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## **CONFIDENCE INTELLIGENCE HOLDINGS LIMITED**

**信 懇 智 能 控 股 有 限 公 司**

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

**(Stock Code: 1967)**

### **HIGH CONCENTRATION OF SHAREHOLDING**

This announcement is made at the request of the Stock Exchange in respect of the concentration of the shareholding of the Company in the hands of a limited number of Shareholders as at 6 March 2020.

**In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the shares of the Company (the “Shares”) could fluctuate substantially even with a small number of shares traded, and should exercise extreme caution when dealing in the Shares.**

This announcement is made by Confidence Intelligence Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) at the request of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in respect of the concentration of the shareholding of the Company in the hands of a limited number of shareholders of the Company (the “**Shareholders**”) as at 6 March 2020.

### **HIGH CONCENTRATION OF SHAREHOLDING**

The Company noted that an announcement has been published by the Securities and Futures Commission (the “**SFC**”) on 18 March 2020 (the “**SFC Announcement**”).

As disclosed in the SFC Announcement, the SFC has recently completed an enquiry into the shareholding of the Company. The SFC’s findings suggested that as at 6 March 2020, a group of 16 Shareholders held an aggregate of 38,795,000 shares of the Company, representing 15.51% of the issued Shares. Such shareholding, together with 198,589,000 Shares (representing 79.44% of the issued Shares) held by four substantial Shareholders, represented 94.95% of the issued Shares as at 6 March 2020. Therefore, only 12,616,000 Shares (representing 5.05% of the issued Shares) were held by other Shareholders as at 6 March 2020.

As set out in the SFC Announcement, the shareholding structure of the Company as at 6 March 2020 was as follows:

	<b>Number of Shares held</b> <i>(Shares)</i>	<b>% of total number of issued Shares</b> <i>(%)</i>
Skyflying Company Limited ( <i>Note 1</i> )	99,881,250	39.95
Central Wealth Limited ( <i>Note 2</i> )	46,950,000	18.78
Realtime Limited ( <i>Note 3</i> )	27,543,750	11.02
Regan International Growth Fund SPC	24,214,000	9.69
A group of 16 shareholders	38,795,000	15.51
Other shareholders	12,616,000	5.05
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Total	<b>250,000,000</b>	<b>100.00</b>
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*Note 1:* Skyflying Company Limited is wholly-owned by Mr Li Hao (the Chairman and executive director of the Company).

*Note 2:* Central Wealth Limited is wholly-owned by Mr. Yuan Shuntang (a non-executive director of the Company).

*Note 3:* Realtime Limited is wholly-owned by Mr. Zhang Bizhong (an executive director of the Company).

As stated in the SFC Announcement:

- (a) The Company was listed on the Main Board of the Stock Exchange on 18 October 2019 by way of placing and public offer of a total of 62,500,000 Shares (representing 25% of the issued Shares) at HK\$2.00 per Share (the “**Initial Offer Price**”). At the time of listing, the top 20 shareholders held an aggregate 84.22% of the issued Shares.
- (b) During the period from 10 February 2020 to 2 March 2020, the closing price of the Shares increased 86.38% from HK\$4.48 on 7 February 2020 to HK\$8.35 on 2 March 2020.
- (c) On 18 February 2020, the Company announced that operation of its production plant in Shenzhen (the “**Shenzhen Production Plant**”) has been suspended after the statutory holidays for Chinese New Year as part of the Chinese government’s countermeasures in containing the novel coronavirus outbreak.

- (d) On 20 February 2020, the Company announced that while it received the official notice approving resumption of operation at the Shenzhen Production Plant on 19 February 2020, production capacity at the plant would be temporarily reduced due to the suspension or limited transportation facilities available to its workers. In addition, it is expected that the Shenzhen Production Plant will experience delay in reaching its original production schedule and late delivery of products in the first half of 2020, which may have an adverse impact on the group's operation and financial performance.
- (e) As at 17 March 2020, the Shares closed at HK\$7.42, representing an increase of 65.63% from the closing price of HK\$4.48 on 7 February 2020, or an increase of 271% from the Initial Offer Price.

The board (the “**Board**”) of the directors of the Company wishes to clarify that the information above is extracted from the SFC Announcement and the Company has not independently verified such information other than (i) the shareholdings held by Skyflying Company Limited, Central Wealth Limited, Realtime Limited, and Regan International Growth Fund SPC based on the latest available disclosure of interests notices filed pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); and (ii) the information set out in paragraphs (a) to (e) above. Please refer to the SFC Announcement for more information.

As of the date of this announcement, the Company has not been informed of the identity of the group of 16 shareholders as mentioned in the SFC Announcement.

To the best knowledge of the Board and the information above, the Company cannot ascertain if the Company's securities may or may not have a genuine market.

## **PUBLIC FLOAT**

Based on the information available and to the best knowledge of the Board after making all reasonable enquiries of its connected persons, the Company confirms that not less than 25% of the Company's issued Shares are in the hands of the public as at 6 March 2020 and as at the date of this announcement, and the Company is able to comply with the public float requirement under the Rules Governing the Listing of Securities on the Stock Exchange.

**In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could fluctuate substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.**

By Order of the Board  
**Confidence Intelligence Holdings Limited**  
**Li Hao**  
*Chairman*

Hong Kong, 18 March 2020

As at the date of this announcement, the executive Directors are Mr. Li Hao, Mr. Zhang Bizhong and Mr. Xu Shizhen, the non-executive Director is Mr. Yuan Shuntang, and the independent non-executive Directors are Mr. Chen Zhong, Mr. Wong Chun Sek Edmund and Mr. Wu Tai Cheung.