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CHINA BEST GROUP HOLDING LIMITED
國華集團控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 370)

**RESULTS OF THE RIGHTS ISSUE ON THE BASIS OF
ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING SHARES
HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS**

Reference is made to the prospectus of China Best Group Holding Limited (the “**Company**”) dated 17 June 2021 (the “**Prospectus**”) and the announcement of the Company dated 5 July 2021 (the “**Announcement**”) in relation to, among others, the Rights Issue. Unless the context requires otherwise, capitalised terms used herein shall bear the same meanings as defined in the Prospectus.

RESULTS OF THE RIGHTS ISSUE

As disclosed in the Announcement, as at 4:00 p.m. on Friday, 2 July 2021, being the Latest Time for Acceptance of and payment for the Rights Shares, the Company had received 11 valid acceptances for a total of 238,436,203 Rights Shares provisionally allotted under the Rights Issue, representing approximately 46.9% of the total number of Rights Shares offered under the Rights Issue. Accordingly, the Rights Issue was under-subscribed by 269,992,110 Rights Shares, representing approximately 53.1% of the total number of the Rights Shares available for subscription under the Rights Issue.

* For identification purpose only

As at the Record Date, there was one (1) Non-Qualifying Shareholder holding an aggregate of 800,000 Shares. The Company had disposed all of the nil-paid form of the Rights Shares that would have been provisionally allotted to such Non-Qualifying Shareholder in the market and accordingly there was no NQS Unsold Rights Share.

COMPENSATORY ARRANGEMENT OF THE UNSUBSCRIBED RIGHTS SHARES AND NQS UNSOLD RIGHTS SHARES

As disclosed in the Announcement, 269,992,110 Unsubscribed Rights Shares (each a “**Placing Share**”), representing approximately 53.1% of the total number of Rights Shares available for subscription under the Rights Issue, were subject to the Compensatory Arrangement.

The Board is pleased to announce that as at 4:00 p.m. on Monday, 12 July 2021, being the latest time of placing of the Unsubscribed Rights Shares by the Placing Agent under the Placing Agreement, 269,992,110 Unsubscribed Rights Shares had been successfully placed to not less than six Placees at the placing price of HK\$0.2 per Placing Share, which is equivalent to the Subscription Price. Accordingly, there is no Net Gain available to be distributed to the No Action Shareholders under the Compensatory Arrangement.

To the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, (i) each of the Placees and where appropriate, their respective ultimate beneficial owners, is independent of and not connected with the Company and its connected persons; (ii) none of the Placees is an Excluded Person; and (iii) none of the Placees shall become a substantial Shareholder (as defined under the Listing Rules) upon completion of the Placing.

THE RIGHTS ISSUE AND THE PLACING BECOMING UNCONDITIONAL

All conditions with respect to the Rights Issue and the Placing set out in the Prospectus have been fulfilled and the Rights Issue and the Placing became unconditional at 4:00 p.m. on Tuesday, 13 July 2021. The gross proceeds raised from the Rights Issue (including the Placing) are approximately HK\$101.7 million before expenses.

EFFECT OF THE RIGHTS ISSUE ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of Directors' knowledge and information, the shareholding structure of the Company immediately before and after the completion of the Rights Issue is set out below:

	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
	<i>Number of Shares</i>	<i>Approx. % (Note 1)</i>	<i>Number of Shares</i>	<i>Approx. % (Note 1)</i>
Sunbow Int'l Enterprise Limited (“Sunbow”) <i>(Note 2)</i>	162,864,000	16.02%	244,296,000	16.02%
Mr. Qin Jie (“Mr. Qin”) <i>(Note 3)</i>	2,000,000	0.20%	3,000,000	0.20%
The Placees and public Shareholders	851,992,626	83.78%	1,277,988,939	83.78%
Total	<u>1,016,856,626</u>	<u>100%</u>	<u>1,525,284,939</u>	<u>100%</u>

Notes:

1. The percentage figures have been subjected to rounding adjustments. Any discrepancies between totals and sums of amounted listed herein are due to rounding adjustments.
2. As Mr. Wang Baoning has 100% shareholding in Sunbow, by virtue of the SFO, he is deemed to be interested in all the Shares beneficially held by Sunbow.
3. Mr. Qin is an executive Director and a chief executive officer of the Company.

DESPATCH OF SHARE CERTIFICATES FOR THE RIGHTS SHARES

Share certificates in respect of valid acceptances of the Rights Shares under the PALs are expected to be despatched to those entitled thereto by ordinary post to their respective registered address at their own risks on Wednesday, 14 July 2021.

COMMENCEMENT OF DEALINGS OF THE RIGHTS SHARES IN FULLY-PAID FORM

Dealings in the Rights Shares, in their fully-paid form, and the Placing Shares are expected to commence on the Stock Exchange at 9:00 a.m. on Thursday, 15 July 2021.

By Order of the Board
China Best Group Holding Limited
Mr. Qin Jie
Executive Director and Chief Executive Officer

Hong Kong, 13 July 2021

As at the date of this announcement, the Board comprises five executive directors, namely, Ms. Wang Yingqian (Chairman), Mr. Qin Jie (Chief Executive Officer), Mr. Liu Wei, Mr. Chen Wei and Mr. Fan Jie, and three independent non-executive directors, namely, Mr. Ru Xiangnan, Mr. Liu Haiping and Mr. Liu Tonghui.