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上善黃金國際控股有限公司

SHANGSHAN GOLD INTERNATIONAL HOLDINGS LIMITED

(Formerly known as Tokyo Chuo Auction Holdings Limited

東京中央拍賣控股有限公司)

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1939)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



東吳證券(香港)
SOOCHOW SECURITIES (HONG KONG)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 29 September 2025 (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 37,825,421 Placing Shares to not less than six (6) Placees at the Placing Price of HK\$6.53 per Placing Share. The Placees and their ultimate beneficial owners shall, amongst other restrictions as set out in the Placing Agreement, be Independent Third Parties.

The Company will allot and issue the Placing Shares to the Placees under the General Mandate. As such, the allotment and issue of the Placing Shares is not subject to additional Shareholders' approval. An application will be made by the Company to the Stock Exchange for the granting of the approval for the listing of, and permission to deal in, the Placing Shares.

Assuming that there will be no other change in the total number of issued Shares between the date of this announcement and the Completion Date, the maximum number of 37,825,421 Placing Shares represents (i) approximately 7.57% of the total issued Shares as at the date of this announcement; and (ii) approximately 7.03% of the total issued Shares as enlarged by the allotment and issuance of the Placing Shares in full.

Assuming all of the 37,825,421 Placing Shares are successfully placed, the gross proceeds from the Placing will amount to approximately HK\$247 million, while the net proceeds from the Placing are estimated to be approximately HK\$245.8 million after deducting the estimated expenses for the Placing. On this basis, the net price per Placing Share will be approximately HK\$6.50. The Company intends to apply the net proceeds from the Placing in the manner detailed in the paragraph headed “Reasons for the Placing and Use of Proceeds” in this announcement.

As Completion is conditional upon fulfilment of the conditions precedent as set out in the paragraph headed “Conditions Precedent” in this announcement, the Placing may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

THE PLACING

On 29 September 2025 (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 37,825,421 Placing Shares in aggregate to not less than six (6) Placees at the Placing Price of HK\$6.53 per Placing Share. The Placees and their ultimate beneficial owners shall, amongst other restrictions as set out in the Placing Agreement, be Independent Third Parties.

The Placing Agreement

The principal terms of the Placing Agreement are summarised as follows:

Date : 29 September 2025 (after trading hours)

Parties : (i) the Company; and
(ii) the Placing Agent.

The Placing Agent

Pursuant to and subject to the terms and conditions of the Placing Agreement, the Company has appointed the Placing Agent as its placing agent, and the Placing Agent has agreed to act as the Company’s placing agents to procure, on a best effort basis, the Placing of up to 37,825,421 Placing Shares in aggregate to not less than six (6) Placees at the Placing Price of HK\$6.53 per Placing Share. The Placees and their ultimate beneficial owners shall, amongst other restrictions as set out in the Placing Agreement, be Independent Third Parties.

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

Placees

The Placees to be procured by or on behalf of the Placing Agent shall be professional, corporate, institutional investors or other investors and that the Placees and their respective ultimate beneficial owner(s) will be third parties (i) who are independent of and not connected with the directors, chief executive, controlling shareholders, substantial shareholders and other connected persons of the Company and its subsidiaries and their respective associates; (ii) who are not connected persons of the Company; (iii) who did not and does not hold any Shares at any time before Completion; and (iv) who are not acting in concert with ESSA, Mr. Huang, Ruihe Data, Mr. Li and Mr. Zheng and parties acting in concert with any of them.

It is expected that none of the Placees will become substantial Shareholders immediately after Completion.

Number of the Placing Shares

Assuming that there will be no other change in the total number of issued Shares between the date of this announcement and the Completion Date, the maximum number of 37,825,421 Placing Shares represents (i) approximately 7.57% of the total issued Shares as at the date of this announcement; and (ii) approximately 7.03% of the total issued Shares as enlarged by the allotment and issuance of the Placing Shares in full.

Ranking of the Placing Shares

The Placing Shares shall be allotted and issued in accordance with the Articles and all relevant laws of Hong Kong and will rank *pari passu* in all respects with other Shares in issue as at the date of allotment, and shall at the Completion Date, be free from all liens, charges, encumbrances and third-party rights of whatsoever nature and together with all rights attaching thereto at the Completion Date.

