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Zhixin Group Holding Limited

智欣集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2187)

SUBSCRIPTIONS OF NEW SHARES UNDER GENERAL MANDATE

THE SUBSCRIPTION AGREEMENTS

After trading hours on 26 January 2026, the Company entered into two separate Subscription Agreements with two Subscribers in respect of the Subscription of an aggregate of 149,600,000 Subscription Shares at the Subscription Price of HK\$0.68 per Share.

The number of 149,600,000 Subscription Shares in aggregate represent (i) 20.00% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares (assuming there is no other change in the issued share capital of the Company from the date of this announcement and up to completion of the Subscription).

The Subscription Price of HK\$0.68 per Subscription Share represents (i) a discount of approximately 15.00% to the closing price of HK\$0.80 per Share as quoted on the Stock Exchange on 26 January 2026, being the date of the Subscription Agreements; and (ii) a discount of approximately 18.47% to the average closing price of HK\$0.834 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares immediately prior to the date of the Subscription Agreements.

The Subscription Shares will be allotted and issued pursuant to the General Mandate granted to the Directors at the AGM held on 19 June 2025. The allotment and issue of the Subscription Shares are not subject to any additional Shareholders' approval.

Since completion of the Subscriptions is subject to the fulfilment of the condition as set out in the Subscription Agreements, the Subscription may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

After trading hours on 26 January 2026, the Company entered into two separate Subscription Agreements with two Subscribers in respect of the subscription of an aggregate of 149,600,000 Subscription Shares at the Subscription Price of HK\$0.68 per 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

26 January 2026

Parties

- (1) the Company, as the issuer; and
- (2) each of the Subscribers

Information of the Subscribers

Subscriber

Subscriber 1 Century Noble International Limited is a company incorporated in the BVI, which is principally engaged in investment holding activities. It is wholly-owned by Mr. Yuen Chi Wai, the company secretary of the Company.

Subscriber 2 Pakhim Chen Capital Limited is a company incorporated in the BVI, which is principally engaged in investment holding activities. It is wholly-owned by Ms. Chen Manhong.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, save as disclosed above, each of the Subscribers and its ultimate beneficial owners is a third party independent of and not connected with the Company and its connected persons and not otherwise a connected person of the Company.

Save for the Subscription, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Subscribers and its ultimate beneficial owners is independent of and not connected with each other within the meaning of the Listing Rules.

Subscription

Each of the Subscribers has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, such number of Subscription Shares as set forth below:

Subscriber	No. of Subscription Shares	Total Subscription Price (HK\$)	Approx. % of the issued share capital immediately after completion of the Subscription (assuming there is no other change in the issued share capital of the Company as at the date of this announcement (Note)	Approx. % of the issued share capital of the Company before the completion of the Subscription (Note)
			(Note)	(Note)
Subscriber 1	67,320,000	45,777,600	9.00	7.50
Subscriber 2	82,280,000	55,950,400	11.00	9.17
Total:	<u>149,600,000</u>	<u>101,728,000</u>	<u>20.00</u>	<u>16.67</u>

Note: The above percentage figures are subject to rounding adjustments. Accordingly, figures shown as total may not be an arithmetic aggregation of the figures preceding it.

Subscription Shares

The number of 149,600,000 Subscription Shares in aggregate represent (i) 20.00% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares (assuming there is no other change in the issued share capital of the Company from the date of this announcement and up to completion of the Subscription). The aggregate nominal value of the Subscription Shares will be HK\$1,496,000.

Subscription Price

The Subscription Price of HK\$0.68 per Subscription Share represents:

- (a) a discount of approximately 15.00% to the closing price of HK\$0.80 per Share as quoted on the Stock Exchange on 26 January 2026, being the date of the Subscription Agreements; and
- (b) a discount of approximately 18.47% to the average of the closing prices of approximately HK\$0.834 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the date of the Subscription Agreements.

The Subscription Price was determined after arm's length negotiation between the Company and each of the Subscribers with reference to the prevailing market prices and trading volume of the Shares.

Ranking

The Subscription Shares, upon issue, will rank pari passu in all respects with the Shares in issue as at the date of completion of the Subscription.

Condition of the Subscription

Completion of the Subscription is conditional upon the Listing Committee of the Stock Exchange agreeing to grant the listing of, and permission to deal in, the Subscription Shares by 5:00 p.m. on 25 February 2026 (or such later date as may be agreed by the Company and the relevant Subscriber in writing).

Completion of each Subscription Agreement is not conditional on the completion of the other Subscription Agreements.

Completion

Completion of the Subscription shall take place on the sixty (60) days following the day on which the above condition is satisfied (or such other date as may be agreed by the Company and the relevant Subscriber in writing).

