

EXECUTION COPY

DATE: 1 SEPTEMBER 2021

BEAVER GROUP (HOLDING) COMPANY LIMITED

(as Company)

AND

TIGER FAITH SECURITIES LIMITED

(as Placing Agent)

PLACING AGREEMENT
relating to the placing of up to
45,000,000 new shares in the share capital of
Beaver Group (Holding) Company Limited

Michael Li & Co.
19th Floor, Prosperity Tower
39 Queen's Road Central
Central, Hong Kong
(Re: CCL/KV/IW/2116013)

THIS AGREEMENT is made on 1 September 2021

BETWEEN:

- (A) **BEAVER GROUP (HOLDING) COMPANY 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 principal place of business in Hong Kong at Room 1204, 12/F., Block 2, Golden Industrial Building, 16-26 Kwai Tak Street, Kwai Chung, New Territories, Hong Kong (the “**Company**”); and
- (B) **TIGER FAITH SECURITIES LIMITED**, a company incorporated in Hong Kong with limited liability whose registered office is situated at Suite 1502, 15/F., The Chinese Bank Building, 61-65 Des Voeux Road Central, Central, Hong Kong (the “**Placing Agent**”).

WHEREAS:

- (A) As at the date of this Agreement, the Company has an authorised share capital of HK\$100,000,000 divided into 1,000,000,000 Shares (as defined hereinafter), of which 225,000,000 Shares have been issued and are fully paid up or credited as fully paid up. All the issued Shares are currently listed on GEM (as defined hereinafter).
- (B) At the annual general meeting of the Company held on 26 August 2021, 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 the issued Shares as at the date of passing of the resolution, i.e. up to 45,000,000 new Shares. No new Shares have been issued under the General Mandate since its grant on 26 August 2021.
- (C) The Company proposes to offer for subscription and the Placing Agent 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 schedule 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 proposed to be issued by the Company as soon as possible following the execution of this Agreement;

“**Business Day**” means a day (other than a Saturday, Sunday and public holiday) 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 three (3) Business Days after the day on which all the conditions set out in Clause 3(A) have been fulfilled (or such other date as may be agreed between the parties hereto in writing);

“**GEM**” means GEM operated by the Stock Exchange;

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

“**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\$0.175 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 45,000,000 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\$0.1 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 in section 15 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong); and

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

- (B) In this Agreement, references herein to ‘**Recitals**’, ‘**Clauses**’ and the ‘**Schedule**’ are to the recitals and clauses of and the schedule 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 bye-laws of the Company, all applicable laws of Hong Kong and Bermuda 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).

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 24 September 2021 (or such other

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 bye-laws of the Company, all applicable laws of Hong Kong and Bermuda 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;
- (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; and
- (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.

(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) Places 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 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 4.5% of the amount which is equal to the Placing Price multiplied by the number of the Placing Shares actually placed by the Placing Agent, 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 absolute 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 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 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 absolute 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 : Room 1204, 12/F., Block 2, Golden Industrial Building,
16-26 Kwai Tak Street, Kwai Chung, New Territories,
Hong Kong
Facsimile : (852) 2776 9578
Attention : The Board of Directors

If to the Placing Agent to:

Address : Suite 1502, 15/F., The Chinese Bank Building, 61-65
Des Voeux Road Central, Central, Hong Kong
Facsimile : (852) 2117 3315
Attention : Alvin Wong, Horace Wong and/or Fung Chi Hei

- (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) Notwithstanding any other provisions of this Agreement, a person who is not a party to this Agreement shall not have any rights under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce any provisions of this Agreement.

Schedule

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

BEAVER GROUP (HOLDING) COMPANY LIMITED

永勤集團(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8275)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent

[Logo of Placing Agent]

PLACING OF NEW SHARES UNDER GENERAL MANDATE

On [1] September 2021 (after trading hours of the Stock Exchange), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Placing Agent has conditionally agreed, as agent of the Company, to procure on a best effort basis currently expected to be not less than six Placees who and whose ultimate beneficial owners shall be Independent Third Parties to subscribe for up to 45,000,000 Placing Shares at the Placing Price of HK\$[0.175] per Placing Share.

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 of 45,000,000 Placing Shares represent (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 all the Placing Shares.

