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中升集團控股有限公司
Zhongsheng Group Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 881)

DISCLOSEABLE AND CONNECTED TRANSACTION
COMPLETION OF ACQUISITION OF ZUNG FU CHINA INVOLVING
ISSUE OF CONSIDERATION SHARES UNDER SPECIFIC MANDATE

Reference is made to the announcement of Zhongsheng Group Holdings Limited (the “**Company**”) dated 1 July 2021 (the “**Transaction Announcement**”), the circular dated 20 August 2021 and the announcements dated 8 September 2021 and 4 October 2021 (the “**Determination of Closing Consideration Announcement**”), in each case in relation to the Company’s proposed acquisition of Zung Fu China. Unless otherwise defined, capitalised terms used herein have the same meanings ascribed to them in the Transaction Announcement.

COMPLETION OF ACQUISITION OF ZUNG FU CHINA

The Board is pleased to announce that all of the conditions to Closing have been fulfilled and that Closing under the Share Purchase Agreement took place on 8 October 2021. A total of 52,403,272 new Shares (the “**Consideration Shares**”), credited as fully paid up, have been allotted and issued to JSH Investment Holdings Limited pursuant to the terms and conditions of the Share Purchase Agreement.

The Company made an application to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares and such listing approval has already been granted by the Stock Exchange.

As disclosed in the Transaction Announcement and the Determination of Closing Consideration Announcement, the final amounts of the Closing Adjustments and the Consideration will be determined in accordance with the terms of the Share Purchase Agreement following Closing. Further announcement will be made by the Company upon determination of the Closing Adjustments and the Consideration.

EFFECT ON SHAREHOLDING STRUCTURE

To the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, the table below sets out a summary of the shareholding structure of the Company:

- (i) before the allotment and issue of the Consideration Shares;
- (ii) immediately following the allotment and issue of the Consideration Shares; and
- (iii) immediately following the allotment and issue of the Consideration Shares and assuming the full conversion of the HK\$4,560 million in aggregate principal amount of zero coupon convertible bonds due 2025 issued by the Company on 21 May 2020 entitling the holders to convert such convertible bonds into Shares at a conversion price of HK\$45.61 per Share (the “**2025 Convertible Bonds**”):

Shareholders	(I)		(II)		(III)	
	Before the allotment and issue of the Consideration Shares		Immediately following the allotment and issue of the Consideration Shares		Immediately following the allotment and issue of the Consideration Shares and assuming the full conversion of the 2025 Convertible Bonds into Shares	
	<i>Number of Shares</i>	<i>% of issued share capital of the Company (approx.)</i>	<i>Number of Shares</i>	<i>% of issued share capital of the Company (approx.)</i>	<i>Number of Shares</i>	<i>% of issued share capital of the Company (approx.)</i>
Light Yield Ltd. ⁽¹⁾	152,678,504	6.44	152,678,504	6.32	152,678,504	6.07
Blue Natural Development Ltd. ⁽²⁾	187,171,500	7.92	187,171,500	7.75	187,171,500	7.44
Mountain Bright Limited ⁽³⁾	486,657,686	20.60	486,657,686	20.15	486,657,686	19.35
Vintage Star Limited ⁽⁴⁾	486,657,686	20.60	486,657,686	20.15	486,657,686	19.35
<i>Companies controlled by Mr. Huang Yi and/or Mr. Li Guoqiang</i>	1,313,165,376	55.58	1,313,165,376	54.37	1,313,165,376	52.21
JSH ⁽⁵⁾	453,412,844	19.19	505,816,116	20.94	505,816,116	20.11
Holder of the 2025 Convertible Bonds	—	—	—	—	99,978,074	3.98
Other public Shareholders ⁽⁶⁾	<u>596,059,371</u>	<u>25.23</u>	<u>596,059,371</u>	<u>24.68</u>	<u>596,059,371</u>	<u>23.70</u>
Total	<u><u>2,362,637,591</u></u>	<u><u>100.00</u></u>	<u><u>2,415,040,863</u></u>	<u><u>100.00</u></u>	<u><u>2,515,018,937</u></u>	<u><u>100.00</u></u>

Notes:

- (1) Light Yield Ltd. is wholly-owned by Mr. Huang Yi, who is also the sole director of Light Yield Ltd.
- (2) Blue Natural Development Ltd. is owned by Light Yield Ltd. (62.3%) and Vest Sun Ltd. (37.7%). Mr. Huang Yi and Mr. Li Guoqiang (a Director and President of the Company) are directors of Blue Natural Development Ltd.
- (3) Mountain Bright Limited is wholly-owned by UBS TC (Jersey) Ltd. as trustee of a trust settlement for Mr. Huang Yi (the settler of the trust) and his family.
- (4) Vintage Star Limited is wholly-owned by UBS TC (Jersey) Ltd. as trustee of a trust settlement for Mr. Li Guoqiang (the settler of the trust) and his family.
- (5) JSH is a subsidiary of Jardine Matheson Holdings Limited.

- (6) The Company is subject to maintaining a minimum public float of 17.24% as agreed by the Stock Exchange pursuant to Rule 8.08(1)(a) of the Listing Rules. Please refer to the prospectus of the Company dated 16 March 2010 and the Company's announcement dated 26 March 2010 for further details. The Company is able to maintain its public float following the allotment and issue of the Consideration Shares.

By order of the Board of
Zhongsheng Group Holdings Limited
HUANG YI
Chairman

Hong Kong, 8 October 2021

As at the date of this announcement, the executive Directors are Mr. Huang Yi, Mr. Li Guoqiang, Mr. Du Qingshan, Mr. Zhang Zhicheng, Mr. Li Guohui and Mr. Tang Xianfeng; the non-executive Directors are Mr. David Alexander Newbigging and Mr. Hsu David; and the independent non-executive Directors are Mr. Shen Jinjun, Mr. Ying Wei, Mr. Chin Siu Wa Alfred and Mr. Li Yanwei.