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**China Jicheng Holdings Limited**  
**中國集成控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1027)**

**(I) PLACING OF NEW SHARES UNDER GENERAL MANDATE;**  
**(II) PLACING OF NEW SHARES UNDER SPECIFIC MANDATE;**  
**AND**  
**(III) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL**

**Placing Agent**



**THE GM PLACING**

On 4 November 2020 (after trading hours), the Company and the Placing Agent entered into the GM Placing Agreement pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best endeavour basis, up to 37,860,000 GM Placing Shares, to not less than six Placées who and whose ultimate beneficial owners are Independent Third Parties at a price of HK\$0.20 per GM Placing Share. The GM Placing Shares will be allotted and issued pursuant to the General Mandate granted to the Directors at the AGM held on 30 June 2020.

The maximum number of 37,860,000 GM Placing Shares represent (i) 20.00% of the issued share capital of the Company as at the date of this announcement; (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the GM Placing (assuming only the GM Placing is completed in full); and (iii) 12.50% of the issued share capital of the Company as enlarged by the GM Placing and the SM Placing (assuming both the GM Placing and the SM Placing are completed in full). The aggregate nominal value of the GM Placing Shares under the GM Placing (assuming the GM Placing is completed in full) will be HK\$1,211,520.

Assuming all the GM Placing Shares to be placed under the GM Placing Agreement have been placed, the maximum gross proceeds and the maximum net proceeds (after deduction of commission and other expenses of the GM Placing) from the GM Placing will be approximately HK\$7.6 million and approximately HK\$7.3 million, respectively. It is expected that the entire net proceeds from the GM Placing will be utilised as general working capital of the Group.

## **THE SM PLACING**

On 4 November 2020 (after trading hours), the Company and the Placing Agent also entered into the SM Placing Agreement pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best endeavour basis, up to 75,720,000 SM Placing Shares, to not less than six Placees who and whose beneficial owners are Independent Third Parties at a price of HK\$0.20 per SM Placing Share. The SM Placing Shares will be allotted and issued pursuant to the Specific Mandate to be obtained at the SGM.

The maximum number of 75,720,000 SM Placing Shares represent (i) 40.00% of the issued share capital of the Company as at the date of this announcement; (ii) approximately 28.57% of the issued share capital of the Company as enlarged by the SM Placing (assuming only the SM Placing is completed in full); and (iii) 25.00% of the issued share capital of the Company as enlarged by the GM Placing and the SM Placing (assuming both the GM Placing and the SM Placing are completed in full). The aggregate nominal value of the SM Placing Shares under the SM Placing (assuming the SM Placing is completed in full) will be HK\$2,423,040.

Assuming all the SM Placing Shares to be placed under the SM Placing Agreement have been placed, the maximum gross proceeds and the maximum net proceeds (after deduction of commission and other expenses of the SM Placing) from the SM Placing will be approximately HK\$15.1 million and approximately HK\$14.7 million, respectively. It is expected that the net proceeds from the SM Placing will be used (i) as to approximately HK\$9.7 million for purchase of production equipment; and (ii) as to approximately HK\$5.0 million for establishment of a research and development center for the Group's new products.

## **LISTING RULES IMPLICATIONS**

### **The GM Placing and the SM Placing**

#### ***The GM Placing and the SM Placing are not inter-conditional***

The GM Placing Shares will be issued under the General Mandate and therefore the GM Placing will not be subject to the Shareholders' approval.

The SM Placing Shares will be issued under the Specific Mandate to be obtained from the Shareholders and therefore the SM Placing will be subject to the Shareholders' approval. To the best knowledge of the Directors, as none of the Shareholders or their associates would have any material interest in the SM Placing, no Shareholder is required to abstain from voting at the EGM in respect of the resolution(s) relating to the SM Placing and the Specific Mandate.

Applications will be made to the Stock Exchange for the listing of, and permission to deal in, the GM Placing Shares and the SM Placing Shares, respectively.

The Company has not conducted any rights issue or open offer within the 12-month period immediately preceding the date of this announcement, or prior to such 12-month period where dealing in respect of the Shares issued pursuant thereto commenced within such 12-month period, nor has it issued any bonus securities, warrants or other convertible securities within such 12-month period. The GM Placing and the SM Placing, in aggregate, do not result in a theoretical dilution effect of 25% or more. As such, the aggregate theoretical dilution impact of the GM Placing and the SM Placing is in compliance with Rule 7.27B of the Listing Rules.

