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華人策略控股有限公司

Chinese Strategic Holdings Limited

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 8089)**

## **RESULTS OF THE RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING SHARES HELD ON THE RECORD DATE**

**Underwriter to the Rights Issue**



**Rifa Securities Limited**

### **RESULTS OF THE RIGHTS ISSUE**

All conditions set out in the Underwriting Agreement have been fulfilled and the Underwriting Agreement was not terminated by the Underwriter prior to 4:00 p.m. on Monday, 7 September 2020, being the Latest Time for Termination of the Underwriting Agreement. Accordingly, the Rights Issue became unconditional at 4:00 p.m. on Monday, 7 September 2020.

By 4:00 p.m. on Friday, 4 September 2020, being the Latest Time for Acceptance, (a) 1 valid acceptance of provisional allotments under the PALs has been received for a total of 27,912,460 Rights Shares; and (b) a total of 2 valid applications for excess Rights Shares under the EAFs have been received for a total of 7,578,500 Rights Shares. In aggregate, 3 valid acceptances and applications in respect of a total of 35,490,960 Rights Shares, representing approximately 25.3% of the Total Number of Rights Shares, have been accepted and applied for. Accordingly, the Rights Issue was under-subscribed by 105,056,996 Rights Shares, representing approximately 74.7% of the Total Number of Rights Shares.

As a result of the under-subscription of the Rights Shares and in accordance with the terms of the Underwriting Agreement, the Underwriter and the sub-underwriter have procured 9 subscribers to subscribe for the 105,056,996 Untaken Shares. As confirmed by the Underwriter, subscribers procured by it are Independent Third Parties.

## **EXCESS RIGHTS SHARES**

In view of the under-subscription of the Rights Shares as detailed in the paragraph headed “Results of the Rights Issue” of this announcement, all of the 2 valid applications for excess Rights Shares under the EAFs have been accepted and a total of 7,578,500 excess Rights Shares will be allotted and issued to the relevant Qualifying Shareholders in full with the number of excess Rights Shares for which they applied. Accordingly, no refund cheque for wholly or partially unsuccessful applications for excess Rights Shares will be posted.

## **DESPATCH OF SHARE CERTIFICATES FOR THE RIGHTS SHARES**

It is expected that share certificates in respect of the fully-paid Rights Shares will be despatched to those entitled thereto by ordinary post to their respective registered addresses at their own risk on or before Monday, 14 September 2020.

## **COMMENCEMENT OF DEALINGS IN THE FULLY-PAID RIGHTS SHARES**

Dealings in the Rights Shares in their fully-paid form on the Stock Exchange are expected to commence at 9:00 a.m. on Tuesday, 15 September 2020.

## **ADJUSTMENTS TO THE OUTSTANDING SHARE OPTIONS**

As a result of the Rights Issue, adjustments to the exercise price and the number of Shares to be issued upon exercise of the Outstanding Share Options will become effective from Monday, 14 September 2020 upon the allotment and issue of the Rights Shares pursuant to the Rights Issue. Details are set out in the paragraph headed “ADJUSTMENTS RELATING TO THE OUTSTANDING SHARE OPTIONS” in this announcement.

Reference is made to the prospectus of Chinese Strategic Holdings Limited (the “**Company**”) dated 21 August 2020 (the “**Prospectus**”) in relation to the Rights Issue. Unless the context otherwise requires, capitalized terms used herein shall have the same meaning as those defined in the Prospectus.

## RESULTS OF THE RIGHTS ISSUE

The Board is pleased to announce that all conditions set out in the Underwriting Agreement have been fulfilled and the Underwriting Agreement was not terminated by the Underwriter prior to 4:00 p.m. on Monday, 7 September 2020, being the Latest Time for Termination of the Underwriting Agreement. Accordingly, the Rights Issue became unconditional at 4:00 p.m. on Monday, 7 September 2020.

A total of 140,547,956 Rights Shares (the “**Total Number of Rights Shares**”) were available for acceptance and application under the Rights Issue. By 4:00 p.m. on Friday, 4 September 2020, being the Latest Time for Acceptance,

- (i) 1 valid acceptance of provisional allotments under the PALs in respect of 27,912,460 Rights Shares, representing approximately 19.9% of the Total Number of Rights Shares, has been received; and
- (ii) a total of 2 valid applications for excess Rights Shares under the EAFs in respect of 7,578,500 excess Rights Shares, representing approximately 5.4% of the Total Number of Rights Shares, have been received.

In aggregate, 3 valid acceptances and applications in respect of 35,490,960 Rights Shares, representing approximately 25.3% of the Total Number of Rights Shares, have been accepted and applied for under the Rights Issue. On that basis, the Rights Issue has been under-subscribed by 105,056,996 Rights Shares (the “**Untaken Shares**”), representing approximately 74.7% of the Total Number of Rights Shares.

## EXCESS RIGHTS SHARES

In view of the under-subscription of the Rights Shares as detailed in the above paragraph headed “Results of the Rights Issue”, all of the 2 valid applications for excess Rights Shares under the EAFs have been accepted and a total of 7,578,500 excess Rights Shares will be allotted and issued to the relevant Qualifying Shareholders in full with the number of excess Rights Shares for which they applied. Accordingly, no refund cheque for wholly or partially unsuccessful applications for excess Rights Shares will be posted.

