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CHINA LEON INSPECTION HOLDING LIMITED

中国力鸿检验控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1586)

PROPOSED ISSUE OF CONVERTIBLE BONDS UNDER GENERAL MANDATE

PROPOSED ISSUE OF CONVERTIBLE BONDS

On 26 September 2024 (after trading hours), the Company entered into the conditional CB Subscription Agreement with the Subscriber, pursuant to which the Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to issue the Convertible Bonds.

The initial Conversion Price represents (i) no premium/discount over the closing price of HK\$1.50 per Share as quoted on the Stock Exchange on 26 September 2024, being the date of the CB Subscription Agreement; and (ii) no premium/discount over the average of the closing prices of HK\$1.50 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately preceding 26 September 2024, being the date of the CB Subscription Agreement. The Conversion Price was arrived at after arm's length negotiations between the Company and the Subscriber, taking into account of, among others, the recent trading performance of the Shares. The Directors consider that the Conversion Price and the terms and conditions of the CB Subscription Agreement and the Convertible Bonds are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

On the assumption that the Convertible Bonds would be converted into Conversion Shares in full at the initial Conversion Price, the 20,000,000 Conversion Shares represent approximately 3.3% of the existing issued share capital of the Company and approximately 3.2% of the issued share capital of the Company as to be enlarged by the allotment and issue of the Conversion Shares.

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THE CB SUBSCRIPTION AGREEMENT

The principal terms of the CB Subscription Agreement are summarised as follows:

Date	:	26 September 2024 (after trading hours)
Parties	:	(i) The Company (as issuer); and (ii) Giga Industries Limited (as subscriber)
Status	:	The Convertible Bonds constitute direct, unconditional, unsubordinated, unguaranteed and unsecured obligations of the Company and shall at all times rank <i>pari passu</i> with all other present and future unsecured, unguaranteed and unsubordinated obligations of the Company.
Principal Amounts	:	US\$3,846,153.85 (equivalent to HK\$30,000,000 based on an exchange rate of HK\$7.8 to US\$1 and rounded off to two decimal places)
Subscription Price	:	100% of the principal amount of US\$3,846,153.85 (equivalent to HK\$30,000,000 based on an exchange rate of HK\$7.8 to US\$1 and rounded off to two decimal places) in cash
Coupon	:	5% per annum payable in every six calendar months
Maturity Date	:	The fifth anniversary of the date of issue of the Convertible Bonds or any such other date as mutually agreed to in writing between, and shortened or extended by, the Company and the Bondholder (the “ Maturity Date ”).
Conversion Price	:	The Convertible Bonds shall be converted at the Conversion Price. Upon issue of the Convertible Bonds, the initial Conversion Price will be US\$0.1923 (equivalent to HK\$1.50 based on the exchange rate of HK\$7.8 to US\$1 and rounded down to four decimal places) per Conversion Share.

The initial Conversion Price per Conversion Share for the Convertible Bonds is subject to adjustments in each of the following cases:

- (i) an alteration of the number of the Shares by reason of any consolidation or subdivision;

- (ii) an issue (other than in lieu of a cash dividend) by the Company of Shares credited as fully paid by way of capitalisation of profits or reserves (including any share premium account, contributed surplus account or capital redemption reserve fund);
- (iii) a capital distribution (as defined in the CB Instrument) being made by the Company, whether on a reduction of capital or otherwise, to holders of the Shares in their capacity as such;
- (iv) an offer or grant being made by the Company to holders of Shares by way of rights or of options or warrants to subscribe for new Shares at a price which is less than 95 per cent. of the market price;
- (v) an issue wholly for cash or for reduction of liabilities being made by the Company of securities convertible into or exchangeable for or carrying rights of subscription for new Shares, if in any case the total effective consideration per Share (as defined in the CB Instrument) initially receivable (or in the case of reduction in liabilities, the amount of liabilities to be reduced) for such securities is less than 95 per cent. of the market price, or the terms of any such rights of conversion or exchange or subscription attached to any such securities being modified so that the said total effective consideration per Share initially receivable for such securities is less than 95 per cent. of the market price;
- (vi) an issue being made by the Company wholly for cash or for reduction of liabilities of Shares at a price per Share less than 95 per cent. of the market price;
- (vii) an issue being made by the Company of Shares for the acquisition of asset at a total effective consideration per Share (as defined in the CB Instrument) less than 95 per cent. of the market price; and
- (viii) an issue wholly made by the Company of securities convertible into or exchangeable for or carrying rights of subscription for new Shares for the acquisition of asset, if in any case the total effective consideration per Share (as defined in the CB Instrument) initially receivable for such securities is less than 95 per cent. of the market price.