Placing Price

The Placing Price of HK\$6.53 per Placing Share represents:

- (i) a discount of approximately 19.88% to the closing price of HK\$8.150 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and
- (ii) a discount of approximately 3.09% to the average closing price of approximately HK\$6.738 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

The Placing Price was determined after arm's length negotiations between the Company and the Placing Agent with reference to, among other things, the prevailing market price and market conditions. The Directors consider that the terms of the Placing are on normal commercial terms and are fair and reasonable based on the current market conditions. Therefore, the Directors are of the view that the Placing is in the interests of the Company and the Shareholders as a whole.

Taking into account the estimated expenses for the Placing of approximately HK\$1.2 million, comprising fees, costs, charges and expenses of the Placing and assuming that all 37,825,421 Placing Shares could be placed successfully, the net price of each Placing Share amounts to approximately HK\$6.50 per Placing Share.

Commission

In consideration of the services of the Placing Agent in relation to the Placing and subject to Completion, the Company shall pay to the Placing Agent a fixed placing commission of HK\$800,000.

The placing commission under the Placing Agreement was determined after arm's length negotiations between the Company and the Placing Agent with reference to the prevailing commission rate for similar transactions and the number of the Placing Shares to be placed by the Placing Agent. The Directors consider that the placing commission in respect of the Placing is fair and reasonable based on the current market condition.

Conditions Precedent

The Completion is conditional upon all of the following conditions being fulfilled:

- (i) the passing by the Board of a resolution to approve the Placing Agreement and the transactions contemplated thereunder;
- (ii) the Listing Committee granting the approval for the listing of, and permission to deal in, all of the Placing Shares on the Stock Exchange; and
- (iii) the Placing Agreement not having been terminated in accordance with its terms.

The conditions precedent set out above cannot be waived. The Company and the Placing Agent shall use their best endeavours to procure the fulfillment of the conditions precedent and in the event the conditions precedent is not fulfilled on or before 20 October 2025 (or such later date as may be agreed by the parties in writing hereto), all rights, obligations and liabilities of the parties in relation to the Placing shall cease and determine and neither of the parties shall have any claim against the others in respect of the Placing save for any antecedent breach and/or any rights or obligations which may have accrued under the Placing Agreement prior to such termination.

Completion

Subject to the fulfillment of all the conditions precedent, Completion shall take place on the date falling within five (5) Business Days after the fulfillment of the conditions precedent or such other date as the Company and the Placing Agent may agree in writing.

Termination

The Placing Agent shall be entitled by way of written notice to the Company given prior to 4:00 p.m. on the day immediately preceding the Completion Date to terminate the Placing Agreement if:

- (i) any Specified Event comes to the notice of the Placing Agent; or
- (ii) there develops, occurs or comes into force:
 - (a) any new law or regulation or any change in existing laws or regulations or the interpretation thereof by any court or other competent authority in Hong Kong or the People's Republic of China which is reasonably expected to materially and adversely affect the business or financial condition or prospects of the Company as a whole; or
 - (b) any local, regional, national or international event or change (whether or not permanent or forming part of a series of events or changes occurring or continuing, on and/or after the date of the Placing Agreement) of a political, military, economic or other nature (whether or not *ejusdem generis* with the foregoing) which will, or is reasonably expected to be expected to, have a material adverse effect on the Placing; or
 - (c) any significant change (whether or not permanent) in local, regional, national or international market conditions (or in conditions affecting a sector of the market) which has or is reasonably expected to have a material adverse effect on the Placing; or
- (iii) there is a material adverse change in the business or in the financial or trading position of the Company taken as a whole which being unaware of by the Placing Agent and is material in the context of the Placing.

If written notice is given by the Placing Agent, 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 of such events as at the date of this announcement.

General Mandate

The Placing Shares will be allotted and issued pursuant to the General Mandate. Under the General Mandate, the Company is authorised to issue up to 100,000,000 Shares. As at the date of this announcement, the Company has not utilised the General Mandate. Accordingly, the Placing is not subject to the approval of the Shareholders.

Application for listing

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

INFORMATION ON THE COMPANY AND THE GROUP

The Company is an investment holding company. The Group is principally engaged in the provision of auction and related services as well as artwork sales in Hong Kong and Japan.

INFORMATION ON THE PLACING AGENT

The Placing Agent is duly incorporated in Hong Kong and is a corporation licensed to carry out 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).

