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众安集团
ZHONG AN GROUP

眾安集團有限公司
Zhong An Group Limited

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 672)

**PROPOSED SPIN-OFF AND SEPARATE LISTING OF
ZHONG AN INTELLIGENT LIVING SERVICE LIMITED
ON THE MAIN BOARD OF
THE STOCK EXCHANGE OF HONG KONG LIMITED**

**PUBLICATION OF THE PROSPECTUS ISSUED BY
ZHONG AN INTELLIGENT LIVING SERVICE LIMITED AND
EXPECTED SIZE OF THE GLOBAL OFFERING AND
OFFER PRICE RANGE**

DISCLOSEABLE TRANSACTION

The Board is pleased to announce that in connection with the Proposed Spin-off and the Global Offering, Zhong An Intelligent published the Prospectus on 30 June 2023. The Prospectus is available for viewing and downloading from the websites of Zhong An Intelligent at www.zazhsh.com and the Stock Exchange at www.hkexnews.hk from 30 June 2023.

As disclosed in the Prospectus, the total number of Zhong An Intelligent Shares to be offered pursuant to the Global Offering will be 126,668,000 Zhong An Intelligent Shares (assuming the Over-allotment Option is not exercised), representing approximately 25.0% of the total number of Zhong An Intelligent Shares in issue immediately upon completion of the Global Offering, and 145,668,000 Zhong An Intelligent Shares (assuming the Over-allotment Option is exercised in full), representing approximately 27.7% of the total number of the Zhong An Intelligent Shares in issue immediately upon completion of the Global Offering and the exercise in full of the Over-allotment Option. The offer price for the Zhong An Intelligent Shares in the Global Offering is expected to be not less than HK\$1.18 per Zhong An Intelligent Share and not more than HK\$1.48 per Zhong An Intelligent Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and Accounting and Financial Reporting Council transaction levy of 0.00015%) (If the Offer Price is set at up to 10% below the bottom end of the indicative Offer Price range after making a Downward Offer Price Adjustment, the minimum Offer Price will be HK\$1.07 per Offer Share).

As one of the applicable percentage ratios calculated by reference to Rule 14.07 of the Listing Rules in respect of the Global Offering is more than 5% but less than 25%, the Global Offering constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under the Listing Rules.

INTRODUCTION

Reference is made to the announcements of the Company dated 24 June 2021, 13 December 2021, 23 December 2021, 11 April 2022, 22 April 2022, 28 April 2022, 30 June 2022, 22 November 2022, 23 December 2022, 28 December 2022, 30 December 2022, 12 January 2023, 5 June 2023, 16 June 2023 and 23 June 2023 (the “**Announcements**”) in relation to the Proposed Spin-off. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the Announcements.

PUBLICATION OF THE PROSPECTUS

In connection with the Proposed Spin-off and the Global Offering, Zhong An Intelligent published the Prospectus on 30 June 2023. The Prospectus contains, among others things, (a) details of the number of the Zhong An Intelligent Shares to be offered in the Global Offering, the offer price range, other details of the Global Offering; and (b) certain business and financial information in relation to Zhong An Intelligent and its subsidiaries.

Zhong An Intelligent has adopted a fully electronic application process for the Hong Kong Public Offering. The Prospectus is available for viewing and downloading from the websites of Zhong An Intelligent at www.zazhsh.com and the Stock Exchange at www.hkexnews.hk from 30 June 2023.

PREFERENTIAL OFFERING

Qualifying Shareholders will be provided with the Assured Entitlement to an aggregate of 12,668,000 Reserved Shares in the Preferential Offering (representing approximately 10.0% of the Zhong An Intelligent Shares initially available under the Global Offering, without taking into account any Shares which may be issued and allotted pursuant to the exercise of the Over-allotment Option) and the basis of the Assured Entitlement is one (1) Reserved Share for every integral multiple of 188 Shares held by Qualifying Shareholders on the Record Date, being 21 June 2023. The Reserved Shares will be offered out of the Zhong An Intelligent Shares initially being offered for subscription and purchase under the International Offering and will not be subject to reallocation between the Hong Kong Public Offering and the International Offering.