The Placing Price of HK\$[0.175] per Placing Share represents: (i) a [discount/premium] of approximately [•]% [to/over] the closing price of HK\$[•] per Share as quoted on the Stock Exchange on [1] September 2021, being the date of the Placing Agreement; and (ii) a [discount/premium] of approximately [•]% [to/over] the average closing price of approximately HK\$[•] 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 Shares will be allotted and issued pursuant to the General Mandate and is not subject to further Shareholders' approval. An application will be made by the Company to the GEM Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

Assuming all the Placing Shares are fully placed, the gross proceeds from the Placing will be approximately HK\$7.88 million. The net proceeds, after deduction of all relevant expenses (including but not limited to placing commission, legal expenses and disbursements) incidental to the Placing of approximately HK\$0.58 million, are estimated to be approximately HK\$7.3 million. The Company intends to use the net proceeds for (i) the repayment of overdue accounts payable in the amount of approximately HK\$4.3 million; and (ii) the remaining proceeds in the amount of approximately HK\$3 million will be used for general working capital of the Group.

Shareholders and potential investors of the Company should note that completion of the Placing is subject to the fulfilment of the conditions set out in the Placing Agreement. The Placing may or may not proceed. Shareholders and potential investors of the Company are therefore urged to exercise caution when dealing in the Shares and other securities of the Company.

PLACING OF NEW SHARES UNDER GENERAL MANDATE

On [1] September 2021 (after trading hours of the Stock Exchange), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Placing Agent has conditionally agreed, as agent of the Company, to procure on a best effort basis not less than six Placees who and whose ultimate beneficial owners shall be Independent Third Parties to subscribe for up to 45,000,000 Placing Shares at the Placing Price of HK\$[0.175] per Placing Share. Details of the Placing Agreement are set out below:

The Placing Agreement

Date: [1] September 2021

Parties: (i) the Company, as issuer; and
(ii) Tiger Faith Securities Limited, as placing agent.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties. As at the date of this announcement, the Placing Agent is not interested in any Shares.

Pursuant to the terms of the Placing Agreement, the Placing Agent will receive a placing commission of [4.5]% of the amount which is equal to the Placing Price multiplied by the number of Placing Shares actually placed by the Placing Agent. The placing commission in respect of the Placing was negotiated on arm's length basis between the Company and the Placing Agent and was determined with reference to, among other things, the prevailing commission rate charged by other placing agents and the price performance of the Shares.

The Directors consider that the placing commission in respect of the Placing are fair and reasonable based on the current market conditions.

Placees

The Placing Shares will be placed to currently expected to be not less than six Placees who shall be professional, institutional or other investors independent of and not connected with the Company, the connected persons of the Company and their respective associates, and who and whose ultimate beneficial owners are Independent Third Parties. Upon completion of the Placing, it is expected that none of the Placees will become a substantial shareholder of the Company. If any of the Placees will become a substantial shareholder of the Company after completion of the Placing, further announcement will be made by the Company.

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 of 45,000,000 Placing Shares represent (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 all the Placing Shares.

The aggregate nominal value of the maximum of 45,000,000 Placing Shares is HK\$4,500,000.

Ranking of the Placing Shares

The Placing Shares, when allotted and issued, will rank pari passu in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Placing Shares.

Placing Price

The Placing Price of HK\$[0.175] per Placing Share represents: (i) a [discount/premium] of approximately [•]% [to/over] the closing price of HK\$[•] per Share as quoted on the Stock Exchange on [1] September 2021, being the date of the Placing Agreement; and (ii) a [discount/premium] of approximately [•]% [to/over] the average closing price of approximately HK\$[•] 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 arrived at after arm's length negotiations between the Company and the Placing Agent with reference to the prevailing market price and the recent trading performance of the Shares. The Directors consider that the Placing Price and the terms of the Placing Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Conditions of the Placing

The Placing is conditional upon the 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 24 September 2021 (or such other 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 shall take place on a date falling within three Business Days after the day on which all the conditions set out in the Placing Agreement have been fulfilled (or such other date as may be agreed between the parties to the Placing Agreement in writing).

Application for listing

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

General Mandate to issue 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 45,000,000 Shares. As at the date of this announcement, no Share has 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 utilised as to 100% upon the allotment and issue of all the Placing Shares.

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 date of completion of the Placing upon the occurrence of the following events which, in the absolute 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 the Placing 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 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 set out in 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 date of completion of the Placing 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 the 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 antecedent breach under the Placing Agreement prior to such termination.

