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CHINA HONGBAO HOLDINGS LIMITED

中國紅包控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8316)

COMPLETION OF LOAN CAPITALISATION THROUGH SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

Reference is made to the announcement of China Hongbao Holdings Limited (the “**Company**”) dated 15 January 2025 in relation to, among other things, the Subscription (the “**Announcement**”). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

COMPLETION OF THE SUBSCRIPTION

The Board is pleased to announce that all the conditions precedent to Completion set out in the Subscription Agreement have been fulfilled and Completion took place on 4 March 2025.

A total of 45,310,000 Subscription Shares have been issued and allotted by the Company to the Subscriber at the Subscription Price of HK\$0.203 per Subscription Share pursuant to the terms and conditions of the Subscription Agreement.

The Subscription involves the capitalisation of part of the Debt into the Subscription Shares, and the Company uses its internal resources to settle the relevant expenses in connection with the Subscription. There are no proceeds arising from the Subscription as all the proceeds from the Subscription are set-off against the Debt on a dollar-to-dollar basis. Pursuant to the terms and conditions of the Subscription Agreement, the outstanding balance of the Debt shall be settled by the Company by cash within three months after Completion.

To the best of the Directors’ knowledge, information and belief after having made reasonable enquires, (i) the Subscriber is an Independent Third Party; and (ii) the Subscriber is not a substantial shareholder of the Company upon Completion.

EFFECT ON THE SHAREHOLDING OF THE COMPANY

The 45,310,000 Subscription Shares represent (i) approximately 4.99% of the issued share capital of the Company immediately before Completion; and (ii) approximately 4.75% of the issued share capital of the Company immediately after Completion as enlarged by the issue and allotment of the Subscription Shares.

The shareholding structure of the Company (i) immediately before Completion; and (ii) immediately after Completion and as at the date of this announcement are as follows:

Shareholders	Immediately before Completion		Immediately after Completion and as at the date of this announcement	
	No. of Shares	Approximate %	No. of Shares	Approximate %
Mr. Cheng Jun (Note 1)	180,078,000	19.831	180,078,000	18.888
Subscriber	40,000	0.004	45,350,000	4.757
Other public Shareholders	<u>727,948,000</u>	<u>80.165</u>	<u>727,948,000</u>	<u>76.355</u>
Total	<u><u>908,066,000</u></u>	<u><u>100.000</u></u>	<u><u>953,376,000</u></u>	<u><u>100.000</u></u>

Notes:

1. Mr. Cheng Jun is the chairman of the Board and an executive Director.
2. The percentages are subject to rounding difference, if any. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

By order of the Board
China Hongbao Holdings Limited
Cheng Jun
Chairman and Executive Director

Hong Kong, 4 March 2025

As at the date of this announcement, the Board comprises Mr. Cheng Jun and Mr. Yu Hua as executive Directors; and Mr. Chow Chun To, Professor Cheung Ka Yue and Ms. Wong Chi Yan as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the website of the Stock Exchange at www.hkexnews.hk on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and will be published on the Company’s website at www.quantongkonggu.com.