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Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the prospectus dated December 15, 2022 (the “**Prospectus**”) of STAR CM Holdings Limited (the “**Company**”).

This announcement is made pursuant to section 9(2) of the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong).

This announcement is for information purposes only and does not constitute an invitation to induce an offer or an offer to sell, acquire, purchase or subscribe for any securities of the Company. This announcement is not a prospectus. Potential investors should read the Prospectus for detailed information about the Company and the Global Offering described below before deciding whether or not to invest in the Offer Shares.

This announcement is not for release, publication, distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia). This announcement does not constitute or form a part of any offer to sell or solicitation to purchase or subscribe for securities in the United States. The Offer Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or any state securities laws of the United States and may not be offered, sold, pledged or otherwise transferred within the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act. The Company has not intended and does not intend to make any public offer of securities in the United States. The Offer Shares are being offered and sold solely outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act.



STAR CM Holdings Limited
星空華文控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 6698)

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

PARTIAL EXERCISE OF THE OVER-ALLOTMENT OPTION

The Company announces that the Over-allotment Option described in the Prospectus has been partially exercised by the Overall Coordinators for themselves and on behalf of the International Underwriters on Thursday, January 19, 2023 in respect of an aggregate of 406,800 Shares (the “**Over-allotment Shares**”), representing approximately 2.76% of the total number of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option, to facilitate the return to Harvest Sky Investment Holdings Limited all the 406,800 borrowed Shares under the Stock Borrowing Agreement which were used to cover the over-allocation under the International Offering.

The Over-allotment Shares will be allotted and issued by the Company at HK\$26.50 per Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%), being the Offer Price per Offer Share under the Global Offering.

STABILIZING ACTIONS AND END OF STABILIZATION PERIOD

The Company further announces that the stabilization period in connection with the Global Offering ended on Thursday, January 19, 2023, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering. Further information in relation to the stabilization actions undertaken by China Securities (International) Corporate Finance Company Limited, the Stabilizing Manager, or any person acting for it, during the stabilization period, is set out in this announcement.

PUBLIC FLOAT

Immediately after the end of the stabilization period and the completion of the partial exercise of the Over-allotment Option, approximately 20.66% of the Company’s enlarged issued share capital will be held by the public for the purpose of Rule 8.08(1)(a). The Company has applied to the Stock Exchange to request the Stock Exchange to exercise its discretion under Rule 8.08(1) (d) of the Listing Rules, and the Stock Exchange has granted the Company, a waiver from strict compliance with the requirements under Rule 8.08(1)(a) of the Listing Rules.

PARTIAL EXERCISE OF THE OVER-ALLOTMENT OPTION

The Company announces that the Over-allotment Option described in the Prospectus has been partially exercised by the Overall Coordinators for themselves and on behalf of the International Underwriters on Thursday, January 19, 2023 in respect of an aggregate of 406,800 Shares, representing approximately 2.76% of the total number of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option, to facilitate the return to Harvest Sky Investment Holdings Limited all the 406,800 borrowed Shares under the Stock Borrowing Agreement which were used to cover the over-allocation under the International Offering.

The Over-allotment Shares will be allotted and issued by the Company at HK\$26.50 per Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%), being the Offer Price per Offer Share under the Global Offering.

APPROVAL FOR LISTING

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 Friday, January 27, 2023 (Hong Kong time).

SHAREHOLDING STRUCTURE OF THE COMPANY UPON COMPLETION OF THE PARTIAL EXERCISE OF THE OVER-ALLOTMENT OPTION

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

	Immediately before completion of the partial exercise of the Over-allotment Option		Immediately after completion of the partial exercise of the Over-allotment Option	
	Number of issued Shares	Approximate % of the Company's issued share capital	Number of issued Shares	Approximate % of the Company's issued share capital
Shareholders				
Connected Persons				
Unionstars Investment Holdings Limited	236,465,996	59.39%	236,465,996	59.33%
Harvest Sky Investment Holdings Limited ⁽¹⁾	79,740,381	20.03%	79,740,381	20.01%
Sub-total	<u>316,206,377</u>	<u>79.42%</u>	<u>316,206,377</u>	<u>79.34%</u>
Public Shareholders				
Cornerstone Investor ⁽²⁾	1,465,600	0.37%	1,465,600	0.37%
Other public Shareholders	80,459,391	20.21%	80,866,191	20.29%
Sub-total	<u>81,924,991</u>	<u>20.58%</u>	<u>82,331,791</u>	<u>20.66%</u>
Total	<u><u>398,131,368</u></u>	<u><u>100%</u></u>	<u><u>398,538,168</u></u>	<u><u>100%</u></u>

Notes:

- (1) Inclusive of the 406,800 Shares borrowed by China Securities (International) Corporate Finance Company Limited, the Stabilizing Manager, or any person acting for it, under the Stock Borrowing Agreement.

