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## **Xiezhong International Holdings Limited**

**協眾國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 3663)**

### **SUPPLEMENTAL ANNOUNCEMENT FULFILMENT OF THE 2018 PERFORMANCE GUARANTEE RELATING TO THE ACQUISITION OF SINO EVERGREEN INTERNATIONAL LIMITED AND JIN CHENG AUTO PARTS (HONG KONG) LTD.**

Reference is made to the circular of the Company dated 11 December 2018 (the “**Circular**”) in relation to, amongst others, the acquisition of Sino Evergreen International Limited and Jin Cheng Auto Parts (Hong Kong) Ltd. Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meaning as those defined in the Circular. This announcement is supplemental to and should be read in conjunction with the Circular.

#### **FULFILMENT OF THE 2018 PERFORMANCE GUARANTEE RELATING TO THE ACQUISITION OF SINO EVERGREEN INTERNATIONAL LIMITED AND JIN CHENG AUTO PARTS (HONG KONG) LTD.**

Pursuant to SPA A and SPA B, Vendor A and Vendor B respectively undertook that the Applicable Net Profits of the Target Group A for the year ended 31 December 2018 shall not be less than 110% of the Applicable Net Profits of the Target Group A for the financial year ended 31 December 2017 (as set out in the Accounts), that is, approximately RMB52,019,000 (the “**2018 Performance Guarantee**”).

The Board is pleased to announce that the Applicable Net Profits of the Target Group A for the financial year ended 31 December 2018 has exceeded the 2018 Performance Guarantee. Accordingly, (i) Consideration CB A Tranche 1, in the principal amount of HK\$62,466,000, representing 40% of the Second Consideration A after rounding due to the minimum denomination of Consideration CB A; and (ii) Consideration CB B Tranche 1, in the principal amount of HK\$20,822,000, representing 40% of the Second Consideration B after rounding due to the minimum denomination of Consideration CB B were issued on 1 June 2019 to Vendor A and Vendor B pursuant to the terms of SPA A and SPA B, respectively, as disclosed in the Circular.

By order of the Board  
**Xiezhong International Holdings Limited**  
**Chen Cunyou**  
*Chairman*

Hong Kong, 11 September 2019

*As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Chen Cunyou, Mr. Ge Hongbing, Ms. Chen Xiaoting and Mr. Shen Jun; one non-executive Director, namely Mr. Huang Yugang; and four independent non-executive Directors, namely Mr. Lau Ying Kit, Mr. Cheung Man Sang, Mr. Zhang Shulin and Mr. Lin Lei.*