

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Changhong Jiahua Holdings Limited
長虹佳華控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 8016)

**PROPOSED DISPOSAL OF PARTIAL SHARES BY
THE CONTROLLING SHAREHOLDER**

This announcement is published by Changhong Jiahua Holdings Limited (the “**Company**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

On 18 December 2019, the Company is informed by the controlling shareholder (as defined in the GEM Listing Rules) of the Company, Sichuan Changhong Electric Co., Ltd (“**Sichuan Changhong**”), a company listed on the Shanghai Stock Exchange, that it intends to dispose up to 60,000,000 ordinary shares of the Company (the “**Sales Shares**”) representing 4.12% of the issued share capital of the Company as at the date of this announcement, at the price of HK\$0.72 per Sales Shares (the “**Disposal**”). As at the date of this announcement, Sichuan Changhong directly and indirectly holds 1,008,368,000 ordinary shares of the Company (the “**Shares**”), representing 69.32% of the issued share capital of the Company as at the date thereof.

The transferee(s) should not be connected persons of the Company (as defined in the GEM Listing Rules) or any parties acting in concert with the Company or its connected persons. The shares of the Company held by each any Transferee and parties acting in concert with it should not be more than 1,960,000 in aggregate upon the completion of the Disposal.

Subject to the fulfillment of certain conditions, the Disposal is expected to be completed by 10 January 2020. Immediately following the completion of the Disposal, the issued share capital of the Company held by Sichuan Changhong together with its parties acting in concert as at the date of this announcement will be reduced to 65.20%, while they will still remain as the controlling shareholder of the Company.

As the Disposal may or may not be proceeded, the Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

By Order of the Board
Changhong Jiahua Holdings Limited
Zhao Yong
Chairman and Executive Director

Hong Kong, 18 December 2019

As at the date of this announcement, the executive directors of the Company are Mr. Zhao Yong, Mr. Zhu Jianqiu, Mr. Yang Jun and Mr. Luo Yongping and the independent non-executive directors of the Company are Mr. Jonathan Chan Ming Sun, Mr. Gao Xudong and Mr. Meng Qingbin.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited 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 appear on the GEM website at www.hkgem.com on the “Latest Company Information” page for at least 7 days from the date of its posting thereon and on the website of the Company at www.changhongit.com.hk.