### **The Increase in Authorised Share Capital**

The Increase in Authorised Share Capital is conditional upon the approval by the Shareholders by way of an ordinary resolution at the EGM. To the best knowledge of the Directors, as none of the Shareholders or their associates would have any material interest in the Increase in Authorised Share Capital, no Shareholder would be required to abstain from voting in favour of the resolution(s) relating to the Increase in Authorised Share Capital at the EGM.

### **GENERAL**

The EGM will be convened and held for the purposes of considering and, if thought fit, approving (i) the SM Placing and granting the Specific Mandate to allot and issue the SM Placing Shares proposed to be placed under the SM Placing; and (ii) the Increase in Authorised Share Capital.

A circular containing, among other things, (i) further details of the SM Placing and the Increase in Authorised Share Capital; and (ii) a notice convening the EGM will be despatched to the Shareholders on or before 30 November 2020 as additional time is required by the Company for preparing the circular.

## **THE PLACING AGREEMENTS**

### **(A) GM PLACING AGREEMENT**

**Date:** 4 November 2020 (after trading hours)

**Issuer:** the Company

**Placing Agent:** Astrum Capital Management Limited

The Placing Agent has conditionally agreed to place up to 37,860,000 GM Placing Shares, on a best endeavour basis, to the Placees. The Placing Agent will receive a placing commission of 1.5% of the aggregate Placing Price of the GM Placing Shares successfully placed by or on behalf of the Placing Agent pursuant to its obligations under the GM Placing Agreement. Such placing commission was arrived at after arm's length negotiations between the Company and the Placing Agent under normal commercial terms and with reference to the prevailing market condition.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

**Placees:**

The GM Placing Shares are to be placed to not less than six Placees, who and whose ultimate beneficial owners, shall be Independent Third Parties. The Placing Agent undertook that none of the Placees would, immediately upon completion of the GM Placing, become a substantial shareholder (within the meaning of the Listing Rules) of the Company.

**Placing Price:**

The Placing Price of HK\$0.20 per GM Placing Share represents:

- (i) a discount of approximately 18.4% to the closing price of HK\$0.245 per Share as quoted on the Stock Exchange on the date of the GM Placing Agreement; and
- (ii) a discount of approximately 18.0% to the average closing price of approximately HK\$0.244 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the date of the GM Placing Agreement.

The Placing Price was determined after arm's length negotiation between the Company and the Placing Agent with reference to, among other matters, the prevailing market prices of the Shares and the capital requirement for the future development of the Group.

The Directors consider that the terms of the GM Placing Agreement (including the Placing Price and the placing commission) are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

Assuming all the GM Placing Shares to be placed under the GM Placing Agreement have been placed, the maximum gross proceeds and the maximum net proceeds (after deduction of commission and other expenses of the GM Placing) from the GM Placing will be approximately HK\$7.6 million and approximately HK\$7.3 million, respectively. On such basis, the net issue price will be approximately HK\$0.194 per GM Placing Share.

### **GM Placing Shares:**

The maximum number of 37,860,000 GM Placing Shares represent (i) 20.00% of the issued share capital of the Company as at the date of this announcement; (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the GM Placing (assuming only the GM Placing is completed in full); and (iii) 12.50% of the issued share capital of the Company as enlarged by the GM Placing and the SM Placing (assuming both the GM Placing and the SM Placing are completed in full). The aggregate nominal value of the GM Placing Shares under the GM Placing (assuming the GM Placing is completed in full) will be HK\$1,211,520.

### **Ranking:**

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

### **Condition of the GM Placing:**

Completion of the GM Placing is conditional upon the Stock Exchange granting the listing of, and permission to deal in, the GM Placing Shares to be placed pursuant to the GM Placing Agreement on or before 24 November 2020 or such later date as the Company and the Placing Agent may agree in writing (the “**GM Long Stop Date**”).

If the above condition is not satisfied on or before the GM Long Stop Date, the obligations of the Placing Agent and the Company under the GM Placing Agreement shall cease and determine and neither the Placing Agent nor the Company shall have any claim against the other in relation to the GM Placing Agreement (save in respect of any antecedent breaches of any obligation thereunder).

### **Completion:**

Completion of the GM Placing shall take place within five Business Days after the fulfilment of the above condition or on such other date as the Company and the Placing Agent may agree in writing.