- (2) This refers to the Cornerstone Investor as set out in the section headed “Cornerstone Investor” of the Prospectus. The shareholding of the Cornerstone Investor immediately before the allotment of the Over-allotment Shares have been set out in the Company’s announcement of offer price and allotment results dated December 28, 2022. The Over-allotment Shares to be issued by the Company will not affect the number of Shares held by the Cornerstone Investor, but will have a dilutive effect on the shareholding of the Cornerstone Investor on a *pro rata* basis.
- (3) Any discrepancies in the table between the totals and sums of amounts listed therein are due to rounding.

USE OF PROCEEDS

The Company will receive additional net proceeds of approximately HK\$10.4 million (after deducting the underwriting commissions and other estimated expenses payable by the Company in connection with the partial exercise of the Over-allotment Option) for the 406,800 Shares to be issued and allotted following the partial exercise of the Over-allotment Option. The additional net proceeds will be used by the Company for the purposes and in the proportions as set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus.

STABILIZING ACTIONS AND END OF STABILIZATION PERIOD

Pursuant to section 9(2) of the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong), the Company announces that the stabilization period in connection with the Global Offering ended on Thursday, January 19, 2023, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering. The stabilizing actions undertaken by China Securities (International) Corporate Finance Company Limited, the Stabilizing Manager, or any person acting for it, during the stabilization period are set out below:

- (i) the over-allocation of an aggregate of 406,800 Shares under the International Offering, representing approximately 2.76% of the total number of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option;
- (ii) the borrowing of an aggregate of 406,800 Shares from Harvest Sky Investment Holdings Limited pursuant to the Stock Borrowing Agreement to cover the over-allocation under the International Offering; and
- (iii) the partial exercise of the Over-allotment Option by the Overall Coordinators on behalf of the International Underwriters on Thursday, January 19, 2023 in respect of an aggregate of 406,800 Shares, representing approximately 2.76% of the total number of Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option, at HK\$26.50 per Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%), being the Offer Price per Offer Share under the Global Offering, to facilitate the return to Harvest Sky Investment Holdings Limited of all the 406,800 borrowed Shares under the Stock Borrowing Agreement which were used to cover the over-allocation under the International Offering.

There had been no purchase or sale of any Shares on the market for the purpose of price stabilization by the Stabilization Manager during the stabilization period.

The portion of the Over-allotment Option which has not been exercised by the Overall Coordinators for themselves and on behalf of the International Underwriters lapsed on Thursday, January 19, 2023.

PUBLIC FLOAT

Immediately after the end of the stabilization period and the completion of the partial exercise of the Over-allotment Option, approximately 20.66% of the Company's enlarged issued share capital will be held by the public for the purpose of Rule 8.08(1)(a). The Company has applied to the Stock Exchange to request the Stock Exchange to exercise its discretion under Rule 8.08(1)(d) of the Listing Rules, and the Stock Exchange has granted the Company, a waiver from strict compliance with the requirements under Rule 8.08(1)(a) of the Listing Rules. Therefore, the public float of the Company may fall below 25% of the total issued share capital of the Company. For details of the public float waiver, please refer to the section headed "Waivers from Strict Compliance with the Listing Rules – Waiver in respect of the Public Float Requirement" in the Prospectus. The Directors confirm that immediately after the end of the stabilization period and the completion of the partial exercise of the Over-allotment Option: (i) no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company, (ii) there will not be any new substantial Shareholder (as defined in the Listing Rules) of the Company, (iii) the three largest public Shareholders do not hold more than 50% of the shares held in public hands in compliance with Rules 8.08(3) and 8.24 of the Listing Rules, and (iv) there will be at least 300 Shareholders in compliance with Rule 8.08(2) of the Listing Rules.

By order of the Board
STAR CM Holdings Limited
Mr. Tian Ming
Chairman and Chief Executive Officer

Hong Kong, January 19, 2023

As at the date of this announcement, the Board of Directors of the Company comprises (i) Mr. Tian Ming, Mr. Jin Lei, Mr. Xu Xiangdong, Mr. Lu Wei and Ms. Wang Yan as executive Directors, (ii) Mr. Lee Wei Choy as non-executive Director, and (iii) Mr. Li Liangrong, Mr. Chen Rehao and Mr. Sheng Wenhao as independent non-executive Directors.