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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)

**APPLICATIONS FOR THE RIGHTS SHARES
AND
NUMBER OF UNSUBSCRIBED RIGHTS SHARES
AND NQS UNSOLD RIGHT SHARES
SUBJECT TO THE COMPENSATORY ARRANGEMENTS**

Financial Adviser to the Company



英皇企業融資有限公司
Emperor Corporate Finance Limited

Placing Agent to the Rights Issue



英皇證券有限公司
Emperor Securities Limited

As at 4:00 p.m. on Monday, 11 September 2023, being the Rescheduled Latest Time for Acceptance, the Company had received nine (9) valid acceptances for a total of 505,446,052 Rights Shares provisionally allotted under the Rights Issue (representing approximately 82.84% of the total number of Rights Shares offered under the Rights Issue). Accordingly, the Rights Issue was approximately 82.84% subscribed.

The remaining 104,667,923 Unsubscribed Rights Shares, representing approximately 17.16% of the total number of Rights Shares offered under the Rights Issue, will be subject to the Compensatory Arrangements.

* For identification purpose only

Reference is made to the prospectus of China Best Group Holding Limited (the “**Company**”) dated 25 August 2023 (the “**Prospectus**”) and the announcement of the Company dated 8 September 2023 (the “**Announcement**”) in relation to, among others, the Rights Issue. Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Prospectus and the Announcement.

APPLICATIONS FOR THE RIGHTS SHARES

The Company announces that (i) 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; and (ii) as at 4:00 p.m. on Monday, 11 September 2023, being the Rescheduled Latest Time for Acceptance, the Company had received nine (9) valid acceptances for a total of 505,446,052 Rights Shares provisionally allotted under the Rights Issue (representing approximately 82.84% of the total number of Rights Shares offered under the Rights Issue). Accordingly, the Rights Issue was approximately 82.84% subscribed.

The remaining 104,667,923 Unsubscribed Rights Shares, representing approximately 17.16% of the total number of Rights Shares offered under the Rights Issue, will be subject to the Compensatory Arrangements.

THE COMPENSATORY ARRANGEMENTS

Pursuant to Rule 7.21(1)(b) of the Listing Rules, the Company have made arrangements to dispose of the 104,667,923 Unsubscribed Rights Shares by offering the Unsubscribed Rights Shares to independent places for the benefit of the Shareholders to whom they were offered by way of the Rights Issue. There were no excess application arrangements in relation to the Rights Issue. The Company entered into the Placing Agreement with the Placing Agent and appointed the Placing Agent to place the Unsubscribed Rights Shares to independent places on a best efforts basis. Any Net Gain will be paid to those No Action Shareholders on a pro-rata basis.

The Placing Agent will on a best efforts basis, procure, by no later than 4:00 p.m. on Tuesday, 19 September 2023, places for all (or as many as possible) of those Unsubscribed Rights Shares. Any Unsubscribed Rights Shares which are not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Net Gain (if any) will be paid (without interest) to the relevant No Action Shareholders whose nil-paid rights are not validly applied for in full, by reference to the extent that Shares in his/her/its nil-paid rights are not validly applied for on pro-rata basis.

If and to the extent in respect of any Net Gain, any No Action Shareholders become entitled on the basis described above to an amount of (i) more than HK\$100, the entire amount will be paid to the relevant No Action Shareholders in Hong Kong Dollars only; or (ii) HK\$100 or less, such amount will be retained by the Company for its own benefit.

An announcement of the results of the Rights Issue (including the results of the Placing) is expected to be published on the Stock Exchange's website and the Company's website on Wednesday, 20 September 2023.

WARNING OF THE RISKS OF DEALING IN THE SHARES

Shareholders and potential investors of the Company should note that if the conditions to the Rights Issue are not fulfilled, the Rights Issue will not proceed. The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares.

The Rights Issue will proceed on a non-underwritten basis. Pursuant to the Company's constitutional documents and the Companies Act, there are no requirements for minimum levels of subscription in respect of the Rights Issue. Subject to fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed regardless of the ultimate subscription level, any Unsubscribed Rights Shares remain not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. Any Shareholders or other persons contemplating any dealings in the Shares are recommended to consult their professional advisers.

Any Shareholder or investor dealing in the Shares up to the latest time for the Rights Issue and/or the Placing to become unconditional will accordingly bear the risk that the Rights Issue and/or the Placing may not become unconditional and may not proceed. Any Shareholder or investor contemplating any dealings in the Shares are recommended to consult their professional advisers.

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

Hong Kong, 12 September 2023

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. Fan Jie, Mr. Li Haitao and Ms. Tao Lei, and three independent non-executive Directors, namely, Mr. Liu Tonghui, Ms. Yin Meiqun and Mr. Ye Jianmu.