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雲白國際有限公司
YNBY International Limited
(Incorporated in Bermuda with limited liability)
(Stock Code: 00030)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent, Overall Coordinator, and Capital Market Intermediary



PLACING OF NEW SHARES

The Board is pleased to announce that on 2 May 2025 (non-trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Company has agreed to sell and the Placing Agent, has agreed to act as the placing agent for the purpose of procuring on a best effort basis, as agent of the Company, to procure Placees to subscribe for the Placing Shares at the Placing Price of HK\$0.116 for each Placing Share.

The maximum number of Placing Shares represent approximately 20.00% of the existing issued share capital of the Company as at the date of this announcement and approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares (assuming that apart from the issuance of the Placing Shares, there is no change in the issued share capital of the Company from the date of this announcement to the completion of the Placing). The maximum aggregate nominal value of the Placing Shares will be HK\$13,599,828.32.

The Placing Shares will be placed by the Placing Agent to not less than six Placees who, together with their respective ultimate beneficial owners, shall be Independent Third Parties.

The Placing Shares will be allotted and issued under the General Mandate, and therefore no Shareholders' approval is required for the issue of the Placing Shares. Application will be made to the Listing Committee for the listing of, and permission to deal in, the Placing Shares.

Completion of the Placing is conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Placing Shares on or before 23 May 2025 or such other date as the Company and the Placing Agent may agree in writing.

The Placing Price is HK\$0.116 per Share and represents (i) a discount of approximately 20.00% to the closing price of HK\$0.145 per Share as quoted on the Stock Exchange on the Last Trading Date; and (ii) a discount of approximately 10.22% to the average closing price of approximately HK\$0.129 per Share as quoted on the Stock Exchange for the last five (5) consecutive Trading Days immediately prior to the Last Trading Date.

The maximum estimated net proceeds from the Placing (after deducting all fees, costs and expenses incurred by the Company) are expected to be approximately HK\$156.17 million. The estimated net Placing Price, after deducting such fees, costs and expenses, is therefore approximately HK\$0.115 per Placing Share.

Completion of the Placing is subject to the satisfaction of the condition 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.

USE OF PROCEEDS OF THE PLACING

The Company intends to apply (i) 60% of the estimated net proceeds from the Placing to support the cost relating to international business development, in particular in Southeast Asian Nations (ASEAN) with respect to OEM/ODM manufacturing and services, marketing and sales of products, product registration, development the trading network in ASEAN, development of the health food products network in ASEAN, and (ii) 40% of the estimated net proceeds from the Placing as general working capital and for future investment/expansion of the Group as and when the opportunities arise.

The Board is pleased to announce that on 2 May 2025 (non-trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Company has agreed to sell and the Placing Agent, has agreed to act as the placing agent for the purpose of procuring on a best effort basis, as agent of the Company, to procure Placees to subscribe for the Placing Shares at the Placing Price of HK\$0.116 for each Placing Share.

THE PLACING AGREEMENT

Date:

2 May 2025

Parties:

- (1) the Company; and
- (2) the Placing Agent.

Number of Shares to be placed

A maximum of 1,359,982,832 new Shares, representing in aggregate approximately 20.00% of the existing issued share capital of the Company as at the date of this announcement and approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares (assuming that apart from the issuance of the Placing Shares, there is no change in the issued share capital of the Company from the date of this announcement to the completion of the Placing). Based on the closing price of the Shares of HK\$0.145 on 2 May 2025, being the date of the Placing Agreement, the Placing Shares have a market value of approximately HK\$197,197,511. The maximum aggregate nominal value of the Placing Shares will be HK\$13,599,828.32.

Placing Price

The Placing Price is HK\$0.116 per Share and represents:

- (i) a discount of approximately 20.00% to the closing price of HK\$0.145 per Share as quoted on the Stock Exchange on the Last Trading Date; and
- (ii) a discount of approximately 10.22% to the average closing price of approximately HK\$0.129 per Share as quoted on the Stock Exchange for the last five (5) consecutive Trading Days immediately prior to the Last Trading Date.

The Placing Price is exclusive of brokerage, trading fees, transaction fees and transaction levies.

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. The Directors consider that the Placing Price, and the terms and conditions of the Placing Agreement, is fair and reasonable, and is in the interest of the Company and the Shareholders as a whole.

Rights and ranking of the Placing Shares

The Placing Shares will be allotted and issued pursuant to the Placing Agreement and rank pari passu in all respects with the Shares in issue.

Independence of the Placing Agent and the Placees

The Placing Shares will be placed by the Placing Agent to not less than six Placees. The Placees and their respective ultimate beneficial owners shall be Independent Third Parties. It is not expected that any Placee will become a substantial shareholder of the Company as a result of the Placing.

