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TSIT WING INTERNATIONAL HOLDINGS LIMITED

捷榮國際控股有限公司*

(Incorporated under the laws of Bermuda with limited liability)

(Stock Code: 2119)

INSIDE INFORMATION DISPOSAL OF SHARES BY CONTROLLING SHAREHOLDER

This announcement is made by Tsit Wing International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

THE DISPOSAL

The board (the “**Board**”) of directors (“**Directors**”) of the Company wishes to inform the shareholders of the Company and potential investors that, the Company has been notified by Hero Asia Company Limited (“**Hero Asia**”), a controlling shareholder (as defined in the Listing Rules) of the Company, that on 19 April 2023 before trading hours, Hero Asia entered into a sale and purchase agreement (the “**SPA**”) to dispose of a total of 151,353,617 shares of the Company, representing approximately 21% of the total number of issued shares of the Company to Dah Chong Hong Food International Holdings Limited (“**DCH**”) at an aggregate consideration of approximately HK\$133.2 million (the “**Disposal**”). The completion of the Disposal would take place after signing of the SPA in accordance with the terms contained therein.

Hero Asia is directly and wholly-owned by Mr. Wong Tat Tong (“**Mr. Wong**”) who is the chairman of the Board, an executive Director and the chief executive officer of the Company.

INFORMATION OF THE PURCHASER

Hero Asia has further informed the Board that, to its best knowledge, information and belief after making all reasonable enquiries, DCH and its ultimate beneficial owner are third parties independent of the Company and connected persons the Company (as defined in the Listing Rules).

Upon completion of the Disposal, DCH becomes a substantial shareholder of the Company (as defined in the Listing Rules).

DCH is a company incorporated in Hong Kong with limited liability. DCH is a wholly-owned subsidiary of Dah Chong Hong Holdings Limited, an integrated trading and distribution company operating in 13 Asian markets. Its consumer business comprises the manufacture, retail and distribution of food, healthcare, electrical appliances, beauty and lifestyle products, supported by an extensive logistics network. It is also a leading distributor and dealer of motor vehicles in Greater China as well as a provider of a full range of associated services.

To the best of the Company's knowledge, information and belief, having made all reasonable enquiries, the intermediate holding company of DCH is CITIC Limited (中國中信股份有限公司) (a company listed on the Stock Exchange with stock code: 267) ("CITIC"), which is in turn ultimately controlled by CITIC Group Corporation (中國中信集團有限公司) ("CITIC Group"), a state-owned enterprise under the Ministry of Finance of the People's Republic of China. The principal businesses of CITIC covers comprehensive financial services, advanced intelligent manufacturing, advanced materials, new consumption and new-type urbanisation both in the People's Republic of China and overseas.

BUSINESS SYNERGIES AND POSSIBLE STRATEGIC COOPERATIONS

The Group primarily engages in (i) processing and distribution of coffee, tea and related complementary products; (ii) processing and distribution of frozen food; and (iii) sale and rental of coffee and tea machines. Going forward, by introducing DCH as a strategic investor through the Disposal without diluting shareholding of the public shareholders of the Company, it is believed that competitive advantages, extensive business network and solid expertise of DCH can be leveraged in strengthening and expanding the Group's business foundations in mainland China and thereby enhancing the overall income and profitability of the Group and creating positive value to the shareholders of the Company in long term.

Further possible strategic cooperations with DCH, including but not limited to the possibility of the formation of joint venture will also be explored. The Company will keep its shareholders and investors informed of any significant update and further announcement will be made by the Company as and when appropriate or as required under the Listing Rules.

SHAREHOLDING STRUCTURE AND PROPOSED BOARD COMPOSITION OF THE COMPANY

Set out below is a summary of the shareholding structure of the Company immediately before and upon completion of the Disposal:

Name of shareholder	Immediately before completion of the Disposal		Upon completion of the Disposal	
	<i>Number of shares</i>	<i>Approximate percentage in the total number of issued shares %</i>	<i>Number of shares</i>	<i>Approximate percentage in the total number of issued shares %</i>
<i>Controlling Shareholders</i>				
Hero Valour Limited ¹	247,996,652	34.41	247,996,652	34.41
Hero Asia ²	266,670,660	37.00	115,317,043	16.00
DCH	—	—	151,353,617	21.00
Public shareholders	<u>206,064,200</u>	<u>28.59</u>	<u>206,064,200</u>	<u>28.59</u>
Total:	<u>720,731,512</u>	<u>100.00</u>	<u>720,731,512</u>	<u>100.00</u>

Notes:

- The shareholding of Hero Valour Limited is directly held by Mr. Wong and his spouse as to 51% and 49%, respectively.
- Hero Asia is directly and wholly-owned by Mr. Wong. Upon completion of the Disposal, Mr. Wong is deemed to be interested in total of 363,313,695 issued shares of the Company, representing approximately 50.41% of the shareholding of the Company, for the purpose of the Securities and Futures Ordinance. Mr. Wong remains as the controlling shareholder of the Company.

The Company has further been notified that pursuant to the SPA, for so long as DCH holds not less than 20% in the total issued share capital of the Company, DCH shall from time to time have the right to nominate two persons to be appointed as non-executive directors of the Board and Hero Asia shall use its best endeavour to procure the Company to complete the procedure of such appointment as soon as practicable and in any event no later than 3 months after completion of the Disposal subject to (i) the fullest extent as permitted by law, the Listing Rules and the bye-laws of the Company; and (ii) the persons to be nominated having satisfied the director eligibility requirements under the Listing Rules and having given consent to act as a director of the Company.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Tsit Wing International Holdings Limited
Mr. Wong Tat Tong
Chairman and Executive Director

Hong Kong, 19 April 2023

As at the date of this announcement, the Board comprises six Directors. The executive Directors are Mr. Wong Tat Tong, Ms. Fan Yee Man and Mr. Kam Chun Pong Bernard. The independent non-executive Directors are Mr. Tang Kwai Chang, Mr. Wong Man Fai and Mr. Lok Kung Chin Hardy.

** for identification purposes only*