

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.



CENTRAL CHINA MANAGEMENT COMPANY LIMITED
中原建業有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9982)

SUBSCRIPTIONS OF NEW SHARES UNDER THE GENERAL MANDATE

The Board is pleased to announce that, on 18 November 2022 (after trading hours), the Company (as issuer) entered into twelve Subscription Agreements with twelve Subscribers in respect of the Subscription of an aggregate of 343,140,000 Subscription Shares at the Subscription Price of HK\$0.80 per Subscription Share.

The issue of the Subscription Shares will not be subject to the approval by the Shareholders and the Subscription Shares will be issued under the General Mandate granted to the Directors at the AGM.

Given that Completion is subject to conditions precedent and the Subscriptions may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

The Board is pleased to announce that, on 18 November 2022 (after trading hours), the Company (as issuer) entered into twelve Subscription Agreements with twelve Subscribers in respect of the Subscription of an aggregate of 343,140,000 Subscription Shares at the Subscription Price of HK\$0.80 per Subscription Share.

THE SUBSCRIPTION AGREEMENTS

Each of the Subscription Agreements is on substantially the same terms (other than the number of Subscription Shares) and the major terms of the Subscription Agreements are as follows:

Date: 18 November 2022 (after trading hours)

Parties and number of Subscription Shares

Subscription Agreement	Parties	Number of Subscription Shares	Consideration (HK\$)
A	(1) Company (2) Subscriber A	65,030,000	52,024,000
B	(1) Company (2) Subscriber B	64,260,000	51,408,000
C	(1) Company (2) Subscriber C	32,900,000	26,320,000
D	(1) Company (2) Subscriber D	32,900,000	26,320,000
E	(1) Company (2) Subscriber E	24,680,000	19,744,000
F	(1) Company (2) Subscriber F	24,670,000	19,736,000
G	(1) Company (2) Subscriber G	16,450,000	13,160,000
H	(1) Company (2) Subscriber H	16,450,000	13,160,000
I	(1) Company (2) Subscriber I	16,450,000	13,160,000
J	(1) Company (2) Subscriber J	16,450,000	13,160,000

Subscription Agreement	Parties	Number of Subscription Shares	Consideration (HK\$)
K	(1) Company (2) Subscriber K	16,450,000	13,160,000
L	(1) Company (2) Subscriber L	16,450,000	13,160,000
	Total	<u>343,140,000</u>	<u>274,512,000</u>

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each Subscriber is independent of the Company and its connected persons (as defined in the Listing Rules), and each Subscriber is an individual investor. As at the date of this announcement, each Subscriber does not have any shareholding in the Company.

Subscription Shares

The 343,140,000 Subscription Shares in aggregate represent: (i) approximately 10.43% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 9.45% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares (assuming that there is no change in the issued share capital of the Company from the date of this announcement up to Completion save for the issue of the Subscription Shares). The aggregate nominal value of the Subscription Shares will be HK\$3,431,400.

Rights of the Subscription Shares

The Subscription Shares will be fully paid and rank *pari passu* with all other issued Shares in all respects as at the date of issue.

The Subscription Price

The Subscription Price is HK\$0.80 per Subscription Share, which represents:

- (i) a premium of approximately 29.0% over the closing price of HK\$0.62 per Share as quoted on the Stock Exchange on the date of the Subscription Agreements; and
- (ii) a premium of approximately 28.6% over the average of the closing prices of approximately HK\$0.622 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Subscription Agreements.

The Subscription Price was negotiated on an arm's length basis between the Company and each of the Subscribers and was determined with reference to the prevailing and recent market prices, trading volume of the Shares and market conditions.

Condition Precedent

Completion under each of the Subscription Agreements is not inter-conditional on Completion of any of the other Subscription Agreements, though they are each conditional on the Listing Committee of the Stock Exchange granting and not having withdrawn or revoked a listing of and permission to deal in the Subscription Shares.

Completion

Completion shall take place upon satisfaction of the condition precedent and by no later than 31 December 2022 (or such other date as the parties thereto may agree). Completion of any of the Subscription Agreement(s) is not inter-conditional upon each other.