- Conversion Rights** : The holder of the Convertible Bonds shall have the right to convert their Convertible Bonds at the principal amount into Shares during the Conversion Period at the Conversion Price in effect on the conversion date (as defined in the CB Instrument), provided that (i) any conversion of the Convertible Bonds does not result in the holders of the Convertible Bonds and/or the parties acting in concert with any of them and/or their respective associates being interested in such percentage as may from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer obligation under Rule 26 of the Takeovers Code on the part of the holder of the Convertible Bonds which exercised the conversion rights; and (ii) any conversion of the Convertible Bonds does not result in the public float of the Shares being less than 25% (or any given percentage as required by the Listing Rules) of the issued Shares of the Company.
- Conversion Period** : The holder of the Convertible Bonds will have the right to convert the whole or part of the principal amount of the Convertible Bonds into Conversion Shares from the date falling six (6) months of the date of issue of the Convertible Bonds up to and including the date which is three (3) days prior to the Maturity Date (or if the Maturity Date is not a Business Day, the Business Day immediately preceding the Maturity Date).
- Redemption Amount** : The Company shall, on the Maturity Date, redeem the then outstanding Convertible Bonds, at 108% of the then outstanding principal amount of those Convertible Bonds or any part thereof together with outstanding interest accrued thereon.
- Bondholder's early redemption rights** : The Bondholder shall have the right at its option, to require the Company to redeem (a) all or part of the Convertible Bonds together with any then outstanding unpaid interest by giving the Company a notice of redemption in accordance with the terms of the Convertible Bonds if any event of default under the CB Instrument occurs and is continuing with redemption price at 115% of the outstanding principal amount of the Convertible Bonds, and (b) all the Convertible Bonds together with any then outstanding unpaid interest by giving the Company a notice of redemption in accordance with the terms of the Convertible Bonds at any time during the period between the first day of the 25 months following the Issue Date and the last day immediately preceding the Maturity Date with redemption price at 108% of the outstanding principal amount of the Convertible Bonds.

- Company's early redemption rights** : The Company shall have the right at its option to redeem all (but not part of) the Convertible Bonds together with any then outstanding unpaid interest by giving the Bondholder a notice of redemption in accordance with the terms of the Convertible Bonds at any time during the period between the first day of the 25 months following the Issue Date and the last day immediately preceding the Maturity Date with redemption price at 108% of the outstanding principal amount of the Convertible Bonds.
- Voting** : The Bondholder shall not be entitled to attend or vote at any meetings of the Company by reason only of it being a holder of the Convertible Bonds.
- Listing** : No application will be made for the listing of the Convertible Bonds on the Stock Exchange or any other stock exchange. Application will be made to the Stock Exchange for the listing of and permission to deal in the Conversion Shares to be allotted and issued upon exercise of the conversion rights attached to the Convertible Bonds.
- Transferability** : The Convertible Bonds may be assigned or transferred to any transferee subject to prior notification to the Company. The Convertible Bonds may not be assigned or transferred to any connected person of the Company (as defined under the Listing Rules) without prior written consent of the Company.

Conditions precedent of the CB Subscription Agreement

The obligations of the Subscriber under the CB Subscription Agreement are conditional upon:

- (a) the execution and delivery of the Transaction Documents;
- (b) the Listing Committee of the Stock Exchange having approved or agree to approve the issue of the Convertible Bonds either unconditionally or subject to conditions to which none of the Company and the Subscriber shall reasonably object and the satisfaction of such conditions (if required);
- (c) the Listing Committee of the Stock Exchange having granted or agree to grant (either unconditionally or subject to conditions to which none of the Company and the Subscriber shall reasonably object) the approval for the listing of, and permission to deal in, the Conversion Shares which may fall to be allotted and issued upon the exercise of the conversion rights attached to the Convertible Bonds, and such approval not having been revoked;
- (d) the announcement in relation to the transactions contemplated under the CB Subscription Agreement and other Transaction Documents having been made;