To the best of the knowledge, information and belief of the Directors, the Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties.

Condition of the Placing

Completion of the Placing is conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Placing Shares on or before 23 May 2025 or such other date as the Company and the Placing Agent may agree in writing.

If the condition shall not be so satisfied, all obligations of the Placing Agent and of the Company under the Placing Agreement shall cease and none of the parties hereto shall have any claim against the other.

Completion of the Placing

Subject to the fulfilment of the condition precedent as set out in the paragraph headed “Condition of the Placing” in this announcement, the completion of the Placing shall take place on the Closing Date or such other date as the Company and the Placing Agent may agree in writing.

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

Application for listing

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

Termination

The Placing Agent may, in its reasonable opinion, after consultation with the Company, terminate the Placing Agreement by giving notice in writing to the Company at any time up to 8:00 a.m. (Hong Kong time) on the Closing Date, if:

- (a) there is any change in financial, exchange control, political, economic conditions in Hong Kong which in the reasonable opinion of the Placing Agent may be materially adverse in the consummation of the Placing; or
- (b) there is any breach of the representations, warranties and undertakings given by the Company in the Placing Agreement and such breach is considered by the Placing Agent on reasonable grounds to be material in the context of the Placing; or
- (c) there is any material change (whether or not forming part of a series of changes) in commercial banking or securities settlement or clearance services in Hong Kong and/or a general moratorium on commercial banking activities having been declared by the relevant authorities in Hong Kong 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; or
- (d) there is any suspension of dealings in the Shares on the Stock Exchange for more than five consecutive Business Days (other than as a result of or in connection with the Placing); or
- (e) any event of force majeure (being an event beyond the control of the parties and which is unforeseeable or unavoidable), including but without limiting the generality hereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out, occurs which prevents the performance of the contractual obligations of the parties hereunder or in the reasonable opinion of the Placing Agent may be materially adverse in the consummation of the Placing.

GENERAL MANDATE

By a resolution of the Shareholders passed on 16 May 2024, a General Mandate was granted to the Directors to exercise the power of the Company to allot, issue and deal with unissued Shares not exceeding 20% of the total number of issued shares of the Company as at the date of passing of the relevant resolution granting of the General Mandate. On the basis of 6,799,914,160 Shares in issue as at the date of passing of the relevant resolution granting of the General Mandate, a total of 1,359,982,832 Shares may be issued under the General Mandate.

As at the date of this announcement, no Shares have been issued under General Mandate. The Placing Shares will be allotted and issued under the General Mandate, and therefore no Shareholders' approval is required for the issue of the Placing Shares.

EFFECT ON THE SHARE CAPITAL OF THE COMPANY AS A RESULT OF THE PLACING

The table below illustrates the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after the completion of the Placing (assuming the Placing Shares were placed in full, and apart from the issuance of the Placing Shares, there is no change in the issued share capital of the Company from the date of this announcement to the completion of the Placing):

Shareholders	As at the date of this announcement		Immediately after the completion of the Placing	
	<i>Number of shares</i>	<i>Approximate %</i>	<i>Number of shares</i>	<i>Approximate %</i>
Yunbaiyao Hong Kong Co., Limited	3,101,911,000	45.62%	3,101,911,000	38.01%
Yunnan Baiyao Group	1,908,025,360	28.06%	1,908,025,360	23.38%
Sunwah GreatWall Group Limited	351,762,000	5.17%	351,762,000	4.31%
Placees	0	0.00%	1,359,982,832	16.67%
Other Shareholders	1,438,215,800	21.15%	1,438,215,800	17.63%
	<u>6,799,914,160</u>	<u>100.00%</u>	<u>8,159,896,992</u>	<u>100.00%</u>

Note:

- 1 Certain figures and percentage figures included in the above table have been subject to rounding adjustments.

REASONS AND BENEFITS FOR THE PLACING

The Placing is being undertaken to further enlarge the Shareholders' equity base of the Company, optimize the capital structure of the Company and support the healthy and sustainable development of the Company. The Directors also consider the terms of the Placing Agreement to be fair and reasonable in the interests of the Company and the Shareholders as a whole and that the Placing Agreement is entered into upon normal commercial terms following arm's length negotiations between the Company and the Placing Agent.

USE OF PROCEEDS FROM THE PLACING

The Group is principally engaged in the trading of goods and commodities business and provision of professional services, which include the product registration and promotion services. The Group's operations are divided into (i) the trading of goods and commodities business, encompassing (a) e-commerce trading business, (b) raw material trading business for healthcare products in the People's Republic of China, and (c) distribution of certain products manufactured and branded by the Company's controlling shareholder Yunnan Baiyao Group to overseas markets; and (ii) other segment, mainly providing marketing services, product registration services, and sourcing for OEM/ODM services.

