe for, and the Company has agreed to allot and issue to the Subscribers, an aggregate of 1,066,596,000 new Shares at the Subscription Price on the terms and subject to the condition set out in the Subscription Agreement.

The number of the Subscription Shares represents: (a) approximately 14.88% of the total number of Shares in issue as at the date of this announcement; and (b) approximately 12.95% of the enlarged total number of Shares in issue upon Completion (assuming there will be no change to the total number of Shares in issue from the date of this announcement to the date of Completion other than the issue of the Subscription Shares by the Company).

The Subscription Price is HK\$0.46 and represents:

- (i) a discount of approximately 19.30% to the closing price of HK\$0.57 per Share as quoted on the Stock Exchange on 4 December 2020, being the last trading day immediately prior to the date of the Subscription Agreement; and
- (ii) a discount of approximately 15.75% to the average closing price of HK\$0.546 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately prior to the date of the Subscription Agreement.

The Subscriptions are not subject to Shareholders' approval as the Subscription Shares will be issued under the 2020 General Mandate. Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

### **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 7 December 2020 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 1:00 p.m. on 7 December 2020.

## **THE SUBSCRIPTIONS**

The Board is pleased to announce that on 7 December 2020 (before trading hours), the Company and no less than six Subscribers entered into the Subscription Agreement, pursuant to which the Subscribers have agreed to subscribe for, and the Company has agreed to allot and issue to the Subscribers, an aggregate of 1,066,596,000 new Shares at the Subscription Price on the terms and subject to the condition set out in the Subscription Agreement.

## **THE SUBSCRIPTION AGREEMENT**

### **Date**

7 December 2020

### **Parties**

1. The Company; and

## 2. The Subscribers.

Based on the Subscribers' confirmation, they are either private individual investors or corporations with investment holding as their principal activities.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Subscribers and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons. It is expected that none of the Subscribers will become a substantial shareholder (as defined in the Listing Rules) of the Company immediately upon completion of the Subscriptions.

Details of the Subscriptions are set out below.

### **Subscription Shares**

The Subscribers have agreed to subscribe as principal for, and the Company has agreed to issue to the Subscribers, an aggregate of 1,066,596,000 new Shares at the Subscription Price free from all encumbrances, in consideration for the payment of the Subscription Money by the Subscribers to the Company, subject to the terms and condition of the Subscription Agreement.

The number of the Subscription Shares represents: (a) approximately 14.88% of the total number of Shares in issue as at the date of this announcement; and (b) approximately 12.95% of the enlarged total number of Shares in issue upon Completion (assuming there will be no change to the total number of Shares in issue from the date of this announcement to the date of Completion other than the issue of the Subscription Shares by the Company).

### **Ranking of the Subscription Shares**

The Subscription Shares shall, when issued and allotted, rank pari passu in all respects with all the other Shares in issue or to be issued by the Company on or prior to the date of allotment of the Subscription Shares.

### **General Mandate to issue the Subscription Shares**

The Subscription Shares will be issued under the 2020 General Mandate granted to the Directors by a resolution of the Shareholders passed at the 2020 AGM to allot, issue and otherwise deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of the 2020 AGM. Under the 2020 General Mandate, the Company is authorised to issue up to 1,434,039,712 new Shares.

As at the date of this announcement, no Shares have been issued and allotted under the 2020 General Mandate.

### **Subscription Price**

The Subscription Price is HK\$0.46 and represents:

- (i) a discount of approximately 19.30% to the closing price of HK\$0.57 per Share as quoted on the Stock Exchange on 4 December 2020, being the last trading day immediately prior to the date of the Subscription Agreement; and
- (ii) a discount of approximately 15.75% to the average closing price of HK\$0.546 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately prior to the date of the Subscription Agreement.

The Subscription 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 Subscribers. The Directors consider that the Subscription Price and the terms and condition of the Subscription Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The aggregate nominal value of the Subscription Shares is HK\$106,659,600.

### **Condition of the Subscriptions**

Completion is conditional upon the listing of, and permission to deal in, the Subscription Shares being granted by the Stock Exchange (and such listing and permission not subsequently revoked prior to Completion).

Application will be made by the Company to the Listing Committee for the listing of, and the permission to deal in, the Subscription Shares.

The completion of each of the Subscriptions is not inter-conditional with each other.

### **Completion of the Subscriptions**

Completion will take place within three (3) Business Days after fulfilment of the condition described above (or such other time, date or place as the Company and the Subscribers may agree in writing).

If the condition is not fulfilled on or before 5 January 2021 (or such later date as may be agreed between the Company and the Subscribers), the Subscription Agreement shall be terminated and the Company and the Subscribers will automatically be released from all obligations under the Subscription Agreement, save and except any liability for antecedent breaches.

### **Reasons for the Subscriptions and Use of Proceeds**

The Company is principally engaged in investment holding and the principal activities of its subsidiaries are design, development, manufacturing and sales of high performance hypercars, provision of mobility technology solutions, retailing and wholesale of jewellery products and watches, money lending and property investment.

The gross proceeds from the Subscriptions are expected to be approximately HK\$491 million. The net proceeds from the Subscriptions (after deducting all fees, costs and expenses incurred by the Company, in connection with the Subscriptions) are expected to be approximately HK\$486 million. The net Subscription Price, after deducting such fees, costs and expenses, is therefore approximately HK\$0.455 per Subscription Share.