A blue application form, together with a printed copy of the Prospectus, has been despatched to each Qualifying Shareholder at the address of such Qualifying Shareholder as shown on the register of members of the Company on the Record Date. The procedures for applying for the Reserved Shares are set out in the Prospectus.

EXPECTED SIZE OF THE GLOBAL OFFERING AND OFFER PRICE RANGE

As disclosed in the Prospectus, the total number of Zhong An Intelligent Shares to be offered pursuant to the Global Offering will be 126,668,000 Zhong An Intelligent Shares (assuming the Over-allotment Option is not exercised), representing approximately 25.0% of the total number of Zhong An Intelligent Shares in issue immediately upon completion of the Global Offering, and 145,668,000 Zhong An Intelligent Shares (assuming the Over-allotment Option is exercised in full), representing approximately 27.7% of the total number of the Zhong An Intelligent Shares in issue immediately upon completion of the Global Offering and the exercise in full of the Over-allotment Option.

The offer price for the Zhong An Intelligent Shares in the Global Offering is expected to be not less than HK\$1.18 per Zhong An Intelligent Share and not more than HK\$1.48 per Zhong An Intelligent Share (exclusive of brokerage 1.0%, SFC transaction levy 0.0027%, Stock Exchange trading fee of 0.00565% and Accounting and Financial Reporting Council transaction levy of 0.00015%) (If the Offer Price is set at up to 10% below the bottom end of the indicative Offer Price range after making a Downward Offer Price Adjustment, the minimum Offer Price will be HK\$1.07 per Offer Share).

On the basis of the number of the Zhong An Intelligent Shares to be offered pursuant to the Global Offering and the expected offer price range as stated above, if the Global Offering proceeds:

- (a) the market capitalization of Zhong An Intelligent will be between approximately HK\$542.1 million and HK\$749.9 million; and
- (b) the Company, through its wholly-owned subsidiary, will hold approximately, 75.0% of the total issued share capital of Zhong An Intelligent immediately upon completion of the Global Offering (assuming that the Over-allotment Option is not exercised).

LISTING RULES IMPLICATIONS

If the Global Offering and the Listing proceeds, the Group's interest in Zhong An Intelligent will be reduced to approximately 75.0% immediately upon completion of the Global Offering. The Global Offering hence constitutes a deemed disposal by the Company of its interest in Zhong An Intelligent.

As one of the applicable percentage ratios calculated by reference to Rule 14.07 of the Listing Rules in respect of the Global Offering is more than 5% but less than 25%, the Global Offering constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under the Listing Rules.

GENERAL

The Company is an investment holding company. The Group is principally engaged in property development, leasing and hotel operation in the PRC.

Zhong An Intelligent Group is an integrated property management service provider providing property management services and other value-added services to property developers and property owners and residents.

In connection with the Global Offering, the price of the Zhong An Intelligent Shares may be stabilised in accordance with the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong). Details of any intended stabilisation and how it will be regulated under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) are contained in the Prospectus.

The Global Offering (including the Preferential Offering) is conditional upon, amongst others, (i) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Zhong An Intelligent Shares; (ii) the final offer price for the Zhong An Intelligent Shares in the Global Offering having been agreed between Zhong An Intelligent, the Overall Coordinators and Joint Representatives (for themselves and on behalf of the Underwriters) on or about Tuesday, 11 July 2023 and, in any event, no later than Thursday, 13 July 2023 (the “**Price Determination Date**”); (iii) the execution and delivery of the International Underwriting Agreement on or before the Price Determination Date; and (iv) the obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement and the International Underwriters under the International Underwriting Agreement becoming unconditional and not having been terminated in accordance with the terms of the respective agreements.

The Proposed Spin-off is subject to, among others, the approval of the Stock Exchange for listing of, and permission to deal in, the Zhong An Intelligent Shares and the final decision of the Board and of the board of directors of Zhong An Intelligent, which are dependent upon, among others, market conditions and other considerations. Accordingly, the Proposed Spin-off may or may not occur. Shareholders and other investors should be aware that there is no assurance that the Proposed Spin-off will take place or as to when it may take place. If the Proposed Spin-off does not proceed for any reason, the Preferential Offering will not proceed. Shareholders and other investors are reminded to exercise caution when dealing in the securities of the Company. Persons who are in doubt about their position or any action to be taken are recommended to consult their own professional advisers.