- (e) the warranties set out in the CB Subscription Agreement being true, complete and accurate in all respects and not misleading in any respects, and the Company having performed all its obligations under the CB Subscription Agreement to be performed on or before the Completion Date;
- (f) the Shares remaining listed and traded on the Stock Exchange at all times and no indication being received from the Stock Exchange to the effect that the listing of the Shares on the Stock Exchange will or may be withdrawn or object to (or conditions will or may be attached thereto) in connection with the terms of the CB Subscription Agreement;
- (g) from the date of the CB Subscription Agreement to the Completion Date, there being no change in the principal business, operations, properties, conditions (financial or otherwise), personnel or prospects of the Group, nor the happening of any events, in all cases, which may have a material adverse effect;
- (h) any necessary approvals, consents and/or waivers by the relevant governmental authorities, whether in Hong Kong or elsewhere (including but not limited to the Stock Exchange) in favour of the Company for the CB Subscription Agreement and the transactions contemplated hereunder having been obtained, and such approval, consent and/or waiver not having been revoked;
- (i) the Company having (i) duly complied with all requirements under applicable laws and its constitutional documents necessary for the validity and enforceability of the Transaction Documents and the transactions contemplated thereunder (including without limitation, the proposed issue of the Convertible Bonds); (ii) duly completed all procedural requirements (including without limitation, notification, filing, registration, disclosure and/or announcement requirements) required by any relevant governmental authority and its constitutional documents in connection with the signing of the Transaction Documents and the transactions contemplated thereunder (including without limitation, the proposed issue of the Convertible Bonds) that is capable of being completed prior to the Completion; and (iii) obtained all consents and approvals by the relevant governmental authority and under its constitutional documents in connection with the signing of the Transaction Documents and the transactions contemplated thereunder (including without limitation, the proposed issue of the Convertible Bonds) that is capable of being completed prior to the Completion;
- (j) there being no governmental authority or other person that has: (i) requested any information in connection with or instituted or, threatened any action or investigation to restrain, prohibit or otherwise challenge the CB Subscription by the Subscriber and/or its nominees, or the other transactions contemplated by the Transaction Documents to which the Subscriber is a party; (ii) threatened to take any action as a result of or in anticipation of the CB Subscription by the Subscriber and/or its nominees, or the other transactions contemplated by the Transaction Documents to which the Subscriber is a party; or (iii) proposed or enacted any applicable laws which would prohibit, materially restrict or materially delay the CB Subscription by the Subscriber and/or its respective nominees, or the other transactions contemplated by the Transaction Documents to which the Subscriber is a party and/or the operation of any member of the Group after the Completion;

- (k) the Subscriber being satisfied with (i) the business (including future projects, prospects, business strategy, development and investment scope and business plan), technical, legal, financial, accounting and tax due diligence investigations with respect to the Group, and (ii) all “Know Your Client” and anti-money laundering checks and all other customer due diligence requirements with respect to the Group, and the entering into the transactions contemplated under the Transaction Documents; and
- (l) the Subscriber having obtained all necessary internal approvals, including but not limited to the approval from its investment committee or the investment committee of its holding company (if applicable) in respect of the CB Subscription.

Save for condition precedent (c), all the above conditions precedent can be waived by the Subscriber at its absolute discretion. In the event that the conditions of the CB Subscription have not been fulfilled (other than conditions precedent (k) and (l)) on or before 31 October 2024 or such other date as may be agreed between the parties to the CB Subscription Agreement, the CB Subscription Agreement shall cease and determine and neither the Company nor the Subscriber shall have any obligations and liabilities under the CB Subscription Agreement.

As at the date of this announcement, conditions precedent (d) above has been fulfilled.

Completion of the CB Subscription

Completion of the CB Subscription will take place within three Business Days after the conditions of the CB Subscription are fulfilled and/or waived (or such other date as may be agreed between the parties to the CB Subscription Agreement).