### **Mandate to allot and issue the GM Placing Shares:**

The GM Placing Shares will be allotted and issued pursuant to the General Mandate granted to the Directors at the AGM held on 30 June 2020. Under the General Mandate, the Directors are authorised to allot and issue up to 37,860,000 new Shares (adjusted pursuant to the Share Consolidation). As at the date of this announcement, the Company has not issued any Shares pursuant to the General Mandate. Therefore, the allotment and issue of the GM Placing Shares is not subject to the Shareholders’ approval.

**Force majeure:**

If any of the following events occur at any time prior to 10:00 a.m. on the date of completion of the GM Placing (the “**GM Placing Completion Date**”), the Placing Agent may (after such consultation with the Company and/or its advisers as the circumstances shall admit or be necessary), by giving a written notice to the Company, at any time prior to the GM Placing Completion Date provided that such notice is received prior to 6:00 p.m. on the day immediately preceding the GM Placing Completion Date, rescind the GM Placing Agreement without liability to the other parties thereto, and the GM Placing Agreement shall thereupon cease to have effect and none of the parties thereto shall have any rights or claims by reason thereof save for any rights or obligations which may accrue under the GM Placing Agreement prior to such termination:

- (a) in the reasonable opinion of the Placing Agent there shall have been since the date of the GM Placing Agreement such a change in national or international financial, political or economic conditions or taxation or exchange controls as would be likely to prejudice materially the consummation of the GM Placing; or
- (b) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any matter whatsoever which may adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
- (c) any material breach of any of the representations and warranties of the Company comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of the GM Placing Agreement and prior to the GM Placing Completion Date which if it had occurred or arisen before the date of the GM Placing Agreement would have rendered any of such representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of the GM Placing Agreement; or
- (d) any moratorium, suspension or restriction on trading in shares or securities generally on the Stock Exchange due to exceptional financial circumstances; or
- (e) there is any adverse change in the financial position of the Company which in the reasonable opinion of the Placing Agent is material in the context of the GM Placing.

The Directors are not aware of the occurrence of any of such events as at the date of this announcement.

**(B) SM PLACING AGREEMENT**

**Date:** 4 November 2020 (after trading hours)

**Issuer:** The Company

**Placing Agent:** Astrum Capital Management Limited

The Placing Agent has conditionally agreed to place up to 75,720,000 SM Placing Shares, on a best endeavour basis, to the Placees. The Placing Agent will receive a placing commission of 1.5% of the aggregate Placing Price of the SM Placing Shares successfully placed by or on behalf of the Placing Agent pursuant to its obligations under the SM Placing Agreement. Such placing commission was arrived at after arm's length negotiations between the Company and the Placing Agent under normal commercial terms and with reference to the prevailing market condition.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

**Placees:**

The SM Placing Shares are to be placed to not less than six Placees, who and whose ultimate beneficial owners, shall be Independent Third Parties. The Placing Agent undertook that none of the Placees would, immediately upon completion of the SM Placing, become a substantial shareholder (within the meaning of the Listing Rules) of the Company.

**Placing Price:**

The Placing Price per SM Placing Share is the same as the Placing Price per GM Placing Share. Please refer to the paragraph headed "(A) GM Placing Agreement – Placing Price" above for the comparison of the Placing Price and the prevailing market prices of the Shares.

The Directors consider that the terms of the SM Placing Agreement (including the Placing Price and the placing commission) are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

Assuming all the SM Placing Shares to be placed under the SM Placing Agreement have been placed, the maximum gross proceeds and the maximum net proceeds (after deduction of commission and other expenses of the SM Placing) from the SM Placing will be approximately HK\$15.1 million and approximately HK\$14.7 million, respectively. On such basis, the net issue price will be approximately HK\$0.194 per SM Placing Share.

**SM Placing Shares:**

The maximum number of 75,720,000 SM Placing Shares represent (i) 40.00% of the issued share capital of the Company as at the date of this announcement; (ii) approximately 28.57% of the issued share capital of the Company as enlarged by the SM Placing (assuming only the SM Placing is completed in full); and (iii) 25.00% of the issued share capital of the Company as enlarged by the GM Placing and the SM Placing (assuming both the GM Placing and the SM Placing are completed in full). The aggregate nominal value of the SM Placing Shares under the SM Placing (assuming the SM Placing is completed in full) will be HK\$2,423,040.

