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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)

**INSIDE INFORMATION
RECEIPT OF DEMAND LETTERS
AND
RESUMPTION OF TRADING**

This announcement is made by Zhongchang International Holdings Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) 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).

RECEIPT OF DEMAND LETTERS

On 11 June 2020, the Group received three demand letters (collectively, the “**Demand Letters**”) from the legal advisers of Hang Seng Bank Limited (“**HSB**”) demanding for prepayment of an aggregate of HK\$197,837,500 on or before 11 July 2020, in order to restore the loan-to-value ratio (i.e. the ratio of aggregate outstanding amount of facilities given by HSB to the open market value of the property used as security for the relevant facilities) to a specified percentage pursuant to the terms of the relevant facilities.

It was also stated in the Demand Letters that, among others, (i) failure to pay the said outstanding amounts will constitute an event of default under the respective facilities; and (ii) HSB reserve their right to make further demands for payment and may exercise its power under the respective security documents without further notice including entering into and taking possession of the property used to secure the respective facilities.

The Company will use its best endeavours to negotiate with HSB with a view to reach a mutually agreeable solution. The Company will keep its shareholders and investors informed of further developments as and when appropriate in accordance with the Listing Rules.

SUSPENSION AND RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the shares of the Company on the Stock Exchange was suspended with effect from 9:00 am on 12 June 2020 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the shares of the Company on the Stock Exchange with effect from 9:00 a.m. on 15 June 2020.

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

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

Hong Kong, 12 June 2020

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