Conversion Shares

Based on the initial Conversion Price of US\$0.1923 (equivalent to HK\$1.50 based on the exchange rate of HK\$7.8 to US\$1 and rounded down to four decimal places) per Conversion Share, a maximum number of 20,000,000 Conversion Shares will be allotted and issued upon exercise of the conversion rights attached to the Convertible Bonds in full, which represent: (i) approximately 3.3% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 3.2% of the issued share capital of the Company as to be enlarged by the allotment and issue of the Conversion Shares to be allotted and issued upon the exercise of the conversion rights attaching to the Convertible Bonds in full.

The Conversion Shares will rank *pari passu* in all respects with the Shares in issue as at the date of allotment and issue of the Conversion Shares.

Conversion Price

The initial Conversion Price of US\$0.1923 (equivalent to HK\$1.50 based on the exchange rate of HK\$7.8 to US\$1 and rounded down to four decimal places) per Conversion Share represents:

- (i) no premium/discount over the closing price of HK\$1.50 per Share as quoted on the Stock Exchange on 26 September 2024, being the date of the CB Subscription Agreement; and
- (ii) no premium/discount over the average of the closing prices of HK\$1.50 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately preceding 26 September 2024, being the date of the CB Subscription Agreement.

The net Conversion Price, after deduction of relevant expenses, is approximately US\$0.1917 (equivalent to approximately HK\$1.495 based on the exchange rate of HK\$7.8 to US\$1 and rounded down to four decimal places) per Conversion Share. The Conversion Price was arrived at after arm's length negotiations between the Company and the Subscriber, taking into account of, among others, the recent trading performance of the Shares. The Directors consider that the Conversion Price and the terms and conditions of the CB Subscription Agreement and the Convertible Bonds are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

General Mandate to issue the Conversion Shares

The Conversion Shares will be allotted and issued pursuant to the General Mandate at the annual general meeting of the Company held on 18 June 2024 subject to the threshold of 108,367,354 Shares (representing approximately 20% of the number of Shares of the Company in issue as at 18 June 2024). Immediately before the date of the CB Subscription Agreement, the General Mandate has not been utilized. On the initial conversion price of US\$0.1923 (equivalent to approximately HK\$1.50 based on the exchange rate of HK\$7.8 to US\$1 and rounded down to four decimal places) per Conversion Shares, 20,000,000 Conversion Shares will be allotted and issued upon full exercise of the conversion rights attaching to the Convertible Bonds, which will utilise about 18.5% of the General Mandate.

Application for listing

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares. No application will be made for listing of, or permission to deal in, the Convertible Bonds on the Stock Exchange or any other stock exchange.

No Shareholders' approval is required for the allotment and issue of the new Shares that may fall to be issued upon the conversion of the Convertible Bonds. The new Shares that may fall to be issued upon the conversion of the Convertible Bonds will be issued under the General Mandate.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets out the Company's shareholding structure as at the date of this announcement and upon full conversion of the Convertible Bonds, assuming no further issue or repurchase of Shares and no conversion of any of the convertible securities of the Company:

	As at the date of this announcement		Immediately upon full conversion of the Convertible Bonds	
	Number of Shares	Approximate percentage of total issued Shares of the Company ⁽¹⁾	Number of Shares	Approximate percentage of total issued Shares of the Company ⁽¹⁾
Controlling shareholders acting in concert ⁽²⁾	362,011,361	60.51%	362,011,361	58.55%
Mr. Yang Rongbing ⁽³⁾	8,347,983	1.39%	8,347,983	1.35%
China Dragon Inspection & Certification (H.K.) Limited	66,366,322	11.09%	66,366,322	10.73%
The Subscriber	—	—	20,000,000	3.23%
Public Shareholders	<u>161,576,406</u>	<u>27.00%</u>	<u>161,576,406</u>	<u>26.14%</u>
Total	<u><u>598,302,072</u></u>	<u><u>100.00%</u></u>	<u><u>618,302,072</u></u>	<u><u>100.00%</u></u>

Notes:

- (1) Certain amounts and percentage figures included in the table above have been subject to rounding adjustments, and any discrepancy between the total amount and the arithmetical sum of the amounts listed is due to rounding.
- (2) On 31 January 2016, Mr. Li Xiangli, Ms. Zhang Aiyong and Mr. Liu Yi, each being an executive Director, entered into an acting-in-concert deed to acknowledge and confirmed that they are parties acting in concert in respect of each of the members of the Group during and since the three years ended 31 December 2013, 2014 and 2015 and continue after the date of the deed. By virtue of the SFO, Mr. Li Xiangli, Ms. Zhang Aiyong and Mr. Liu are deemed to be interested in the Shares held by each other. For details, please refer to the section headed "Relationship with Controlling Shareholders — Our Controlling Shareholders Acting in Concert" in the prospectus of the Company dated 29 June 2016.
- (3) Mr. Yang Rongbing is an executive Director.