**Ranking:**

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

**Conditions of the SM Placing:**

Completion of the SM Placing is conditional upon:

- (i) the Stock Exchange granting the listing of, and permission to deal in, the SM Placing Shares to be placed pursuant to the SM Placing Agreement;
- (ii) the Specific Mandate being obtained at the EGM; and
- (iii) the Increase in Authorised Share Capital being approved by the Shareholders at the EGM.

Each of the Company and the Placing Agent shall use their respective best endeavours to procure satisfaction of the above conditions prior to the date falling on one(1) month after the EGM and in any event not later than six months after the date of the SM Placing Agreement or such later date as the Company and the Placing Agent may agree in writing (the “**SM Long Stop Date**”). If the above conditions are not satisfied on or before the SM Long Stop Date, all obligations of the Placing Agent and the Company under the SM Placing Agreement shall cease and determine and neither the Placing Agent nor the Company shall have any claim against the other in relation to the SM Placing Agreement (save in respect of any antecedent breaches of any obligation thereunder).

**Completion:**

Completion of the SM Placing shall take place within five Business Days after the fulfillment of all the above conditions or on such other date as the Company and the Placing Agent may agree in writing.

**Mandate to issue the SM Placing Shares:**

The SM Placing Shares will be allotted and issued pursuant to the Specific Mandate to be obtained at the EGM.

**Force majeure:**

If any of the following events occur at any time prior to 10:00 a.m. on the date of completion of the SM Placing (the “**SM Placing Completion Date**”), the Placing Agent may (after such consultation with the Company and/or its advisers as the circumstances shall admit or be necessary), by giving a written notice to the Company, at any time prior to the SM Placing Completion Date provided that such notice is received prior to 6:00 p.m. on the day immediately preceding the SM Placing Completion Date, rescind the SM Placing Agreement without liability to the other parties thereto, and the SM Placing Agreement shall thereupon cease to have effect and none of the parties thereto shall have any rights or claims by reason thereof save for any rights or obligations which may accrue under the SM Placing Agreement prior to such termination:

- (a) in the reasonable opinion of the Placing Agent there shall have been since the date of the SM Placing Agreement such a change in national or international financial, political or economic conditions or taxation or exchange controls as would be likely to prejudice materially the consummation of the SM Placing; or
- (b) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any matter whatsoever which may adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
- (c) any material breach of any of the representations and warranties of the Company comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of the SM Placing Agreement and prior to the SM Placing Completion Date which if it had occurred or arisen before the date of the SM Placing Agreement would have rendered any of such representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of the SM Placing Agreement; or
- (d) any moratorium, suspension or restriction on trading in shares or securities generally on the Stock Exchange due to exceptional financial circumstances; or
- (e) there is any adverse change in the financial position of the Company which in the reasonable opinion of the Placing Agent is material in the context of the SM Placing.

The Directors are not aware of the occurrence of any of such events as at the date of this announcement.

**Since completion of each of the GM Placing and the SM Placing is subject to the fulfilment of the condition(s) as set out in the GM Placing Agreement and the SM Placing Agreement respectively, the GM Placing and/or the SM Placing may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

## **REASONS FOR THE GM PLACING AND THE SM PLACING AND USE OF PROCEEDS**

The Group is principally engaged in manufacturing and sale of umbrellas.

The Directors are of the view that the GM Placing and the SM Placing can strengthen the financial position of the Group and provide working capital to the Group to meet any future development and obligations. The GM Placing and the SM Placing also represent good opportunities to broaden the shareholders' base and the capital base of the Company. The Directors consider that each of the GM Placing and the SM Placing is in the interests of the Company and the Shareholders as a whole.

As disclosed above, the maximum net proceeds from the GM Placing are estimated to be approximately HK\$7.3 million and the maximum net proceeds from the SM Placing are estimated to be approximately HK\$14.7 million. It is expected that the net proceeds from the GM Placing will be utilised as general working capital of the Group and the net proceeds from the SM Placing will be used (i) as to approximately HK\$9.7 million for purchase of production equipment; and (ii) as to approximately HK\$5.0 million for establishment of a research and development center for the Group's new products.

