

*Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the prospectus (the “**Prospectus**”) issued by Powerlong Commercial Management Holdings Limited (the “**Company**”) dated 16 December 2019.*

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Powerlong Commercial Management Holdings Limited

寶龍商業管理控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9909)

FULL EXERCISE OF THE OVER-ALLOTMENT OPTION, STABILIZING ACTIONS AND END OF STABILIZATION PERIOD

FULL EXERCISE OF THE OVER-ALLOTMENT OPTION

The Company announces that the Over-allotment Option as described in the Prospectus was fully exercised by the Sole Global Coordinator, on behalf of the International Underwriters, on 17 January 2020, in respect of an aggregate of 22,500,000 Shares, representing 15% of the total number of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option, at the Offer Price of HK\$9.50 per Offer Share under the International Offering, to facilitate the return to Powerlong BVI Holding the borrowed Shares under the Stock Borrowing Agreement which were used to cover the over-allocations under the International Offering.

STABILIZING ACTIONS AND END OF STABILIZATION PERIOD

The Company announces that the stabilization period in connection with the Global Offering ended on 18 January 2020, being the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering.

Further information of stabilizing actions undertaken by ABCI Securities Company Limited, the Stabilizing Manager, its affiliates or any person acting for it during the stabilization period is set out in this announcement.

FULL EXERCISE OF THE OVER-ALLOTMENT OPTION

The Company announces that the Over-allotment Option as described in the Prospectus was fully exercised by the Sole Global Coordinator, on behalf of the International Underwriters, on 17 January 2020, in respect of an aggregate of 22,500,000 Shares representing 15% of the total number of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option, at the Offer Price of HK\$9.50 per Offer Share under the International Offering, to facilitate the return to Powerlong BVI Holding of the borrowed Shares under the Stock Borrowing Agreement which were used to cover the over-allocations under the International Offering.

Approval for the listing of and permission to deal in the Over-allotment Shares has already been granted by the Listing Committee of the Stock Exchange. Listing of and dealings in the Over-allotment Shares are expected to commence on the Main Board of the Stock Exchange at 9:00 a.m. on 22 January 2020.

Shareholding Structure upon the Full Exercise of Over-allotment Option

The shareholding structure of the Company immediately before and immediately after the completion of the full exercise of the Over-allotment Option is as follows:

	Immediately before the completion of the full exercise of the Over-allotment Option		Immediately after the completion of the full exercise of the Over-allotment Option	
	Number of Shares	Approximate percentage of voting rights in the Company	Number of Shares	Approximate percentage of voting rights in the Company
Powerlong BVI Holding	405,000,000	67.50%	405,000,000	65.06%
Powerlong Holdings ⁽¹⁾	405,000,000	67.50%	405,000,000	65.06%
Skylong Holdings ⁽¹⁾	405,000,000	67.50%	405,000,000	65.06%
Mr. Hoi Kin Hong ⁽¹⁾	405,000,000	67.50%	405,000,000	65.06%
Ms. Wong Lai Chan ⁽²⁾	405,000,000	67.50%	405,000,000	65.06%
Huihong Management	45,000,000	7.50%	45,000,000	7.23%
Mr. Hoi Wa Fong ⁽³⁾	45,000,000	7.50%	45,000,000	7.23%
Ms. Shih Sze Ni Cecilia ⁽⁴⁾	45,000,000	7.50%	45,000,000	7.23%
Public Shareholders	150,000,000	25.00%	172,500,000	27.71%
Total	600,000,000	100.00%	622,500,000	100.00%

Notes:

- (1) Powerlong BVI Holding is wholly-owned by Powerlong Holdings, which is in turn owned as to approximately 43.57% by Skylong Holdings, a company wholly-owned by Mr. Hoi Kin Hong. By virtue of the SFO, each of Powerlong Holdings, Skylong Holdings and Mr. Hoi Kin Hong is deemed to be interested in the same number of Shares in which Powerlong BVI Holding is interested in.
- (2) Ms. Wong Lai Chan is the spouse of Mr. Hoi Kin Hong. By virtue of the SFO, Ms. Wong Lai Chan is deemed to be interested in the Shares held by Mr. Hoi Kin Hong.
- (3) Huihong Management, the trustee of the Huihong Trust, is wholly-owned by Mr. Hoi Wa Fong and is set up for the purpose of a share incentive scheme to be adopted at least six months after Listing. As of date of this Announcement, the detailed terms of the share incentive scheme and the relevant grantees have not yet been confirmed. By virtue of the SFO, Mr. Hoi Wa Fong is deemed to be interested in the Shares held by Huihong Management.
- (4) Ms. Shih Sze Ni Cecilia is the spouse of Mr. Hoi Wa Fong. By virtue of the SFO, Ms. Shih Sze Ni Cecilia is deemed to be interested in the Shares held by Mr. Hoi Wa Fong.

USE OF PROCEEDS

The Company will receive the additional net proceeds of approximately HK\$213.7 million (after deducting the underwriting fees and commissions and other estimated expenses payable by the Company in connection with the exercise of the Over-allotment Option) for the 22,500,000 Shares to be issued and allotted following the full exercise of the Over-allotment Option and will use the additional net proceeds for the purposes as set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus.

STABILIZING ACTIONS AND END OF STABILIZATION PERIOD

The Company announces that the stabilization period in connection with the Global Offering ended on 18 January 2020, being the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering. The stabilizing actions undertaken by ABCI Securities Company Limited, the Stabilizing Manager, its affiliates or any person acting for it during the stabilization period are set out below:

- (i) over-allocations of an aggregate of 22,500,000 Shares in the International Offering, representing 15% of the total number of Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option;
- (ii) borrowing of an aggregate of 22,500,000 Shares from Powerlong BVI Holding pursuant to the Stock Borrowing Agreement;
- (iii) purchase of 4,910,500 Shares at the price of HK\$9.50 per Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) on the market during the stabilization period;
- (iv) sale of an aggregate of 4,910,500 Shares at the price range of HK\$10.72 to HK\$11.78 per Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) on the market during the stabilization period; and
- (v) full exercise of the Over-allotment Option by the Sole Global Coordinator, on behalf of the International Underwriters, on 17 January 2020 in respect of an aggregate of 22,500,000 Shares, representing 15% of the total number of Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option, at the Offer Price of HK\$9.50 per Offer Share (exclusive of brokerage fee of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) to facilitate the return to Powerlong BVI Holding of the borrowed Shares under the Stock Borrowing Agreement which were used to cover the over-allocations under the International Offering.

PUBLIC FLOAT

Immediately after the full exercise of the Over-allotment Option, no less than 25% of the total issued share capital of the Company will be held by the public in compliance with the requirements under Rule 8.08(1) of the Listing Rules.

By order of the Board of Directors
Powerlong Commercial Management Holdings Limited
Hoi Wa Fong
Chairman

Hong Kong, 20 January 2020

As at the date of this announcement, the Board comprises of two executive Directors, namely, Mr. Hoi Wa Fong and Mr. Zhang Yunfeng, two non-executive Directors, namely, Ms. Hoi Wa Fan and Ms. Hoi Wa Lam and three independent non-executive Directors, namely, Ms. Ng Yi Kum, Estella, Mr. Chan Wai Yan, Ronald and Dr. Lu Xiongwen.