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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)

INSIDE INFORMATION

UPDATE ON THE PARTIAL REPAYMENT OF THE HSB FACILITIES

INTRODUCTION

This announcement is made by Zhongchang International Holdings Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company dated 5 February 2021, 18 March 2021, 23 August 2021 and 4 October 2021 (the “**Announcements**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

UPDATE ON THE PARTIAL REPAYMENT OF THE HSB FACILITIES

As disclosed in the announcement of the Company dated 4 October 2021, the Borrowers respectively received replies from HSB (through its solicitors) that HSB made the final demand for repayment in writing, and the Partial Repayment (being not less than HK\$164.0 million) must be repaid immediately and in any event by 8 October 2021, failing of which HSB will take appropriate actions, including but not limited to enforcing the securities maintained by HSB and commencing legal proceedings against the Borrowers.

Subsequent to the Borrowers received the said replies from HSB on 4 October 2021, the Borrowers further negotiated with HSB regarding the amount of partial repayment to be made and the deadline of the repayment.

On 8 October 2021, the Borrowers respectively received further replies from HSB (through its solicitors) that (i) the Partial Repayment that the Borrowers are to be repaid will reduce from HK\$164.0 million to HK\$100.0 million (the “**Reduced Partial Repayment**”); (ii) the Reduced Partial Repayment must be repaid by Friday, 29 October 2021; and (iii) the Borrowers shall bear the legal fees incurred by HSB in connection with the recovery of outstanding loans owed by the Borrowers.

The Company will use its best endeavour to repay the Reduced Partial Repayment by the deadline of 29 October 2021, and will publish further announcement(s) as and when appropriate, and/or when the Reduced Partial Repayment is made.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Zhongchang International Holdings Group Limited
Chen Zhiwei
Chairman and Executive Director

Hong Kong, 8 October 2021

As at the date of this announcement, the Board comprises Mr. Chen Zhiwei (Chairman), Ms. Ku Ka Lee and Mr. Tang Lunfei as executive directors; Dr. Huang Qiang, Mr. Wong Chi Keung, Kenjie and Ms. Yu Dan as non-executive directors; and Mr. Liew Fui Kiang, Mr. Liu Xin and Mr. Yip Tai Him as independent non-executive directors.