## FUND RAISING ACTIVITIES OF THE COMPANY DURING THE PAST 12 MONTHS

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

## EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The table below illustrates the shareholding structure of the Company (i) as at the date of this announcement; (ii) upon completion of the GM Placing (assuming all the GM Placing Shares are placed in full and there is no other change in the shareholding structure of the Company before the issue of the GM Placing Shares under the GM Placing); (iii) upon completion of the SM Placing (assuming all the SM Placing Shares are placed in full and there is no other change in the shareholding structure of the Company before the issue of the SM Placing Shares under the SM Placing); and (iv) upon completion of the GM Placing and the SM Placing (assuming all the Placing Shares are placed in full and there is no other change in the shareholding structure of the Company before the issue of the Placing Shares under both the GM Placing and the SM Placing) are set out as below:

	As at the date of this announcement		Upon completion of the GM Placing (assuming all the GM Placing Shares are placed in full and there is no other change in the shareholding structure of the Company before the issue of the GM Placing Shares under the GM Placing)		Upon completion of the SM Placing (assuming all the SM Placing Shares are placed in full and there is no other change in the shareholding structure of the Company before the issue of the SM Placing Shares under the SM Placing)		Upon completion of the GM Placing and the SM Placing (assuming all the Placing Shares are placed in full and there is no other change in the shareholding structure of the Company before the issue of the Placing Shares under both the GM Placing and the SM Placing)	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Jicheng Investment Limited ( <i>Note</i> )	123,140,900	65.05	123,140,900	54.21	123,140,900	46.46	123,140,900	40.66
<b>Public Shareholders</b>								
Placees of the GM Placing	-	-	37,860,000	16.67	-	-	37,860,000	12.50
Placees of the SM Placing	-	-	-	-	75,720,000	28.57	75,720,000	25.00
Other public Shareholders	66,159,100	34.95	66,159,100	29.12	66,159,100	24.96	66,159,100	21.84
<b>Sub-total for public Shareholders</b>	<b>66,159,100</b>	<b>34.95</b>	<b>104,019,100</b>	<b>45.79</b>	<b>141,879,100</b>	<b>53.54</b>	<b>179,739,100</b>	<b>59.34</b>
<b>Total</b>	<b>189,300,000</b>	<b>100.00</b>	<b>227,160,000</b>	<b>100.00</b>	<b>265,020,000</b>	<b>100.00</b>	<b>302,880,000</b>	<b>100.00</b>

*Note:* Jicheng Investment Limited is wholly and beneficially owned by Mr. Huang Wenji, an executive Director and the chairman of the Board.

## **PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL**

As at the date of this announcement, the authorised share capital of the Company is HK\$10,000,000 divided into 312,500,000 Shares. In order to facilitate the issue of the SM Placing Shares, accommodate the future expansion and growth of the Group and provide the Company with greater flexibility for future expansion in the share capital of the Company, the Board proposes that the authorised share capital of the Company be increased to HK\$50,000,000 divided into 1,562,500,000 Shares. The proposed Increase in Authorised Share Capital is subject to the approval of the Shareholders by way of an ordinary resolution at the EGM.

The Board is of the view that the Increase in Authorised Share Capital will provide the Company with greater flexibility for future fundraising and expansion in the share capital of the Company, and is therefore in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

### **The GM Placing and the SM Placing**

#### ***The GM Placing and the SM Placing are not inter-conditional***

The GM Placing Shares will be issued under the General Mandate and therefore the GM Placing will not be subject to the Shareholders' approval.

The SM Placing Shares will be issued under the Specific Mandate to be obtained from the Shareholders and therefore the SM Placing will be subject to the Shareholders' approval. To the best knowledge of the Directors, as none of the Shareholders or their associates would have any material interest in the SM Placing, no Shareholder is required to abstain from voting at the EGM in respect of the resolution(s) relating to the SM Placing and the Specific Mandate.

Applications will be made to the Stock Exchange for the listing of, and permission to deal in, the GM Placing Shares and the SM Placing Shares, respectively.

The Company has not conducted any rights issue or open offer within the 12-month period immediately preceding the date of this announcement, or prior to such 12-month period where dealing in respect of the Shares issued pursuant thereto commenced within such 12-month period, nor has it issued any bonus securities, warrants or other convertible securities within such 12-month period. The GM Placing and the SM Placing, in aggregate, do not result in a theoretical dilution effect of 25% or more. As such, the aggregate theoretical dilution impact of the GM Placing and the SM Placing is in compliance with Rule 7.27B of the Listing Rules.

