

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.



CHINA RONGZHONG FINANCIAL HOLDINGS COMPANY LIMITED
中國融眾金融控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 03963)

**SUPPLEMENTAL ANNOUNCEMENT
IN RELATION TO
THE MAJOR AND CONNECTED TRANSACTION
DISPOSAL OF THE ENTIRE ISSUED SHARE CAPITAL OF
THE TARGET COMPANY AND THE SHAREHOLDER'S LOAN**

References are made to (i) the announcement of China Rongzhong Financial Holdings Company Limited (the “**Company**”) dated 31 March 2022 in relation to the Disposal; (ii) the announcement of the Company dated 2 June 2022 in relation to the supplemental information of the Disposal; and (iii) the announcement of the Company dated 28 June 2021 in relation to the potential assignments of loans (collectively, the “**Announcements**”). Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

This announcement is made to provide supplementary information to the Disposal and potential assignments of loans.

As per the Company’s announcement on 28 June 2021, Rongzhong PRC has applied to the Bank for the assignments (the “**Proposed Loan Assignments**”) of all of the 24 loans (the “**Bank Loans**”) provided by the Bank to Rongzhong Capital Investments. The Group subsequently obtained a letter of undertaking (the “**Undertaking Letter**”) from Rongzhong Capital Investments, three Independent Third Parties and the Purchaser (all being the guarantors of the Bank Loans) (collectively, the “**Guarantors**”), pursuant to which (i) each of the Guarantors has undertaken to continue to perform its obligations as a guarantor as stipulated under the relevant loan agreements subsequent to the completion of the Proposed Loan Assignments, and to use its best endeavours to provide all necessary assistance to the Group to facilitate the application of the Proposed Loan Assignments; (ii) the Guarantors will undertake all the repayment responsibilities of the Bank Loans; (iii) it was acknowledged that Rongzhong PRC would, in accordance with the request of the Bank, transfer certain lease receivables and receivables arising from sale and leaseback arrangements to Rongzhong Capital Investments subsequent to the completion of the Proposed Loan Assignments; and (iv) the Undertaking Letter will expire two years after the completion of Proposed Loan Assignments. The Undertaking Letter shall cease to have effect if the aforesaid application is withdrawn by Rongzhong PRC or rejected by the Bank.

As at 31 December 2022, the net carrying amount of the relevant lease receivables and receivables arising from sale and leaseback arrangements was approximately HK\$42,778,000, while the balance of the Bank Loans was approximately HK\$509,627,000, which approximately HK\$11,111,000 of the relevant lease receivables and receivables arising from sale and leaseback arrangements and all of the Bank Loans are included in the net assets and liabilities of the Target Group to be disposed of in the Disposal.

As at the date of this announcement, the Proposed Loan Assignments are still at the application stage with the Bank. Saved as the Proposed Loan Assignments and the Disposal, no other arrangement has been entered into between the Group and the Guarantors.

Notwithstanding the fact that the Group's application for the Proposed Loan Assignments is still in progress, in view of (i) the continuous deterioration of the business performance and financial position of the Group; (ii) the low recoverability of certain lease receivables of the Group; (iii) the assessment results of the recoverability and the current status of all the lease receivables performed by Alpha & Leader; (iv) the uncertainties of the time frame of the progress of the application of the Proposed Loan Assignments; and (v) the extra benefit in offloading the Group's liabilities of approximately HK\$138.5 million (Proposed Loan Assignments of approximately HK\$509.6 million compared to the unaudited bank borrowings of the Target Group of approximately HK\$648.1 million as at 31 December 2022), the Company decided to conduct the Disposal to dispose of certain non-performing and less profitable portions of the leasing portfolio together with its liabilities so as to improve its financial position of the Group, which is also in the interests of the Company and its shareholders as a whole.

If the Company receives the Bank's approval for, and/or any of such agreements are entered into in respect of, the Proposed Loan Assignments before the completion of the Disposal, further discussion will be made with the Purchaser on the terms of the Disposal. The Company will comply with all Listing Rules requirements and make necessary disclosures.

GENERAL

The above information does not affect any other information contained in the Announcements and, save as disclosed in this announcement, the contents of the Announcements remain correct and unchanged.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 27 September 2022 and will remain suspended until further notice.

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

By order of the Board
China Rongzhong Financial Holdings Company Limited
Wong Emilie Hoi Yan
Executive Director

Hong Kong, 15 February 2023

As at the date of this announcement, the executive Director of the Company is Ms. Wong Emilie Hoi Yan; the non-executive Directors of the Company are Mr. Chen Shuai, Ms. Wong Jacqueline Yue Yee, Ms. Wong Michelle Yatyee and Mr. Wong Ming Bun David and the independent non-executive Directors of the Company are Mr. Lie Chi Wing and Mr. Ng Wing Chung Vincent.