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CHONG KIN GROUP HOLDINGS LIMITED

創建集團（控股）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1609)

COMPLETION OF SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

Reference is made to the announcement of Chong Kin Group Holdings Limited (the “**Company**”) dated 7 December 2020 in relation to the subscription of new shares under general mandate (the “**Announcement**”). Unless the context otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

COMPLETION OF SUBSCRIPTIONS

The Board is pleased to announce that all of the conditions precedent of the Subscription Agreements have been fulfilled and that Completion of all of the 109,726,000 Subscription Shares had taken place on 1 February 2021, following which the 109,726,000 Subscription Shares have been allotted and issued to the Subscribers at the Subscription Price of HK\$2.3 per Subscription Share pursuant to the terms and conditions of the Subscription Agreements.

Having deducted the fees and related expenses in connection with the Subscriptions, the total amount of net proceeds received by the Company is in the approximate sum of HK\$252.22 million. The Company intends to use the net proceeds for such purposes as disclosed in the paragraphs headed “Reasons for the subscriptions and use of proceeds” in the Announcement.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The 109,726,000 Subscription Shares represent (i) approximately 11.22% of the total number of issued Shares immediately prior to the entering into the Subscription Agreements; and (ii) approximately 10.09% of the total number of issued Shares as enlarged by the Subscriptions.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the following table illustrates the shareholding structure of the Company (i) immediately prior to the entering into the Subscription Agreements; and (ii) immediately upon Completion:

Name of Shareholder	Immediately prior to the entering into the Subscription Agreements		Immediately upon Completion	
	Number of Shares	Approximate % shareholding	Number of Shares	Approximate % shareholding
Substantial Shareholders				
Prestige Rich Holdings Limited <i>(Note 1)</i>	633,600,000	64.80	633,600,000	58.26
Prosperous East Investment Limited <i>(Note 2)</i>	99,424,000	10.17	99,424,000	9.14
Other Directors				
JLB Capital Limited <i>(Note 3)</i>	—	—	21,860,781	2.01
Fortune Box International Limited <i>(Note 4)</i>	—	—	38,300,000	3.52
Public Shareholders				
Other Subscribers	—	—	49,565,219	4.56
Other Public Shareholders	244,736,000	25.03	244,736,000	22.51
Total	<u>977,760,000</u>	<u>100</u>	<u>1,087,486,000</u>	<u>100</u>

Notes:

- 1) The 633,600,000 Shares, representing 58.26% of the issued Shares as enlarged by the Subscriptions, are held by Prestige Rich Holding Limited (“**Prestige Rich**”). Mr. Zhang Jinbing beneficially owns the entire issued share capital of Prestige Rich. Mr. Zhang Jinbing is the Chairman, an executive Director of the Company and the chairman of the Nomination Committee. Mr. Zhang Jinbing is also a director of Prestige Rich. Prestige Rich shall sell 156,430,000 Shares, representing 14.38% of the issued Shares as enlarged by the Subscriptions, to an Independent Third Party pursuant to a sale and purchase agreement dated 16 April 2020 (the “**Disposal I**”), the long stop date for completion of the Disposal I is 30 April 2021. Prestige Rich shall sell 105,268,600 Shares, representing 9.68% of the issued Shares as enlarged by the Subscriptions, to Lyu Changsheng pursuant to the sale and purchase agreement dated 8 December 2020 (the “**Disposal II**”), the long stop date for completion of the Disposal II is 31 January 2022, Mr. Lyu Changsheng is the Honorary Chairman of the Company.
- 2) The 99,424,000 Shares, representing 9.14% of the issued Shares as enlarged by the Subscriptions, are held by Prosperous East Investment Limited (“**Prosperous East**”). Mr. Yang Rui is the controlling shareholder of Prosperous East. Mr. Yang Rui is the legal representative of a PRC subsidiary of the Company. Mr. Yang Rui is also a director of Prosperous East.

- 3) JLB Capital Limited (“**JLB**”) is one of the Subscribers holding 21,860,781 Shares, representing 2.01% of the issued Shares as enlarged by the Subscriptions. Mr. Ma Chao (“**Mr. Ma**”) beneficially owns the entire issued share capital of JLB. Mr. Ma is an executive Director, co-Chairman of the Board and Chief Executive Officer of the Company.
- 4) Fortune Box International Limited (“**Fortune Box**”) is one of the Subscribers holding 38,300,000 Shares, representing 3.52% of the issued Shares as enlarged by the Subscriptions. Fortune Box is controlled by Mr. Qiu Peiyuan (“**Mr. Qiu**”). Mr. Qiu is appointed as an executive Director of the Company on 1 February 2021.

By Order of the Board
Chong Kin Group Holdings Limited
Zhang Jinbing
Chairman

Hong Kong, 1 February 2021

As at the date hereof, the Honorary Chairman of the Company is Mr. Lyu Changsheng; the Board comprises three executive Directors, namely Mr. Zhang Jinbing (Chairman), Mr. Ma Chao (co-Chairman and Chief Executive Officer) and Mr. Qiu Peiyuan; and three independent non-executive Directors, namely Mr. Tam Ping Kuen Daniel, Dr. Li Yifei and Mr. Yan Haiting.