This announcement is not intended to, and does not, constitute an offer to sell or a solicitation of an offer to subscribe for or purchase any Zhong An Intelligent Shares in connection with the Global Offering or otherwise. Any such offer or solicitation is made solely through the Prospectus or other offering documents that may be issued in compliance with applicable laws and any decision to subscribe for or purchase the Zhong An Intelligent Shares in connection with the Global Offering or otherwise should be made solely on the basis of the information contained in the Prospectus and such other offering documents. No action has been or will be taken in any jurisdiction (other than in Hong Kong) that would permit a public offering of the Zhong An Intelligent Shares to be offered in the Global Offering in any jurisdiction where action for that purpose is required.

Further announcement(s) will be made by the Company in relation to the Proposed Spin-off and the Global Offering as and when appropriate.

DEFINITION

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Downward Offer Price Adjustment”	an adjustment that has the effect of setting the final Offer Price up to 10% below HK\$1.07 (being the bottom end of the indicative Offer Price range);
“Hong Kong Underwriters”	the underwriters of the Hong Kong Public Offering;

“Hong Kong Underwriting Agreement”	the underwriting agreement dated 29 June 2023 in relation to the Hong Kong Public Offering entered into by, among others, Zhong An Intelligent, the Joint Sponsors, the Overall Coordinators, the Joint Representatives and the Hong Kong Underwriters;
“International Underwriters”	the underwriters of the International Offering;
“International Underwriting Agreement”	the underwriting agreement in relation to the International Offering which is expected to be entered into by, among others, Zhong An Intelligent, the Joint Sponsors, the Overall Coordinators, the Joint Representatives and the International Underwriters;
“Joint Representatives”	the joint representatives as named in “Directors and Parties Involved in the Global Offering” in the Prospectus;
“Offer Price”	the offer price per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and Accounting and Financial Reporting Council transaction levy of 0.00015%) of not more than HK\$1.48 and expected to be not less than HK\$1.18 (subject to any Downward Offer Price Adjustment), at which the Offer Shares are to be subscribed pursuant to the Global Offering and to be determined in the manner further described in “Structure of the Global Offering” in the Prospectus;
“Offer Shares”	the 12,668,000 Zhong An Intelligent Shares being initially offered by Zhong An Intelligent for subscription pursuant to the Hong Kong Public Offering and the 114,000,000 Zhong An Intelligent Shares being initially offered by Zhong An Intelligent pursuant to the International Offering (including, for the avoidance of doubt, 12,668,000 Reserved Shares for the Preferential Offering);

“Overall Coordinators”	the overall coordinators as named in the section headed “Directors and Parties Involved in the Global Offering” in the Prospectus;
“Over-allotment Option”	the option expected to be granted by the Company under the International Underwriting Agreement to the International Underwriters, exercisable by the Overall Coordinators and Joint Representatives (for themselves and on behalf of the International Underwriters), pursuant to which the Company may be required to issue and allot up to an aggregate of 19,000,000 additional new Shares at the Offer Price, representing approximately 15.0% of the initial number of Offer Shares offered under the Global Offering, at the Offer Price to cover the over-allocations (if any) in the International Offering, as described in “Structure of the Global Offering” in the Prospectus;
“SFC”	the Securities and Futures Commission; and
“Underwriters”	the Hong Kong Underwriters and the International Underwriters

By Order of the Board
Zhong An Group Limited
Shi Zhongan
Chairman

The People’s Republic of China, 30 June 2023

As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Shi Zhongan (Chairman), Mr. Zhang Jiangang (Chief Executive Officer), Ms. Shen Tiaojuan, Ms. Jin Ni and Ms. Shi Jinfan; and three independent non-executive Directors, namely Professor Pei Ker Wei, Mr. Zhang Huaqiao and Mr. Fung Che Wai Anthony.