

# Statement re. Suspension

RNS Number : 0357U

Fragrant Prosperity Holdings Ltd

23 March 2023

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For immediate release 23 March 2023

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Fragrant Prosperity Holdings Limited

("FPP" or the "Company")

## **Suspension of Listing**

The Directors of FPP are pleased to inform shareholders that the Company has signed a nonbinding heads of terms with Hi 55 Ventures Limited ("Hi") a UK based fintech business ("Target"), in relation to the potential refinancing of FPP and acquisition of the Target by FPP ("Intended Acquisition"). The heads of terms are non-binding save principally for provisions relating to exclusivity and confidentiality.

The total consideration is expected to be approximately £47m to be satisfied by the issue of new ordinary shares in the Company. Hi is an innovative fintech company who have created a payroll-focused funding platform called Hi. This platform has three product sets:

- Pay Asset Finance - payroll financing to boost working capital.

- Freedom of Pay - free early wage access for employees delivered via a card; and
- Pension on Demand - free, flexible pension access via a card.

### **Suspension and Application for Listing**

The Intended Acquisition, if it proceeds, will constitute a Reverse Takeover under the Listing Rules as the value of the consideration will exceed the Company's market capitalisation and it will result in a fundamental change in the business of FPP as it will own an operating business.

Accordingly, the Company has requested the suspension of the listing in the Company's ordinary shares on the Standard Segment of the Official List, and trading on the London Stock Exchange's Main Market has been suspended with effect from 8.00am on the 23 March 2023, pending the publication of a prospectus and the application by the enlarged group for the Company to have its enlarged share capital listed on the Standard Segment of the Official List and admitted to trading on the London Stock Exchange's Main Market.

Shareholders should be aware that there is a possibility that the Intended Acquisition will not proceed or that the terms may change depending upon the outcome of due diligence. The Company will provide further update on the Intended Acquisition in due course.

*This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018.*

ENDS

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