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Xinming China Holdings Limited
新明中國控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2699)

RESULTS OF THE RIGHTS ISSUE ON THE BASIS OF FOUR (4) RIGHTS SHARES FOR EVERY ONE (1) ADJUSTED SHARE AT HK$1.12 PER RIGHTS SHARE HELD ON THE RECORD DATE

References are made to the prospectus of the Xinming China Holdings Limited (the "**Company**" and, together with its subsidiaries, the "**Group**") dated 28 November 2024 (the "**Prospectus**") in relation to Rights Issue of the Company on the basis of four (4) Rights Shares for every one (1) Adjusted Share held at the close of business on the Record Date at the Subscription Price of HK$1.12 per Rights Share and the announcement of the Company dated 11 July 2025 in relation to the applications for the Rights Shares and number of Unsubscribed Rights Shares subject to the Compensatory Arrangements (the "**Announcement**"). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Prospectus and the Announcement.

RESULTS OF THE RIGHTS ISSUE, THE COMPENSATORY ARRANGEMENTS AND THE PLACING AGREEMENTS

As disclosed in the Announcement, as at 4:00 p.m. on Tuesday, 8 July 2025, being the Latest Time for Acceptance, a total of 8 valid applications had been received for a total of 12,884,918 Rights Shares, representing approximately 17.15% of the total number of Rights Shares offered under the Rights Issue.

Based on the above results of valid acceptances and applications, the total number of the Unsubscribed Shares and the NQS Unsold Shares subject to the Compensatory Arrangements shall be 62,259,962 Rights Shares.

The Company has, pursuant to Rule 7.21(1)(b), made the Compensatory Arrangements by entering into the Placing Agreements with the Placing Agents pursuant to which the Company appointed the Placing Agents and the Placing Agents agreed to act as the placing agent for the Company to procure, on a best-effort basis, Placee(s) to subscribe for the Unsubscribed Rights Shares and the NQS Unsold Rights Shares in accordance with the terms of the Placing Agreements.

The Board wishes to announce that at 4:00 p.m. on Monday, 21 July 2025, being the Placing end date, 62,259,962 Unsubscribed Shares were successfully placed to not less than six (6) Placees at the price of HK$1.12 per Share, which is equal to the Subscription Price, under the Placing. Therefore, there is no Net Gain available for distribution to the No Action Shareholders and Non-Qualifying Shareholders under the Placing.

As all the conditions with respect to the Rights Issue and the Placing as set out in the Prospectus have been fulfilled, the Rights Issue and the Placing became unconditional at 4:10 p.m. on Tuesday, 22 July 2025.

Based on the results of acceptance of the Rights Issue and the results of the Placing, the Rights Shares to be allotted and issued amounted to 75,144,880 Rights Shares, representing 100% of the total number of Rights Shares offered for subscription under the Rights Issue.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, (i) each of the Placees is an Independent Third Party; and (ii) none of the Placees has become a substantial Shareholder immediately upon completion of the Placing.

Use of proceeds

Accordingly, the gross proceeds raised from the Rights Issue were approximately HK$84.2 million and the net proceeds (after deducting the related expenses) from the Rights Issue were approximately HK$78.9 million. As disclosed in the Prospectus, the Company intends to apply the net proceeds from the Rights Issue as follows:

(i) approximately 92% (being approximately HK$72.6 million) for settlement of convertible bonds, repayment of interest-bearing bank loans and other borrowings and other payables and accruals of the Group; and

(ii) approximately 8% (being approximately HK$6.3 million) as general working capital of the Group, including but not limited to its daily operational expenses of the Group for the forthcoming six months upon completion of the Rights Issue.

EFFECT OF THE RIGHTS ISSUE 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 immediately before and after the completion of the Rights Issue and the Placing:

	Immediately before completion of the Rights Issue and the Placing		**Immediately after completion of the Rights Issue and the Placing**	
Shareholder	*No. of Shares*	*Approximate percentage (Note 3)* %	*No. of Shares*	*Approximate percentage (Note 3)* %
Proyan Consultancy Limited *(Note 1)*	1,878,622	10.0	1,878,622	2.0
Xinxing Company Limited *(Note 2)*	243,300	1.3	243,300	0.3
Placees	–	–	62,259,962	66.3
Other public Shareholders	16,664,298	88.7	29,549,216	31.5
Total	18,786,220	100.0	93,931,100	100.0

Notes:

1. Proyan Consultancy Limited is a company incorporated in Hong Kong with limited liability. Mr. Yau Yan Yuen held the entire issued share capital of Proyan Consultancy Limited and was deemed to be interested in the 1,878,622 Adjusted Shares in which Proyan Consultancy Limited was interested pursuant to the SFO.

2. Xinxing Company Limited is a company wholly owned by Mr. Chen. Accordingly, Mr. Chen is deemed to be interested in the same number of Shares in which Xinxing Company Limited is interested by virtue of the SFO.

3. The percentage figures have been subject to rounding adjustments. Any discrepancies between totals and sums of amounts listed herein are due to rounding adjustments.

DESPATCH OF SHARE CERTIFICATES FOR THE RIGHTS SHARES

Share certificates for the fully-paid Rights Shares are expected to be posted on or before Wednesday, 30 July 2025 to those entitled thereto at their registered addresses by ordinary post at their own risk.

COMMENCEMENT OF DEALINGS IN FULLY-PAID RIGHTS SHARES

Dealings in the Rights Shares, in their fully-paid form, are expected to commence on the Stock Exchange at 9:00 a.m. on Thursday, 31 July 2025.

By order of the Board
Xinming China Holdings Limited
Kam Chun Ying, Francis
Company Secretary

Hong Kong, 29 July 2025

As at the date of this announcement, the executive Director is Mr. Chen Chengshou; the non-executive Director is Mr. Cao Zhiqiang; and the independent non-executive Directors are Ms. Chan Wai Yan, Ms. Huang Chunlian and Ms. Lee Yin Man.