REASONS FOR THE PLACING AND USE OF PROCEEDS

Subject to the completion of the Placing and assuming all of the 37,825,421 Placing Shares are successfully placed, the gross proceeds from the Placing will amount to approximately HK\$247 million, while the net proceeds from the Placing are estimated to be approximately HK\$245.8 million after deducting the estimated expenses for the Placing.

The Company intends to allocate the net proceeds from the Placing towards the development of the business in relation to the smart intelligent terminals to integrate gold trading and high-value collectibles auctions worldwide and expand the presence of the Group's business to other countries and districts beyond Japan and Hong Kong. The Group intends to accelerate its global market presence and build a synergistic "Gold + Auction" dual-business ecosystem through technological upgrades and a closed-loop business structure, aligning with the Group's global strategy.

It is intended that the net proceeds of approximately HK\$245.8 million will be utilised as follows:

(i) HK\$98 million for global channel layout and brand system construction:

- (a) HK\$84 million for global flagship channel network development including the establishment of 50 direct-operated smart terminal flagship stores in key global regions and markets. These stores, which serve as integrated regional hubs for gold recycling, sales, and auction services, will realize mutual traffic generation of gold business and auction business through channel sharing and customer resource integration, and promote the deep integration and development of the two businesses.
- (b) HK\$14 million for omni-channel brand development involving building a dual-track system of B2C scenario penetration and B2B ecosystem empowerment involving in-store scenario marketing and social media matrix operation to achieve precise user reach and establishment of industry ecosystem influence via deep exposure at global industry exhibitions. This initiative will build market awareness for new business lines while synergistically empowering the existing auction business, ultimately fostering collaborative growth across the entire business ecosystem.

(ii) HK\$98 million for technology upgrade and supply chain guarantee system construction:

- (a) HK\$7 million for technology development of gold and auction business collaboration model, AI technology iteration to improve terminal intelligent interactive experience, multi-language adaptation to localization, digital forward-looking technology research and reserve, etc.
- (b) HK\$91 million for flexible supply chain system construction to support the expansion and stable operation of global gold and auction smart terminal stores both direct-operated and regional franchised, which shall be specifically utilised as follows:
 - (1) HK\$20 million for the production capacity guarantee of smart terminals (machines) in the early stage, through prepaying for the production to the suppliers and maintaining a certain level of safety stock.
 - (2) HK\$10 million for the feasibility study and site selection evaluation of potential development of the production base, so as to ensure agile production response and dynamic cost optimization of smart terminal (machines) in later stage.

(3) HK\$56 million for building up a global safety stock system for gold, jewelry and contemporary art products to ensure terminal replenishment and high turnover efficiency.

(4) HK\$5 million for the cross-border logistics system development.

(iii) HK\$49.8 million for global headquarters construction, global management team building and other general operating expenses:

(a) HK\$8 million for establishing a global headquarters in Hong Kong as a central hub for worldwide integration and strategic coordination of the gold and auction business model.

(b) HK\$26 million for forming business divisions for gold, jewelry and contemporary art, recruiting international professional management talent and local operational staff across key markets to support the rapid expansion of global business and enhance business synergies.

(c) HK\$15.8 million for general working capital of the Group.

The Directors are of the view that the Placing provides the Company with a good opportunity to broaden its Shareholder base and strengthen the financial position of the Company by providing the Company with access to additional capital for future developments of the Group.

The Directors consider that the Placing Agreement is entered into on normal commercial terms following arm's length negotiations between the Company and the Placing Agent 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.

EFFECTS OF THE SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the Company has 500,000,000 Shares in issue. The table below sets out, for the purpose of illustration only, the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after Completion (assuming that there will be no other change to the total number of issued Shares between the date of this announcement and the Completion Date):

	As at the date of this announcement		Immediately after Completion	
	<i>Number of Shares</i>	<i>Approximately %</i>	<i>Number of Shares</i>	<i>Approximately %</i>
ESSA	334,157,278	66.83	334,157,278	62.13
Mr. Li	15,000,000	3.00	15,000,000	2.79
Mr. Zheng	15,000,000	3.00	15,000,000	2.79
Public Shareholders:				
Ruihe Data	15,000,000	3.00	15,000,000	2.79
Placees	—	—	37,825,421	7.03
Other public Shareholders	<u>120,842,722</u>	<u>24.17</u>	<u>120,842,722</u>	<u>22.47</u>
Total	<u>500,000,000</u>	<u>100.00</u>	<u>537,825,421</u>	<u>100.00</u>

EQUITY FUNDRAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS

During the past twelve months immediately before the date of this announcement, the Company has not conducted any equity fund raising activity.

