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China Jicheng Holdings Limited
中國集成控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1027)

**SUPPLEMENTAL ANNOUNCEMENT TO THE ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

Reference is made to the annual report for the year ended 31 December 2022 (the “**2022 Annual Report**”) of China Jicheng Holdings Limited (the “**Company**”) published on 28 April 2023. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those set out in the 2022 Annual Report.

In addition to the information provided in the 2022 Annual Report, the Board would like to provide to the shareholders of the Company and the potential investors with the following supplementary information.

SHARE OPTION SCHEME

- (i) the number of options available for grant under the scheme mandate of the Share Option Scheme at the beginning and the end of the financial year 2022 (the “**FY2022**”) were 30,288,000 Shares and 41,255,000 Shares respectively;
- (ii) the number of shares that may be issued in respect of options and awards granted under the Share Option Scheme of the Company during FY2022 divided by the weighted average number of Shares in issue for FY2022 was approximately 10.3%; and
- (iii) Taking into consideration that the grant is to provide incentives or rewards to the grantee, which is critical for the Company’s future development and growth, the Remuneration Committee of the Company is of the view that it is not necessary to set any performance target or clawback mechanism for the grant of Share Options because such grant could retain high-calibre employees for the continual operation and development of the Group. As such, the arrangement is aligned with the purpose of the Share Option Scheme.

The Remuneration Committee is tasked within its term of reference to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules. Following the Consultation Conclusions on Proposed Amendments to Listing Rules relating to Share Schemes of Listed Issuers and Housekeeping Rule Amendment published by the Stock Exchange in July 2022, Chapter 17 of the Listing Rules was amended and became effective from 1 January 2023.

During the year, the Remuneration Committee reviewed the grant of share options to certain staff members (“**Grantees**”) on 12 May 2022. None of the Grantees was a Director, chief executive, or substantial shareholder of the Company, or any of their respective associates (as defined under the Listing Rules). As the share options were immediately vested on the date of grant, there were no vesting period attached to the share options as permitted by the Share Option Scheme. The Remuneration Committee and the Board are of the view that the arrangement is appropriate regarding that the grant of share options act as a means for the Company to reward the Grantee’s past contributions to the Group and incentivise the Grantee to continuously contribute to the operation, development and long-term growth of the Group.

PREPAYMENT AND OTHER RECEIVABLES

RMB33.1 million of other receivables represent an advance to an independent third party (a former wholly-owned subsidiary which the disposal was completed on 24 June 2022, please refer to the announcement dated 17 June 2022 for more details) which is unsecured and interest-free. The amount will be fully repaid by the end of 2023.

The Company considers that the terms of the advance are fair and reasonable. The Company is of the view that the advance would be able to maintain stable long-term commercial relationship as a domestic semi-finished product approved supplier to the Group. We believe that the domestic supply of these materials is currently satisfactory and we have not experienced any material shortage or delay in the supply of these raw materials. Having ascertained that we were able to comply with the stringent standards in relation to product quality, production process and environmental compliance. We believe that our stable product quality with a stable relationship with our suppliers and our ability to deliver a wide range of products to our customers have enabled us to earn recurring business. The Company considers that the advance is in the interests of the Company and its shareholders as a whole and also meet the group’s business strategy.

The above supplemental information does not affect other information contained in the 2022 Annual Report. Save as disclosed above, all other information in the 2022 Annual Report remains unchanged.

By Order of the Board
China Jicheng Holdings Limited
Huang Wenji
Chairman

Fujian Province, the PRC, 11 October 2023

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Huang Wenji, Mr. Yang Guang, Mr. Lin Zhenshuang and Mr. Chung Kin Hung, Kenneth, and three independent non-executive Directors, namely Mr. Tso Sze Wai, Mr. Yang Xuetai and Ms. Lee Kit Ying, Winnie.