GENERAL MANDATE TO ISSUE THE SUBSCRIPTION SHARES

The Subscription Shares will be allotted and issued under the General Mandate granted to the Directors at the AGM. Pursuant to the General Mandate, the total number of new Shares that the Company is authorized to issue is 657,941,224 shares, representing 20% of the number of issued Shares as at the date of the AGM. Since the date of the AGM and up to the date of this announcement, no new Shares have been allotted and issued by the Company under the General Mandate. Accordingly, the General Mandate is sufficient for the allotment and issue of the Subscription Shares, and such allotment and issue is not subject to the approval of the Shareholders.

APPLICATION FOR LISTING

Application will be made by the Company to the Stock Exchange for the listing of and permission to deal in the Subscription Shares.

EFFECT OF THE SUBSCRIPTIONS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief, after having made all reasonable enquiries, the following table sets out the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after Completion, assuming that there is no change in the issued share capital of the Company from the date of this announcement up to Completion, is as follows:

Shareholders	As at the date of this announcement		Immediately after Completion	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Joy Bright Investments Limited ^(Note 1)	2,065,631,867	62.79%	2,065,631,867	56.86%
Mr. Hu Bing ^(Note 2)	11,220,000	0.34%	11,220,000	0.31%
Public Shareholders				
Subscriber A	—	—	65,030,000	1.79%
Subscriber B	—	—	64,260,000	1.77%
Subscriber C	—	—	32,900,000	0.91%
Subscriber D	—	—	32,900,000	0.91%
Subscriber E	—	—	24,680,000	0.68%
Subscriber F	—	—	24,670,000	0.68%
Subscriber G	—	—	16,450,000	0.45%
Subscriber H	—	—	16,450,000	0.45%
Subscriber I	—	—	16,450,000	0.45%
Subscriber J	—	—	16,450,000	0.45%
Subscriber K	—	—	16,450,000	0.45%
Subscriber L	—	—	16,450,000	0.45%
Other public Shareholders	<u>1,212,854,253</u>	<u>36.87%</u>	<u>1,212,854,253</u>	<u>33.39%</u>
Total	<u><u>3,289,706,120</u></u>	<u><u>100%</u></u>	<u><u>3,632,846,120</u></u>	<u><u>100%</u></u>

Notes:

1. Joy Bright Investments Limited is wholly owned by Mr. Wu Po Sum, a controlling shareholder, chairman and non-executive director of the Company.
2. Mr. Hu Bing is an executive director of the Company.

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not conducted any equity fundraising activities in the past twelve months immediately preceding the date of this announcement.

REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

The Group is principally engaged in the provision of project management services throughout all phases of property development projects in the PRC.

The Directors are of the view that the Subscription will benefit the Group's long term development by providing a good opportunity to raise additional funds to strengthen the financial position and to broaden the Company's shareholder base and capital base to facilitate the future growth and development of its business as well as to increase the trading liquidity of the Shares.

The Directors consider the terms of the Subscription Agreements, which were negotiated on an arm's length basis and agreed on normal commercial terms between the parties thereto, are fair and reasonable, and the Subscriptions are in the interests of the Company and Shareholders as a whole.

The gross proceeds of the Subscriptions will be HK\$274,512,000. The net proceeds from the Subscriptions (after deducting all applicable costs and expenses of the Subscriptions) will be approximately HK\$274,069,150 and a net issue price of approximately HK\$0.80 per Subscription Share. The Group intends to use the net proceeds from the Subscriptions for: (i) the development of the Group's government project management business; (ii) the development of the Group's capital project management business; and (iii) general working capital.