REASONS FOR AND BENEFITS OF THE PLACING AND USE OF PROCEEDS

The Company is an investment holding company. The Group is a foundation contractor primarily specialising in bored piling works as well as other foundation works. The Group is capable of installing bored piles with diameters ranging from 1.5 metres to 3 metres of various pile lengths. The Group has invested considerably in reinforcing the machinery and the Group possesses all standard plant and machinery and equipment necessary for the construction of bored piles. The Group also engaged in leasing of machinery.

Assuming all the Placing Shares are fully placed, the gross proceeds from the Placing will be approximately HK\$7.88 million. The net proceeds, after deduction of all relevant expenses (including but not limited to placing commission, legal expenses and disbursements) incidental to the Placing of approximately HK\$0.58 million, are estimated to be approximately HK\$7.3 million, representing a net issue price of approximately HK\$0.162 per Placing Share. The Company intends to use the net proceeds for (i) the repayment of accounts payable which are overdue for more than 180 day in the amount of approximately HK\$4.3 million; and (ii) the remaining proceeds in the amount of HK\$3 million will be used for general working capital of the Group.

The Directors have considered various ways of raising funds such as debt financing, which may incur interest burden on the Group and may be subject to lengthy due diligence and negotiations with the banks and may be relatively uncertain and time-consuming and believe that the Placing represents an opportunity to strengthen the Group's financial position, reduce the high gearing ratio of the Group 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.

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 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.

CHANGES IN SHAREHOLDING STRUCTURE

The changes in the shareholding structure of the Company as a result of the Placing (assuming that there are no other changes in the issued share capital of the Company from the date of this announcement up to and immediately after completion of the Placing) are as follows:

| | As at the date of this announcement | | Immediately after completion of the Placing (assuming all the Placing Shares are fully placed) | |
|------------------------------------|--|--------------------------|---|--------------------------|
| | <i>Number of Shares</i> | <i>Approximate %</i> | <i>Number of Shares</i> | <i>Approximate %</i> |
| C3J Development (<i>Note 1</i>) | 35,350,000 | 15.71 | 35,350,000 | 13.09 |
| Hunter Corporate (<i>Note 2</i>) | <u>34,950,000</u> | <u>15.53</u> | <u>34,950,000</u> | <u>12.95</u> |
| The Placees | – | – | 45,000,000 | 16.67 |
| Other public Shareholders | <u>154,700,000</u> | <u>68.76</u> | <u>154,700,000</u> | <u>57.29</u> |
| Total | <u>225,000,000</u> | <u>100.00</u> | <u>270,000,000</u> | <u>100.00</u> |

Notes:

1. Mr. Tang Kwai Leung Stanley (“**Mr. Tang**”), an executive Director and chairman of the Board, legally and beneficially owns the entire issued share capital of C3J Development. Therefore, Mr. Tang is deemed, or taken to be, interested in all the shares held by C3J Development for the purpose of the SFO. Mr. Tang is the sole director of C3J Development.
2. Mr. Chui Koon Yau (“**Mr. Chui**”), an executive Director, legally and beneficially owns the entire issued share capital of Hunter Corporate. Therefore, Mr. Chui is deemed, or taken to be, interested in all the shares held by Hunter Corporate for the purpose of the SFO. Mr. Chui is the sole director of Hunter Corporate.

EQUITY FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS

Set out below is the equity fund raising activities conducted by the Company in the past 12 months immediately prior to the date of this announcement:

| Date of initial announcement | Event | Net proceeds raised (approximate) | Intended use of proceeds | Actual use of proceeds |
|------------------------------|---|-----------------------------------|---|---|
| 25 January 2021 | Rights issue on the basis of three rights shares for every two Shares held on the record date | Approximately HK\$25 million | Approximately HK\$8 million for the repayment of overdue accounts payable and approximately HK\$17 million for the repayment of bank loans | All net proceeds have been fully utilised as intended |
| 10 August 2020 | Rights issue on the basis of one rights share for every two existing shares held on the record date | Approximately HK\$6.9 million | Approximately HK\$4.2 million for repayment of outstanding principal, interest amount and relevant administrative expenses of loans and the remaining balance of approximately HK\$2.7 million for repayment of debts owing by the Group to its suppliers | All net proceeds have been fully utilised as intended |

Save as disclosed above, the Company has not conducted any other equity fund raising activities in the past 12 months immediately prior to the date of this announcement.