## UNDERWRITING AGREEMENT

As mentioned above, all conditions set out in the Underwriting Agreement have been fulfilled and the Underwriting Agreement was not terminated by the Underwriter prior to the Latest Time for Termination.

As a result of the under-subscription of the Rights Shares and in accordance with the terms of the Underwriting Agreement, the Underwriter and the sub-underwriter have procured 9 subscribers to subscribe for the 105,056,996 Untaken Shares, representing approximately 74.7% of the Total Number of Rights Shares.

As confirmed by the Underwriter, the subscribers procured by it are Independent Third Parties.

## **EFFECT OF THE RIGHTS ISSUE ON THE SHAREHOLDING STRUCTURE OF THE COMPANY**

To the best of the Director's knowledge, information and belief having made all reasonable enquiries, the following table sets out the shareholding structure of the Company immediately before and after completion of the Rights Issue:

<b>Shareholders</b>	<b>Immediately before completion of the Rights Issue</b>		<b>Immediately after completion of the Rights Issue</b>	
	Number of Shares	Approximate % (Note 1)	Number of Shares	Approximate % (Note 1)
Tse Young Lai	59,679,000	21.23	63,999,000	15.18
Chan Shui Sheung Ivy (Note 2)	9,000	0.00	13,500	0.00
Subscribers procured by the Underwriter and the sub- underwriter (Note 3)	–	–	105,056,996	24.92
Other public Shareholders	<u>221,407,913</u>	<u>78.77</u>	<u>252,574,373</u>	<u>59.90</u>
	<u><u>281,095,913</u></u>	<u><u>100.00</u></u>	<u><u>421,643,869</u></u>	<u><u>100.00</u></u>

### *Notes:*

1. Certain percentage figures included in the above tables have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.
2. Ms. Chan Shui Sheung Ivy is an executive Director of the Company.
3. The Underwriter has confirmed the shareholding of the subscribers of the Untaken Shares procured by the Underwriter immediately before and after completion of the Rights Issue as set out in the above table, and has also confirmed that the subscribers (i) are Independent Third Parties; and (ii) will not, together with parties acting in concert with them, hold more than 10% of the voting rights of the Company upon completion of the Rights Issue.

## DESPATCH OF SHARE CERTIFICATES FOR THE RIGHTS SHARES

It is expected that share certificates in respect of the fully-paid Rights Shares will be despatched to those entitled thereto by ordinary post to their respective registered addresses at their own risk on or before Monday, 14 September 2020.

## COMMENCEMENT OF DEALINGS IN THE FULLY-PAID RIGHTS SHARES

Dealings in the Rights Shares in their fully-paid form on the Stock Exchange are expected to commence at 9:00 a.m. on Tuesday, 15 September 2020.

## ADJUSTMENTS TO THE OUTSTANDING SHARE OPTIONS

As at the date of this announcement, there are 2,545,795 outstanding Share Options. Pursuant to the terms of the Share Option Schemes, the exercise prices and the number of Shares falling to be allotted and issued in respect of the outstanding Share Options shall be adjusted (the “**Share Options Adjustments**”) in the following manner as a result of the Rights Issue with effective from Monday, 14 September 2020, being the date on which the fully-paid Rights Shares are allotted and issued:

Date of grant	Exercise period	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
		Exercise price per Share <sup>#</sup> (HK\$)	Number of Shares that can be subscribed for upon exercise of the outstanding Share Options	Exercise price per Share (HK\$)	Number of Shares that can be subscribed for upon exercise of the outstanding Share Options
23 March 2016	23 March 2016 to 22 March 2026	6.1640	2,545,795	5.6769	2,764,223

<sup>#</sup> Following the open offer and share consolidation on 26 June 2017 and 27 June 2017, respectively, the exercise price of the outstanding share options was adjusted from HK\$0.6120 to HK\$6.1640.

Asian Alliance (HK) CPA Limited, the auditor of the Company, has reviewed the calculations and confirmed to the Directors in writing that the calculation is accurate and the above adjustments are in accordance with the terms and conditions of the Share Option Scheme upon completion of the Rights Issue and appropriate and satisfy the requirements of Rule 23.03(13) of the GEM Listing Rules and the supplementary guidance issued by the Stock Exchange on 5 September 2005.

By Order of the Board  
**Chinese Strategic Holdings Limited**  
**Lam Kwok Hing Wilfred**  
*Chairman*

Hong Kong, 11 September 2020

*As at the date hereof, the executive Directors are Ms. Chan Shui Sheung Ivy and Mr. Mok Tsan San; non-executive Director is Mr. Lam Kwok Hing Wilfred, J.P., (Chairman); and the independent non-executive Directors are Ms. Yuen Wai Man, Mr. Chow Fu Kit Edward and Mr. Lam Raymond Shiu Cheung.*

*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 “Latest Listed Company Information” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days and the Company website at [www.chinesestrategic.com](http://www.chinesestrategic.com) from the date of its publication.*