GENERAL

As Completion is conditional upon fulfilment of the conditions precedent as set out in the paragraph headed “Conditions Precedent” in this announcement, the Placing may or may not proceed. The Shareholders and potential investors should exercise caution when dealing in the Shares.

DEFINITIONS

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

“acting in concert”	has the meanings as ascribed thereto under the Hong Kong Code on Takeovers and Mergers
“Articles”	the articles of association of the Company
“associates”	has the meanings as ascribed thereto under the Listing Rules
“Board”	the board of Directors

“Business Day”	a day (excluding Saturday, Sunday or public or statutory holiday in Hong Kong) on which licensed banks in Hong Kong are generally open for business in Hong Kong throughout their normal business hours
“chief executive”	has the meanings as ascribed thereto under the Listing Rules
“Company”	Shangshan Gold International Holdings Limited, a company incorporated in Hong Kong with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1939)
“Completion”	completion of the placing of the Placing Shares in accordance with the terms and conditions as set out in the Placing Agreement
“Completion Date”	the date within five (5) Business Days after the date on which all the conditions set out in the Placing Agreement are satisfied or such other date as the Company and the Placing Agent may agree in writing
“connected persons”	has the meanings as ascribed thereto under the Listing Rules
“controlling Shareholder”	has the meanings as ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“ESSA”	ESSA FINANCIAL GROUP LTD, a company incorporated in the British Virgin Islands with limited liability which is ultimately wholly and beneficially owned by Mr. Huang
“General Mandate”	the general mandate granted to the Directors by the Shareholders pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 13 August 2025 to allot, issue and deal with up to 20% of the total number of issued Shares as at the date thereof (excluding treasury shares, if any)
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China

“Independent Third Party(ies)”	party(ies) who is(are) not connected person(s) of the Company and its subsidiaries and is(are) third party(ies) independent of the Company and connected persons of the Company
“Listing Committee”	has the meanings as ascribed thereto under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Huang”	Mr. Huang Shikun, an executive Director and the chairman of the Board
“Mr. Li”	Mr. Li Jiefeng, a non-executive Director
“Mr. Zheng”	Mr. Zheng Haoran, a non-executive Director
“Placee(s)”	institutional, professional and/or other investors, who are (i) Independent Third Parties; and (ii) subject to the restrictions as set out in the Placing Agreement, with whom the Placing Agent procures to subscribe for any of the Placing Shares pursuant to the Placing Agreement
“Placing”	the placing of a maximum of up to 37,825,421 new Shares by the Placing Agent, severally but not jointly, on a best effort basis pursuant to the terms of the Placing Agreement
“Placing Agent”	Soochow Securities International Brokerage Limited, a corporation licensed to carry out 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 placing agreement dated 29 September 2025 and entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	HK\$6.53 per Placing Share
“Placing Share(s)”	up to 37,825,421 Shares to be placed under the Placing
“Ruihe Data”	Ruihe Data Technology 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: 3680)
“Share(s)”	ordinary share(s) of the Company

“Shareholder(s)”	the holder(s) of the Share(s)
“Specified Event”	an event occurring or matter arising on or after the date of the Placing Agreement and prior to the Completion Date which has rendered any of the undertakings, warranties and representations contained in the Placing Agreement untrue or incorrect and incapable of being remedied and such would have a material adverse impact on the Placing
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial Shareholder”	has the meanings as ascribed thereto under the Listing Rules
“treasury shares”	has the meanings as ascribed thereto under the Listing Rules
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board of
Shangshan Gold International Holdings Limited
Mr. Huang Shikun
Chairman

Hong Kong, 29 September 2025

As at the date of this announcement, the executive Directors are Mr. Huang Shikun, Mr. Huang Shifeng, Ms. Qian Yuanyuan and Mr. Tong Jun; the non-executive Directors are Mr. Li Jiefeng and Mr. Zheng Haoran; and the independent non-executive Directors are Professor He Jia, Professor Hu Zuohao and Mr. Leung Ting Yuk.