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Yues International Holdings Group Limited

樂氏國際控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1529)

SUPPLEMENTAL LETTER AGREEMENT IN RELATION TO PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



VBG Capital Limited

References are made to the announcements (the “**Announcements**”) of Yues International Holdings Group Limited (the “**Company**”) dated 15 June 2022 and 5 July 2022, respectively, in relation to the Placing of up to 80,000,000 Placing Shares under General Mandate. Unless otherwise specified, capitalized terms used herein shall have the same meanings as those defined in the Announcements.

SUPPLEMENTAL LETTER AGREEMENT

The Board hereby announces that after trading hours on 5 July 2022, the Company and the Placing Agent have entered into a supplemental letter agreement (the “**Supplemental Letter Agreement**”), pursuant to which the Company and the Placing Agent agreed to adjust and revise the Placing Price to HK\$0.185 (exclusive of any brokerage, SFC transaction levy and Stock Exchange trading fee as may be payable) (the “**New Placing Price**”). The New Placing Price represents:

- (i) a discount of approximately 19.91% to the closing price of HK\$0.231 per Share as quoted on the Stock Exchange on 5 July 2022, being the date of the Supplemental Letter Agreement; and
- (ii) a discount of approximately 11.06% to the average closing price of HK\$0.208 as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Supplemental Letter Agreement.

The net New Placing Price (after deducting the placing commission, costs and expenses of the Placing) is approximately HK\$0.175 per Placing Share.

The New Placing Price was negotiated on an arm's length basis between the Company and the Placing Agent after taking into account factors including the recent market price of the Shares and the current market conditions. The Directors consider that the New Placing Price and the terms of the Supplemental Letter Agreement are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole.

USE OF PROCEEDS

Upon Completion, based on the New Placing Price, the aggregate gross proceeds from the Placing are expected to be approximately HK\$14.8 million. The net proceeds from the Placing (after deduction of the placing commission in respect of the Placing and other related expenses including, among others, the professional fees) are estimated to be approximately HK\$14.0 million, representing a net issue price of approximately HK\$0.175 per Placing Share. The Company intends to apply the entire net proceeds of the Placing of approximately HK\$14.0 million for the development of the Chinese Medicine Business.

EFFECTS OF THE AMENDMENTS UNDER THE SUPPLEMENTAL LETTER AGREEMENT

Save and except for the aforesaid changes of the Placing Price under the Placing Agreement, all other terms of the Placing Agreement (including the Extension Letter which extended the Long Stop Date) shall remain unchanged and the Placing Agreement (as revised and supplemented by the Extension Letter and the Supplemental Letter Agreement) shall remain in full force and effect. Accordingly, save and except for the changes made to the arrangement in connection with the Placing as stipulated in this announcement, there is no further changes to the Placing.

As Completion is conditional upon fulfilment of the conditions precedent set out in the Placing Agreement (as revised and supplemented by the Extension Letter and the Supplemental Letter Agreement), the Placing may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

By order of the Board
Yues International Holdings Group Limited
Le Kang
Chairman

Hong Kong, 5 July 2022

As at the date of this announcement, the Board consists of four executive Directors, Mr. Le Kang, Mr. Li Jiahao, Mr. Li Jiali and Mr. Song Ruipeng, and four independent non-executive Directors, Mr. Shao Wei, Mr. Law Cho Kwan Derek, Mr. Yu Chun Man and Mr. Lau Wai Piu Patrick.