Given that Completion is subject to conditions precedent and the Subscriptions may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the expressions below have the meanings assigned:

“AGM”	the annual general meeting of the Company held on 10 May 2022
“Board”	the board of Directors

“Company”	CENTRAL CHINA MANAGEMENT COMPANY LIMITED, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 9982)
“Completion”	completion of the Subscription(s)
“Directors”	directors of the Company
“General Mandate”	the general mandate granted to the Directors pursuant to an ordinary resolution of the Company passed at the AGM to allot, issue and deal with up to 20% of the then number of the issued Shares as at the date of the AGM
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“Share(s)”	ordinary share(s) of par value of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber A”	the individual subscriber under Subscription Agreement A
“Subscriber B”	the individual subscriber under Subscription Agreement B
“Subscriber C”	the individual subscriber under Subscription Agreement C
“Subscriber D”	the individual subscriber under Subscription Agreement D
“Subscriber E”	the individual subscriber under Subscription Agreement E
“Subscriber F”	the individual subscriber under Subscription Agreement F
“Subscriber G”	the individual subscriber under Subscription Agreement G
“Subscriber H”	the individual subscriber under Subscription Agreement H
“Subscriber I”	the individual subscriber under Subscription Agreement I

“Subscriber J”	the individual subscriber under Subscription Agreement J
“Subscriber K”	the individual subscriber under Subscription Agreement K
“Subscriber L”	the individual subscriber under Subscription Agreement L
“Subscriber(s)”	the subscriber(s) under the Subscription Agreements
“Subscription Agreement A”	the subscription agreement dated 18 November 2022 and entered into between the Company (as issuer) and Subscriber A
“Subscription Agreement B”	the subscription agreement dated 18 November 2022 and entered into between the Company (as issuer) and Subscriber B
“Subscription Agreement C”	the subscription agreement dated 18 November 2022 and entered into between the Company (as issuer) and Subscriber C
“Subscription Agreement D”	the subscription agreement dated 18 November 2022 and entered into between the Company (as issuer) and Subscriber D
“Subscription Agreement E”	the subscription agreement dated 18 November 2022 and entered into between the Company (as issuer) and Subscriber E
“Subscription Agreement F”	the subscription agreement dated 18 November 2022 and entered into between the Company (as issuer) and Subscriber F
“Subscription Agreement G”	the subscription agreement dated 18 November 2022 and entered into between the Company (as issuer) and Subscriber G
“Subscription Agreement H”	the subscription agreement dated 18 November 2022 and entered into between the Company (as issuer) and Subscriber H
“Subscription Agreement I”	the subscription agreement dated 18 November 2022 and entered into between the Company (as issuer) and Subscriber I

“Subscription Agreement J”	the subscription agreement dated 18 November 2022 and entered into between the Company (as issuer) and Subscriber J
“Subscription Agreement K”	the subscription agreement dated 18 November 2022 and entered into between the Company (as issuer) and Subscriber K
“Subscription Agreement L”	the subscription agreement dated 18 November 2022 and entered into between the Company (as issuer) and Subscriber L
“Subscription Agreements”	collectively, the Subscription Agreement A, Subscription Agreement B, Subscription Agreement C, Subscription Agreement D, Subscription Agreement E, Subscription Agreement F, Subscription Agreement G, Subscription Agreement H, Subscription Agreement I, Subscription Agreement J, Subscription Agreement K and Subscription Agreement L
“Subscription Price”	HK\$0.80 per Subscription Share
“Subscription Shares”	an aggregate of 343,140,000 new Shares to be subscribed by the Subscribers under the Subscription Agreements
“Subscriptions”	the subscriptions of the Subscription Shares by the Subscribers pursuant to the terms and conditions of the Subscription Agreements
“%”	per cent.

By Order of the Board
CENTRAL CHINA MANAGEMENT COMPANY LIMITED
Wu Po Sum
Chairman

Hong Kong, 18 November 2022

As at the date of this announcement: (1) the chairman and non-executive Director is Mr. Wu Po Sum; (2) the executive Directors are Mr. Hu Bing and Mr. Ma Xiaoteng; (3) the non-executive Director is Ms. Wu Wallis (alias Li Hua); and (4) the independent non-executive Directors are Mr. Zhu Baoguo, Mr. Xu Ying and Mr. Siu Chi Hung.