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ZHONGCHANG INTERNATIONAL HOLDINGS GROUP LIMITED

中昌國際控股集團有限公司

(incorporated in Bermuda with limited liability)

(Stock code: 859)

RESTORATION OF PUBLIC FLOAT

INTRODUCTION

References are made to (i) offer document (the “**Offer Document**”) issued by Glory Rank Investment Limited (the “**Offeror**”) dated 29 April 2020 in respect of, among others, the mandatory unconditional cash offer to acquire all the issued shares of Zhongchang International Holdings Group Limited (the “**Company**”) (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it); (ii) the response document issued by the Company dated 13 May 2020; (iii) the announcement jointly issued by the Offeror and the Company dated 27 May 2020 (the “**Closing Announcement**”) in respect of, among others, the close of the Offer, the results of the Offer and the public float of the Company; and (iv) the announcement of the Company dated 16 June 2020 in relation to the grant of waiver from strict compliance with the minimum public float requirement as set out in Rule 8.08(1)(a) of the Listing Rules (the “**Public Float Requirement**”) and the announcement of the Company dated 30 September 2020 in relation to the grant of the waiver for the Public Float Requirement and its extension (the “**Waiver Announcements**”). Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the Offer Document, the Closing Announcement and the Waiver Announcements.

RESTORATION OF PUBLIC FLOAT

As disclosed in the Closing Announcement, immediately following the close of the Offer and subject to the due registration by the Registrar of the transfer of the Offer Shares in respect of which valid acceptances have been received, 169,799,030 Shares, representing approximately 15.09% of the entire issued share capital of the Company as at the date of the Closing Announcement, are held by the public (within the meaning of the Listing Rules). Accordingly, as at the date of the Closing Announcement, the Company does not satisfy the minimum public float requirement of 25% as set out in Rule 8.08(1)(a) of the Listing Rules. As disclosed in the Waiver Announcements, the Company has applied to, and has been granted by, the Stock Exchange a temporary waiver from strict compliance with the Public Float Requirement, with an initial period from 27 May 2020 to 30 September 2020, which has been further extended to 31 December 2020.

The Company has been informed by the Offeror that the Offeror has disposed of 111,642,295 Shares, representing approximately 9.93% of the total issued Shares of the Company (the “**Disposal**”) as at the date of this announcement, to an independent third party (the “**Purchaser**”). To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Purchaser is not a core connected person (as defined under the Listing Rules) of the Company, and are member of the public (within the meaning of Rule 8.24 of the Listing Rules).

Immediately after the completion of the Disposal, 281,441,325 Shares, representing approximately 25.02% of the total issued Shares of the Company, will be held by the public. Accordingly, the Company’s public float will then be restored in compliance with the Public Float Requirement pursuant to Rule 8.08(1)(a) of the Listing Rules. It is expected that the completion of the Disposal will be on or before 30 December 2020.

To the best knowledge, information and belief of the Directors, the table below sets out the shareholding structure of the Company (i) prior to the completion of the Disposal; and (ii) immediately upon the completion of the Disposal:

<i>Shareholders</i>	Prior to the completion of the Disposal		Immediately upon the completion of the Disposal	
	<i>Number of Shares</i>	<i>Approximate percentage of issued share capital of the Company⁽¹⁾</i>	<i>Number of Shares</i>	<i>Approximate percentage of issued share capital of the Company⁽¹⁾</i>
Offeror ⁽²⁾	111,642,295	9.93%	–	–
China Cinda (HK) Asset Management Co., Limited ⁽³⁾	843,585,747	74.98%	843,585,747	74.98%
Public shareholders	169,799,030	15.09%	281,441,325	25.02%
	<u>1,125,027,072</u>	<u>100.00%</u>	<u>1,125,027,072</u>	<u>100.00%</u>

Notes:

- (1) The total number of issued Shares as at the date of this announcement of 1,125,027,072 Shares has been used in the calculation of the approximate percentage.
- (2) The Offeror is wholly-owned by China Cinda (HK) Asset Management Co., Limited. As such, China Cinda (HK) Asset Management Co., Limited is deemed to be interested in the 111,642,295 Shares held by the Offeror.

- (3) Based on the disclosure of interests notices received by the Company dated 14 October 2020, China Cinda Asset Management Co., Ltd. controlled 100% of China Cinda (HK) Holdings Company Limited, which is the sole shareholder of China Cinda (HK) Asset Management Co., Limited. As such, each of China Cinda Asset Management Co., Ltd and China Cinda (HK) Holdings Company Limited is deemed to be interested in the 843,585,747 Shares held by China Cinda (HK) Asset Management Co., Limited.

By order of the Board
Zhongchang International Holdings Group Limited
Ma Yilin
Chairman and Executive Director

Hong Kong, 23 December 2020

As at the date of this announcement, the Board comprises Mr. Ma Yilin (Chairman), Mr. Chen Zhiwei, Mr. Tang Lunfei and Ms. Huang Limei as executive directors; Mr. Wang Xin and Dr. Huang Qiang as non-executive directors; and Mr. Liew Fui Kiang, Mr. Wong Sai Tat, Mr. Wong Wai Leung and Mr. Yip Tai Him as independent non-executive directors.