中昌國際
ZHONGCHANG INTERNATIONAL

ZHONGCHANG INTERNATIONAL HOLDINGS GROUP LIMITED
中 昌 國 際 控 股 集 團 有 限 公 司

(incorporated in Bermuda with limited liability)

(Stock code: 859)

UPDATE ON ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2019

Reference is made to the announcement of the Company dated 27 March 2020 in relation to the unaudited annual results of the Company for the year ended 31 December 2019 (the "**Announcement**"). Capitalised terms used herein, unless otherwise defined, shall have the same meanings as those defined in the Announcement.

AUDITOR'S AGREEMENT ON THE 2019 ANNUAL RESULTS

As stated in the Announcement, the annual results of the Company for the year ended 31 December 2019 (the "**2019 Annual Results**") contained therein have not yet been agreed by the Company's auditor as of the date thereof.

The Company wishes to announce that on 29 April 2020, the Company has obtained the agreement from the Company's auditor, HLB Hodgson Impey Cheng Limited, on the 2019 Annual Results (including the figures in respect of the Group's consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the related notes thereto) as set out in the Announcement. Save for certain updates on the section headed "Events after reporting period" in the Announcement which are set out below, the 2019 Annual Results contained in the Announcement remain unchanged.

EVENTS AFTER THE REPORTING PERIOD

Renewal of loan facilities

As disclosed in the announcement of the Company dated 14 February 2020 and the circular of the Company dated 21 April 2020, on 13 February 2020, 上海岳信企業管理咨詢有限公司 (Shanghai Yuexin Enterprise Management Consultancy Co., Ltd.*) ("**Shanghai Yuexin**"), 鎮江天工頤景園房地產有限公司(Zhenjiang Tiangong Yijingyuan Real Estate Co., Ltd.*), ("**Zhenjiang Tiangong**"), 舟山銘義文化產業投資有限公司 (Zhoushan Mingyi Cultural Assets Investment Co., Ltd*) ("**Zhoushan Mingyi**"), all being indirect wholly-owned subsidiaries of the Company, and Shanghai Aijian entered into an agreement (the "**Renewal Agreement**"), pursuant to which Shanghai Aijian agreed to renew the loan facilities granted by Shanghai Aijian to Shanghai Yuexin and Zhenjiang Tiangong (the "**Facilities**") on the following principal terms:

(i) the availability period of the Facilities and the final maturity date of the loans drawn down from the Facilities by the Group (the "**Loans**") shall be extended by 12 months to 13 February 2021;

(ii) Shanghai Yuexin and Zhenjiang Tiangong shall settle the interest accrued on the Loans up to 12 February 2020 of approximately RMB10.3 million on the date of the Renewal Agreement and the interest rates of the Facilities shall be revised to 15% per annum with effect from 13 February 2020; and

(iii) Zhoushan Mingyi shall complete the disposal of its entire equity interest in 杭州銘倫實業有限公司 (Hangzhou Minglun Industrial Co., Ltd.*) ("**Hangzhou Minglun**") on or before 13 May 2020 (the "**Possible Disposal**"). Hangzhou Minglun is a company wholly-owned by Zhoushan Mingyi and has an interest in Lin'an Land.

Pursuant to the Renewal Agreement, the renewal of the Facilities is subject to, among other things, Shareholders' approval. In the event that the Company fails to obtain the Shareholders' approval for the Possible Disposal or in the event that Zhoushan Mingyi fails to complete the Possible Disposal on or before 13 May 2020, Zhoushan Mingyi shall within ten business days of the failure (whichever is the earlier) charge its entire equity interest in Hangzhou Minglun and its receivables under the shareholder's loan due from Hangzhou Minglun in the amount of approximately RMB23.9 million in favour of Shanghai Aijian as security for the Loans of up to RMB85.0 million.

Mandatory unconditional cash offer

As disclosed in the announcement of the Company dated 6 April 2020, the Company received a notice from Cinda International Capital Limited and Donvex Capital Limited, the joint financial advisers of China Cinda (HK) Asset Management Co., Limited ("**China Cinda (HK)**"), that China Cinda (HK) will, via Glory Rank Investment Limited (the "**Offeror**"), make a mandatory general offer in cash (the "**Offer**") for all the issued ordinary shares of the Company other than those already owned or agreed to be acquired by China Cinda (HK) and parties acting in concert with it. The details of the terms of the Offer are set out in the announcement dated 3 April 2020 and the offer document dated 29 April 2020 issued by the Offeror.

Disposal of Hangzhou Minglun

As disclosed in the announcement of the Company dated 7 April 2020, Zhoushan Mingyi, being the vendor, Hangzhou Minglun and 東投地產集團有限公司 (Dongtou Property Group Co. Ltd.*) ("**Dongtou**"), being the purchaser, entered into a conditional sale and purchase agreement (the "**Disposal Agreement**") on 7 April 2020 in relation to the proposed sale of the 100% equity interest in Hangzhou Minglun and all rights and obligations attached to such equity interest (including but not limited to the right to receive repayment of the entire shareholder's loan owed by Hangzhou Minglun to the Group) to be sold by Zhoushan Mingyi to Dongtou. The disposal is subject to, among other things, Shareholders' approval.

DIVIDEND

The Board confirms its recommendation set out in the Announcement of not declaring a dividend for the year ended 31 December 2019.

SCOPE OF WORK HLB HODGSON IMPEY CHENG LIMITED

The figures in respect of the Group's consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended 31 December 2019 as set out in the Announcement have been agreed by the Company's auditor, HLB Hodgson Impey Cheng Limited, to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 December 2019 as approved by the Board on 29 April 2020. The work performed by HLB Hodgson Impey Cheng Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by HLB Hodgson Impey Cheng Limited on the 2019 Annual Results or in this announcement.

ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held at Suite 2418, 24/F, Jardine House, 1 Connaught Place, Central, Hong Kong on Friday, 19 June 2020 at 2:00 p.m. (the "**AGM**").

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 16 June 2020 to Friday, 19 June 2020 (both dates inclusive), during which period no transfer of shares can be registered. In order to be eligible to attend and vote at the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong by not later than 4:30 p.m. on Monday, 15 June 2020.

PUBLICATION OF ANNUAL REPORT

As the auditing process of the 2019 Annual Results has been completed, the Company expects to publish its annual report for the year ended 31 December 2019 on or before 15 May 2020. The annual report and the notice of the AGM will be despatched to the Shareholders and available on the website of the Company at www.zhongchangintl.hk and the website of The Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk in due course.

By order of the Board
Zhongchang International Holdings Group Limited
Fan Xuerui
Chairman and Executive Director

Hong Kong, 29 April 2020

As at the date of this announcement, the Board comprises Mr. Fan Xuerui (Chairman), Mr. Pi Minjie, Mr. Sun Meng and Ms. Li Guang as executive Directors; Mr. Wang Xin as non-executive Director; and Mr. Hung Ka Hai Clement, Mr. Liew Fui Kiang and Mr. Wong Sai Tat as independent non-executive Directors.

* *for identification purpose only*