REASONS FOR AND BENEFITS FROM THE PROPOSED ISSUE OF CONVERTIBLE BONDS AND USE OF PROCEEDS

The Company provides global industry leaders with a wide range of services in testing, and inspection, as well as technical and consulting services around the clock, focusing on four key areas, namely commodity services, clean energy, environmental protection and climate change. Relying on its global networks, the Company meets the one-stop service needs of global customers in a timely and high-quality manner, empowering global industry leaders to achieve eco-friendly and low-carbon transformation.

The Subscriber's interest in making an investment into the Group reflects its confidence in the Group's business and growth potential. The Directors (including the independent non-executive Directors) are of the view that the raising of funds by the issue of the Convertible Bonds will enhance the Group's capital structure and liquidity, strengthen the Group's financial position, broaden the capital base of the Group and to finance the Group's future development and expansion.

The Directors consider that the issue of the Convertible Bonds is an effective means of raising additional capital since (i) it will not have an immediate dilution effect on the shareholding of the existing Shareholders; and (ii) in the event that the Convertible Bonds are converted into Shares, the Company can broaden its capital base, benefiting the long-term development of the Company.

The gross proceeds of the CB Subscription are approximately US\$3,846,153.85 (equivalent to HK\$30,000,000). The net proceeds from the issue of the Convertible Bonds will be approximately US\$3,833,333.33 (equivalent to HK\$29,900,000). The net proceeds of the CB Subscription will enhance the Group's financial strength for deployment in environmental, social and governance (“ESG”) business expansion and overseas expansion of the Group with details set forth below:

(1) ESG business expansion:

Embracing the business philosophy of long-term vision, the Company firmly implements the “ESG development strategy”, and continues to enhance the professional service capability in ESG-related fields and focuses on potential investment opportunities. The Company intends to use the net proceeds to speed up the investment plans in line with the Group's ESG strategy, focusing on potential mergers and acquisitions targets and investment opportunities with green, low-carbon and sustainable growth potential and further align the new businesses with key energy development strategies, such as the construction of new power systems, clean development mechanisms, the achievement of carbon neutrality, and other major energy development strategies.

(2) Overseas expansion:

The Company's international expansion had achieved remarkable results, with outstanding performance in overseas market development and continuous increase in overseas revenue in the first half year of 2024. Based on the successful experience in overseas expansion, the Company continues to focus on potential high-quality targets to further expand service offerings and network coverage, deepening the globalized layout

and diversified business expansion. The Company intends to use the net proceeds to further explore the vast overseas market opportunities, seize the tremendous opportunities brought by the blossoming development of the global emerging markets, strengthen the advantages of the global presences, and enhance its ability to serve international leading customers. The Company will actively seek mergers and acquisitions opportunities in the global testing, inspection and certification market, leverage our advantage of unique mergers and acquisitions approach, and enhance synergies, providing sustainable momentum for business expansion.

It is expected that the business plans set forth above would empower the Group's sustainable and green development, create more profit drivers, and lay a solid cornerstone for the Group's future growth, thereby creating better returns for Shareholders. The Directors consider that the terms of the CB Subscription Agreement were arrived at arm's length negotiations between the Company and the Subscriber, and the transactions contemplated thereunder (including the Conversion Price) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

GENERAL

Information on the Company

The Company is an investment holding company and its subsidiaries are principally engaged in the provision of testing services, surveying services, witnessing and ancillary services and technical and consulting services.