Shareholders and potential investors of the Company should note that completion of the Placing is subject to the fulfilment of the conditions set out in the Placing Agreement. The Placing may or may not proceed. Shareholders and potential investors of the Company are therefore urged to exercise caution when dealing in the Shares and other securities of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

| | |
|-------------------|--|
| “associate(s)” | has the meaning ascribed to it in the GEM Listing Rules |
| “Board” | the board of Directors |
| “Business Day” | a day (other than a Saturday, Sunday and public holiday) on which licensed banks in Hong Kong are open for business throughout their normal business hours |
| “C3J Development” | C3J Development Limited, a company incorporated in the British Virgin Islands with limited liability |

| | |
|--------------------------------|---|
| “Company” | Beaver Group (Holding) Company Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on GEM |
| “connected person(s)” | has the meaning as ascribed to it in the GEM Listing Rules |
| “Director(s)” | director(s) of the Company |
| “GEM” | GEM operated by the Stock Exchange |
| “GEM Listing Rules” | the Rules Governing the Listing of Securities on GEM |
| “General Mandate” | the general mandate granted to the Directors pursuant to an ordinary resolution of the Company passed at the annual general meeting of the Company held on 26 August 2021 to allot, issue and deal with new Shares not exceeding 20% of the aggregate number of the issued Shares as at the date of passing of such resolution, pursuant to which a maximum of 45,000,000 new Shares may fall to be allotted and issued as at the date of this announcement |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | Hong Kong Special Administrative Region of the People’s Republic of China |
| “Hunter Corporate” | Hunter Corporate Limited, a company incorporated in the British Virgin Islands with limited liability |
| “Independent Third Party(ies)” | any person or company and their respective ultimate beneficial owner(s) (if applicable) who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons |
| “Placee(s)” | any person or entity procured by the Placing Agent or its agent(s) to subscribe for any Placing Shares pursuant to the Placing Agreement |
| “Placing” | the placing, on a best effort basis, of up to 45,000,000 Placing Shares on and subject to the terms and condition set out in the Placing Agreement |

| | |
|------------------------------|--|
| “Placing Agent” | Tiger Faith Securities Limited, a corporation licensed to carry on type 1 (dealing in securities) regulated activity under the SFO |
| “Placing Agreement” | the conditional placing agreement dated [1] September 2021 and entered into between the Company and the Placing Agent in relation to the Placing |
| “Placing Price” | HK\$[0.175] per Placing Share (exclusive of any brokerage, SFC transaction levy and Stock Exchange trading fee as may be payable) |
| “Placing Share(s)” | a total of up to 45,000,000 new Shares to be placed pursuant to the Placing Agreement and to be issued under the General Mandate, each a “Placing Share” |
| “Share(s)” | ordinary share(s) of HK\$0.1 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of the issued Share(s) |
| “substantial shareholder(s)” | has the meaning as ascribed to it in the GEM Listing Rules |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, modified and supplemented from time to time |
| “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
Beaver Group (Holding) Company Limited
Tang Kwai Leung Stanley
Chairman and executive Director

Hong Kong, [1] September 2021

As at the date of this announcement, the Board comprises Mr. Tang Kwai Leung Stanley and Mr. Chui Koon Yau as executive Directors; and Mr. He Dingding, Ms. Chan Wan Ling Sammi and Ms. Liu Ching Man as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and will be published on the Company’s website at www.beavergroup.com.hk.

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

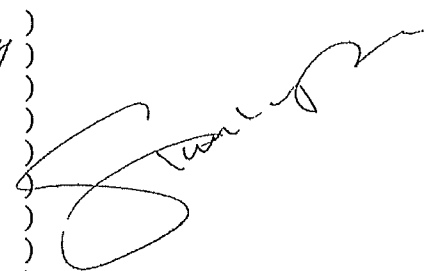
THE COMPANY

SIGNED by *Tang Kwai Leung Stanley*)

for and on behalf of)

BEAVER GROUP (HOLDING)
COMPANY LIMITED)

in the presence of:- *LAM WZNG YAN*)
lan)



THE PLACING AGENT

SIGNED by)

for and on behalf of)

TIGER FAITH SECURITIES LIMITED)

in the presence of :-)

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)
)
BEAVER GROUP (HOLDING))
COMPANY LIMITED)
)
in the presence of:-)

THE PLACING AGENT

SIGNED by *Wong Hoi Hung Marcel*)
)
for and on behalf of)
)
TIGER FAITH SECURITIES LIMITED)
)
in the presence of :-)

Fung Chi Hei



For and on behalf of
Tiger Faith Securities Limited
駿達證券有限公司
[Signature]
.....
Authorized Signature(s)