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CHIGO HOLDING LIMITED

志高控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 449)

MAJOR TRANSACTION

TRANSACTION UPDATE IN RESPECT OF THE DISPOSAL OF 30% OF THE ISSUED SHARE CAPITAL IN GUANGDONG CHIGO HEATING & VENTILATION EQUIPMENT CO., LTD.

AND

CONTINUED SUSPENSION OF TRADING

INTRODUCTION

Reference is made to the announcement of Chigo Holding Limited (the “**Company**”) dated 27 April 2021 (the “**Announcement**”) in relation to the Disposal. Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement.

UPDATES IN RESPECT OF THE DISPOSAL

As at the date of this announcement, insofar as the Company is aware, the conditions precedent set out in paragraphs (c) and (d) under the section headed “The Sale and Purchase Agreement – conditions precedent” of the Announcement have been satisfied and the other conditions precedent in paragraphs (a), (b), (e) to (j) are expected to be satisfied/waived prior to the Long Stop Date or are expected to remain satisfied upon Completion (as the case maybe). In respect of the condition precedent in paragraph (d), which involves, inter alia, the Company obtaining all necessary approvals (including the relevant Shareholder’s approval) in accordance with the Listing Rules, the Company wishes to inform the Shareholders that, the Company has re-assessed the impact of the Disposal on the Group, consulted the Stock Exchange, and reached the conclusion that the Disposal constitutes a

major transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement and Shareholders' approval requirements. In this connection, the Company is pleased to inform the Shareholders that it has obtained a written approval from Chigo Group Holding Limited, being the controlling Shareholder interested in 4,322,234,210 Shares (representing approximately 51.25% of the issued Shares as at the date of this announcement) pursuant to Rule 14.44 of the Listing Rules for approving the Disposal in lieu of holding a general meeting of the Company. (To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder has a material interest in the Disposal, and accordingly no Shareholder is required to abstain from voting if the Company were to convene a general meeting for approving the resolution in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder, hence the said written approval was sought and obtained.) Accordingly, all necessary approvals of the Company in respect of the Disposal has been obtained pursuant to the Listing Rules.

Subject to Completion taking place, which is expected to be by the end of August 2021, the Company will publish a separate announcement informing the Shareholders accordingly.

DELAY IN DESPATCH OF THE MAJOR TRANSACTION CIRCULAR

As additional time is required for the Company to prepare and finalise, among other things, the financial information of the Group, in particular, the statement of indebtedness and statement as to the sufficiency of working capital of the Group for inclusion in the circular (the "**Major Transaction Circular**"), which is required to contain all information required under Rules 14.63, 14.66, and 14.70 of the Listing Rules), the Company has applied to the Stock Exchange for, and has been granted, a waiver from strict compliance with Rule 14.41(a) of the Listing Rules, on the basis that the Company will despatch the Major Transaction Circular on or before 14 November 2021.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange was suspended with effect from 9:00 a.m. on 15 May 2020. Pending the fulfillment of the Stock Exchange's resumption guidance, the trading in the shares of the Company will continue to be suspended until further notice.

Shareholders and potential investors are therefore advised to exercise caution when dealing in the Shares.

By order of the Board
Chigo Holding Limited
Li Xinghao
Chairman

Hong Kong, 6 August 2021

As at the date of this announcement, the executive Directors are Li Xinghao, Li Xiuhui and Huang Guijian, and the independent non-executive Directors are Wang Manping, Pan Mingjun and Peng Ciguang.