The Company intends to use the net proceeds from the Subscriptions for the following purposes:

- (1) Approximately 90%, representing approximately HK\$437 million, will be used for future potential acquisition or investment in NEV-related businesses or technologies; and
- (2) Approximately 10%, representing approximately HK\$49 million, will be used for general working capital.

The Directors are of the view that the Subscriptions will provide a good opportunity to raise additional funds to finance future investment opportunities to further cement the Group's foothold in the NEV industry.

The Directors are of the view that the terms of the Subscription Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

### **Fund Raising Activities During the Past Twelve Months**

The Company has not conducted any fund raising activities in the twelve months immediately preceding the date of this announcement.

## Effect on Shareholding Structure of the Company

As at the date of this announcement, the total number of issued Shares is 7,170,198,562.

For illustrative purpose only, the following table sets out the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after completion of the Subscriptions (assuming there is no other change in the shareholding structure of the Company before Completion):

Shareholders	As at the date of this announcement		Immediately after Completion	
	Number of Shares	%	Number of Shares	%
Mr. Ho King Man Justin ( <i>Note 1</i> )	1,747,196,474	24.37	1,747,196,474	21.21
Mr. Ho King Fung, Eric ( <i>Note 2</i> )	19,000,000	0.26	19,000,000	0.23
Mr. Zhang Jinbing ( <i>Note 2</i> )	3,960,000	0.06	3,960,000	0.05
Mr. Tam Ping Kuen, Daniel ( <i>Note 2</i> )	960,000	0.01	960,000	0.01
The Subscribers	Nil	Nil	1,066,596,000	12.95
Other public Shareholders	<u>5,399,082,088</u>	<u>75.30</u>	<u>5,399,082,088</u>	<u>65.55</u>
<b>Total number of issued Shares</b>	<b><u>7,170,198,562</u></b>	<b><u>100.00</u></b>	<b><u>8,236,794,562</u></b>	<b><u>100.00</u></b>

*Notes:*

- (1) Mr. Ho King Man Justin beneficially owned 1,747,196,474 Shares, of which (i) 1,699,220,474 Shares are owned through Ruby Charm Investment Limited, a company directly wholly-owned by him; and (ii) 47,976,000 Shares are owned by him personally.
- (2) Being Directors.
- (3) The numbers in the above table have been subject to rounding adjustments.

## General

The Subscriptions are not subject to Shareholders' approval as the Subscription Shares will be issued under the 2020 General Mandate. Application will be made to the Listing Committee for the listing of, and permission to deal in, the Subscription Shares.

**The Subscription Agreement may be terminated pursuant to the termination provisions contained therein. In addition, Completion is subject to fulfillment of the condition under the Subscription Agreement. As the Subscriptions may or may not proceed, Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.**

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 7 December 2020 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 1:00 p.m. on 7 December 2020.

## **DEFINITIONS**

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

- |                        |   |
|------------------------|---|
| “2020 AGM”             | the annual general meeting of the Company held on 26 March 2020 at which, among other things, a resolution for the grant of the 2020 General Mandate to the Directors was duly passed by the Shareholders   |
| “2020 General Mandate” | the general mandate granted to the Directors by a resolution of the Shareholders passed at the 2020 AGM to allot, issue and otherwise deal with securities of the Company not exceeding 20% of the issued share capital of the Company as at the date of the 2020 AGM                               |
| “Board”                | the board of Directors  |
| “Business Day”         | a day (other than a Saturday or Sunday or public holidays or days on which a tropical cyclone warning No. 8 or above or 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 banks in Hong Kong are generally open for banking business |

“Company”	Apollo Future Mobility Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 860)
“Completion”	completion of the Subscriptions
“connected person(s)”	has the meaning ascribed to this term under Chapter 14A of the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“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
“PRC”	the People’s Republic of China excluding, for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Listing Committee”	has the meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“NEV(s)”	new energy vehicle(s)
“Shares”	ordinary shares of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribers”	the subscribers to subscribe the Subscription Shares under the Subscription Agreement



“Subscriptions”	the subscription of the Subscription Shares by the Subscribers at the Subscription Price pursuant to the terms and condition set out in the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 7 December 2020 and entered into by the Company and the Subscribers in respect of the Subscriptions
“Subscription Money”	HK\$490,634,160, being the Subscription Price multiplied by the number of Subscription Shares
“Subscription Price”	the price per Subscription Share payable by the Subscriber, being HK\$0.46 per Subscription Share
“Subscription Shares”	1,066,596,000 new Shares in aggregate to be issued to the Subscribers by the Company under the Subscriptions
“substantial shareholder(s)”	has the meaning as ascribed to it under the Listing Rules
“%”	per cent

By order of the Board  
**Apollo Future Mobility Group Limited**  
**Ho King Fung, Eric**  
*Chairman*

Hong Kong, 7 December 2020

*As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Ho King Fung, Eric (Chairman) and Mr. Sung Kin Man; one non-executive Director, namely Mr. Zhang Jinbing (Co-Chairman); and four independent non-executive Directors, namely Mr. Tam Ping Kuen, Daniel, Mr. Teoh Chun Ming, Mr. Peter Edward Jackson and Mr. Charles Matthew Pecot III.*