Information on the Subscriber

The Subscriber is an investment holding company incorporated in the British Virgin Islands with limited liability, which is an indirect wholly-owned subsidiary of Greater Bay Area Homeland Investments Limited (“**GBA Investments**”), a company incorporated in Hong Kong with limited liability. GBA Investments is jointly owned by a number of international large-scale industrial institutions, financial institutions and new economic enterprises, each of which holds less than 15% shareholding in GBA Investments. GBA Investments is established as an investment platform with a focus on investing in technological innovation, industrial upgrading, quality of life, smart city and all other related industries.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Subscriber and its ultimate beneficial owner(s) are Independent Third Parties.

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE-MONTH PERIOD

The Company has not conducted any other equity fund raising activities in the past twelve months immediately preceding the date of this announcement.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and phrases have the following meanings:

“AGM”	the annual general meeting of the Company convened and held on 18 June 2024 to approve, among other things, the grant of the General Mandate
“Board”	the board of directors of the Company
“Bondholder(s)”	the holder(s) of the Convertible Bonds
“Business Day”	any day (excluding Saturday, Sunday, public holiday and any day on which a tropical cyclone warning no.8 or above or a “black” rainstorm warning signal is hoisted or remains hoisted in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not lowered or discontinued at or before 12:00 noon) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“CB Instrument”	the instrument to be executed by the Company on the Completion Date relating to Convertible Bonds of principal amount of not more than US\$3,846,153.85 (equivalent to HK\$30,000,000 based on an exchange rate of HK\$7.8 to US\$1 and rounded off to two decimal places) in registered form and convertible into ordinary shares in the capital of the Company
“CB Subscription”	the subscription for the Convertible Bonds by the Subscriber pursuant to the terms and condition of the CB Subscription Agreement
“CB Subscription Agreement”	the conditional agreement dated 26 September 2024 and entered into between the Company and the Subscriber in respect of the CB Subscription
“Company”	China Leon Inspection Holding Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange
“Completion”	the completion of the issue and subscription of the Convertible Bonds
“Completion Date”	a day within three Business Days after the conditions of the CB Subscription are fulfilled and/or waived (or such other date as may be agreed between the parties to the CB Subscription Agreement)

“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Conversion Price”	the conversion price per Conversion Share and initially at US\$0.1923 (equivalent to HK\$1.50 based on the exchange rate of HK\$7.8 to US\$1 and rounded down to four decimal places) per Conversion Share (subject to adjustments)
“Conversion Shares”	the Shares to be allotted and issued upon conversion of the Convertible Bonds
“Convertible Bonds”	the 5-year 5% coupon unlisted Convertible Bonds in principal amount of US\$3,846,153.85 (equivalent to HK\$30,000,000 based on an exchange rate of HK\$7.8 to US\$1 and rounded off to two decimal places) to be issued by the Company in accordance with the terms of the CB Subscription Agreement
“Directors”	the directors of the Company
“General Mandate”	the general mandate granted to the Directors at the AGM held on 18 June 2024, pursuant to which a maximum of 108,367,354 new Shares may fall to be allotted and issued
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any person or company and its ultimate beneficial owner(s), 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
“Issue Date”	the date of the CB Instrument
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China
“Share(s)”	ordinary share(s) of US\$0.00005 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subscriber”	Giga Industries Limited, a company incorporated in the British Virgin Islands with limited liability
“Transaction Documents”	the CB Instrument, the CB Subscription Agreement, any other documents relating to the transactions contemplated therein which may be entered into from time to time
“US\$”	the United States dollar, the lawful currency of the United States of America
“%”	per cent.

By Order of the Board
China Leon Inspection Holding Limited
Yang Rongbing
Executive Director

Beijing, PRC, 26 September 2024

As at the date of this announcement, the Board of the Company comprises eight Directors:

Executive Directors:

Mr. Li Xiangli (*Chairman and CEO*)
Ms. Zhang Aiyong (*Vice President*)
Mr. Liu Yi (*Vice President*)
Mr. Yang Rongbing (*Vice Chairman*)

Non-executive Director:

Mr. Hao Yilei

Independent Non-executive Directors:

Mr. Wang Zichen
Mr. Zhao Hong
Mr. Liu Hoi Keung

Unless otherwise stated in this announcement, for the purposes of illustration only, any amount denominated in “US\$” in this announcement were translated into HK\$ at the rate of US\$1 = HK\$7.8. Such translations should not be construed as a representation that the amounts in question have been, could have been or could be, converted at any particular rate at all.