### **The Increase in Authorised Share Capital**

The Increase in Authorised Share Capital is conditional upon the approval by the Shareholders by way of an ordinary resolution at the EGM. To the best knowledge of the Directors, as none of the Shareholders or their associates would have any material interest in the Increase in Authorised Share Capital, no Shareholder would be required to abstain from voting in favour of the resolution(s) relating to the Increase in Authorised Share Capital at the EGM.

## GENERAL

The EGM will be convened and held for the purposes of considering and, if thought fit, approving (i) the SM Placing and granting the Specific Mandate to allot and issue the SM Placing Shares proposed to be placed under the SM Placing; and (ii) the Increase in Authorised Share Capital.

A circular containing, among other things, (i) further details of the SM Placing and the Increase in Authorised Share Capital; and (ii) a notice convening the EGM will be despatched to the Shareholders on or before 30 November 2020 as additional time is required by the Company for preparing the circular.

## DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“AGM”	the annual general meeting of the Company held on 30 June 2020 at which, among other things, the General Mandate was granted to the Directors
“associates”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (other than Saturday, Sunday, public holiday or any day on which tropical cyclone warning no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Company”	China Jicheng Holdings Limited, a company with limited liability incorporated under the laws of the Cayman Islands and the issued Shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under Listing Rules
“Director(s)”	director(s) of the Company

“EGM”	the extraordinary general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, approve the SM Placing Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate) and the Increase in Authorised Share Capital
“General Mandate”	the general mandate granted to the Directors at the AGM to allot, issue or grant additional 37,860,000 new Shares (adjusted pursuant to the Share Consolidation), representing 20% of the number of issued Shares as at the date of the AGM
“GM Placing”	the proposed offer by way of private placing of the GM Placing Shares by or through the Placing Agent to the Placee(s), on a best endeavour basis, on the terms and subject to the condition set out in the GM Placing Agreement
“GM Placing Agreement”	the conditional placing agreement entered into between the Company and the Placing Agent dated 4 November 2020 in relation to the GM Placing under the General Mandate
“GM Placing Shares”	a maximum of 37,860,000 new Shares to be placed pursuant to the GM Placing Agreement and each a “GM Placing Share”
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Increase in Authorised Share Capital”	the proposed increase in the authorised share capital of the Company from HK\$10,000,000 divided into 312,500,000 Shares to HK\$50,000,000 divided into 1,562,500,000 Shares by creating an additional 1,250,000,000 unissued Shares
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and any of its connected persons or their respective associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Placee(s)”	any individuals, corporate, institutional investors or other investors to be procured by or through the Placing Agent under the GM Placing or the SM Placing
“Placing Agent”	Astrum Capital Management Limited, a licensed corporation to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreements”	collectively, the GM Placing Agreement and SM Placing Agreement
“Placing Price”	HK\$0.20 per Placing Share
“Placing Shares”	collectively, the GM Placing Shares and the SM Placing Shares
“PRC”	the People’s Republic of China
“Share(s)”	ordinary share(s) of HK\$0.032 each in the share capital of the Company
“Share Consolidation”	the consolidation of every twenty (20) issued and unissued ordinary share(s) of HK\$0.0016 each in the share capital of the Company into one (1) consolidated Share of HK\$0.032 each which became effective on 6 July 2020
“Shareholder(s)”	holder(s) of the Share(s)
“SM Placing”	the proposed offer by way of private placing of the SM Placing Shares by or through the Placing Agent to the Placee(s), on a best endeavour basis, on the terms and subject to the conditions set out in the SM Placing Agreement
“SM Placing Agreement”	the proposed conditional placing agreement entered into between the Company and the Placing Agent dated 4 November 2020 in relation to the SM Placing under the Specific Mandate

“SM Placing Shares”	a maximum of 75,720,000 new Shares proposed to be placed pursuant to the SM Placing Agreement and each a “SM Placing Share”
“Specific Mandate”	the specific mandate to be granted by the Shareholders to the Board at the EGM for the allotment and issue of up to a maximum number of 75,720,000 SM Placing Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	the Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board  
**China Jicheng Holdings Limited**  
**Huang Wenji**  
*Chairman*

Fujian Province, the PRC, 4 November 2020

*As at the date of this announcement, the executive Directors are Huang Wenji, Yang Guang, Lin Zhenshuang and Chung Kin Hung, Kenneth; and the independent non-executive Directors are Tso Sze Wai, Yang Xuetai and Lee Kit Ying, Winnie.*