The Directors consider that the Placing would enhance the working capital and equip itself with enhanced capability and flexibility for the international business development of the Company.

The maximum estimated net proceeds from the Placing (after deducting all fees, costs and expenses to be incurred by the Company (including the Placing Agent's commission, the Stock Exchange trading fee and the transaction levies imposed by the SFC and the Accounting and Financial Reporting Council) to be borne by the Company, and other expenses incurred by the Company, in connection with the Placing) are expected to be approximately HK\$156.17 million. The estimated net Placing Price, after deducting such fees, costs and expenses, is therefore approximately HK\$0.115 per Placing Share.

The Company intends to apply (i) 60% of the estimated net proceeds from the Placing to support the cost relating to international business development, in particular in Southeast Asian Nations (ASEAN) with respect to OEM/ODM manufacturing and services, marketing and sales of products, product registration, development the trading network in ASEAN, development of the health food products network in ASEAN, and (ii) 40% of the estimated net proceeds from the Placing as general working capital and for future investment/expansion of the Group as and when the opportunities arise.

EQUITY FUND RAISING BY THE COMPANY DURING THE PAST 12 MONTHS

The Company had not conducted any fund raising exercise by issuing equity securities during the 12 months immediately before the date of this announcement.

DEFINITIONS

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

“Board”	the board of Directors
“Business Day”	any day (not being a Saturday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Closing Date”	the date on which completion of the Placing shall take place, being the fourth Business Day after the date on which the Condition is fulfilled but in any event no later than 23 May 2025 or such other date as the Company and the Placing Agent may agree in writing
“Company”	YNBY International Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange with stock code 30
“Condition”	the condition precedent to completion of the Placing as set out in the Placing Agreement
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“General Mandate”	the general mandate granted to the Directors by a resolution of Shareholders passed on 16 May 2024 to allot, issue and deal with unissued Shares not exceeding 20% of the total number of shares of the Company in issue as at the date of passing of the relevant resolution granting of the General Mandate
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	an individual(s) or a company(ies) who or which, as far as the Directors are aware after having made all reasonable enquiries, is/are not a connected person(s) of the Company within the meaning of the Listing Rules
“Last Trading Date”	2 May 2025, being the last trading day prior to the signing of the Placing Agreement

“Listing Committee”	the listing committee of the Stock Exchange for considering applications for listing and the granting of listing
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	any professional, institutional or other investor who are not connected with the connected persons of the Company and their respective associates whom the Placing Agent has procured to subscribe for any of the Placing Shares pursuant to the Placing Agreement
“Placing”	the placement of Placing Shares to the Placees at the Placing Price in accordance with the Placing Agreement
“Placing Agent”	CMBC Securities Company Limited, a corporation licensed to carry on Type 1 (dealing in securities) regulated activity and Type 4 (advising on securities) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), the placing agent, the overall coordinator and the capital market intermediary appointed by the Company for the purposes of the Placing
“Placing Agreement”	the placing agreement entered into between the Company and the Placing Agent dated 2 May 2025 in respect of the Placing
“Placing Price”	HK\$0.116 per Placing Share
“Placing Shares”	a maximum of up to 1,359,982,832 new Shares to be issued by the Company and to be placed pursuant to the Placing Agreement
“PRC”	The People’s Republic of China, excluding Hong Kong, Macau and Taiwan for the purpose of this announcement
“Shareholders”	the shareholders of the Company
“Shares”	share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Trading Day”	a day when the Stock Exchange is open for dealing business, provided that if no closing price is reported for one or more consecutive dealing days such day or days will be disregarded in any relevant calculation and shall be deemed not to have been dealing days when ascertaining any period of dealing days

“U.S. Securities Act”	The United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder
“U.S.” or “United States”	the United States of America, its territories and possessions and all areas subject to its jurisdiction
“Yunnan Baiyao Group”	Yunnan Baiyao Group Co., Ltd. (雲南白藥集團股份有限公司), a joint stock company established in the PRC with limited liability (shares of which are listed on the Shenzhen Stock Exchange with stock code 000538)

By Order of the Board
YNBY International Limited
Tang Ming
Executive Director
&
Chief Executive Officer

Hong Kong, 2 May 2025

As at the date of this announcement, the executive Directors are Mr. Dong Ming (Chairman), Mr. Tang Ming (Chief Executive Officer) and Mr. Liu Zhouyang; the non-executive Directors are Mr. Qian Yinghui and Mr. Huang Bin and the independent non-executive Directors are Mr. Wong Hin Wing, Dr. Cheung Hoi Yu and Dr. Cecilia Wai Bing Pang.