GENERAL MANDATE TO ALLOT AND ISSUE THE SUBSCRIPTION SHARES

The Subscription Shares will be allotted and issued pursuant to the General Mandate granted to the Directors at the AGM. Under the General Mandate, the Company is authorised to allot and issue up to 149,600,000 Shares until the revocation, variation or expiration of the General Mandate. The Company has not exercised the power to allot and issue any new Shares pursuant to the General Mandate as at the date of this announcement. The allotment and issue of the Subscription Shares are not subject to any additional Shareholders' approval.

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

CSRC Filings

The Company shall complete the CSRC Filings in connection with the Subscription in accordance with applicable laws and regulations.

REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

The Company is an investment holding company and its subsidiaries are principally engaged in manufacture and supply of concrete-based building materials in Xiamen, Fujian Province of the PRC, and comprehensive utilisation of iron ore tailings and manufacturing of eco-friendly bricks in Changjiang, Hainan Province of the PRC.

The Group is developing its comprehensive utilisation of iron ore tailings and eco-friendly bricks business. Such business expansion requires the Company to make further capital investment, with an aim to improving the profit-making abilities and developing abilities of the Group. The Directors consider that the Subscription represents an opportunity to raise additional funding for the operations of the Group and will strengthen the Group's financial position, and enlarge shareholders' base of the Company which may in turn enhance the liquidity of the Shares, and provide working capital to the Group to meet any financial obligations of the Group without any interest burden, within a relatively shorter time frame and at lower costs when compared with other means of fundraising.

The gross proceeds and net proceeds (after deducting all applicable costs and expenses of the Subscriptions) from the Subscription will be approximately HK\$101.7 million and HK\$101.4 million respectively, which will be used as follows:

- (a) approximately HK\$91.3 million for construction of production line of iron ore tailings; and
- (b) approximately HK\$10.1 million for the general working capital.

The Directors consider that the Subscription Agreements are entered into upon normal commercial terms following arm's length negotiations between the Company and the Subscribers and the terms of the Subscription Agreements (including the Subscription Price) are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES INVOLVING ISSUE OF SECURITIES IN THE PAST 12 MONTHS

The Company has not conducted any fund raising activities involving issue of its securities in the past 12 months immediately preceding the date of this announcement.

SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the shareholding structure of the Company (i) as at the date of this announcement and (ii) immediately after completion of the Subscription (assuming there is no other change in the issued share capital of the Company before the completion of the Subscription) are set out below:

	As at the date of this announcement <i>Number of Shares</i>	Approx.% (Note 3)	Immediately after completion of the Subscription (assuming there is no other change in the issued share capital of the Company before the completion of the Subscription) <i>Number of Shares</i>	Approx.% (Note 3)
Zhixin Investment Holding Limited (Note 1)	274,706,100	36.73%	274,706,100	30.60%
Yaohe Holding Limited (Note 2)	121,568,700	16.25%	121,568,700	13.54%
Public Shareholders				
Subscribers	—	—	149,600,000	16.67%
Other Public Shareholders	<u>351,725,200</u>	<u>47.02%</u>	<u>351,725,200</u>	<u>39.19%</u>
Total	<u>748,000,000</u>	<u>100%</u>	<u>897,600,000</u>	<u>100%</u>

Notes:

1. As at the date of this announcement, Zhixin Investment Holding Limited is 100% beneficially owned by Mr. Ye Zhijie.
2. As at the date of this announcement, Yaohe Holding Limited is 100% beneficially owned by Mr. Huang Wengui.
3. The above percentage figures are subject to rounding adjustments. Accordingly, figures shown as total may not be an arithmetic aggregation of the figures preceding it.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“AGM”	the annual general meeting of the Company held on 19 June 2025 at which, among other things, the General Mandate was granted to the Directors
“Board”	the board of Directors
“BVI”	British Virgin Islands
“Company”	Zhixin Group Holding Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2187)
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“CSRC”	China Securities Regulatory Commission
“CSRC Filing Rules”	Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (境內企業境外發行證券和上市管理試行辦法) and supporting guidelines issued by the CSRC (effective from 31 March 2023), as amended, supplemented or otherwise modified from time to time
“CSRC Filings”	any and all letters, filings, correspondences, communications, documents, responses, undertakings and submissions in writing, orally or in any form, including any amendments, supplements and/or modifications thereof, made or to be made to the CSRC, relating to or in connection with the Subscription pursuant to the CSRC Filing Rules and other applicable laws, regulations and requirements of the CSRC
“Director(s)”	the director(s) of the Company

“General Mandate”	the general mandate granted to the Directors at the AGM to allot and issue up to 149,600,000 new Shares, representing 20% of the total number of issued Shares as at the date of the AGM
“Group”	collectively, the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Committee”	has the meaning ascribed thereto in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribers”	the subscribers of the Subscription Shares under the Subscription Agreements
“Subscription”	the subscription of the Subscription Shares by the Subscribers pursuant to the terms and conditions of the Subscription Agreements
“Subscription Agreements”	two separate subscription agreements entered into between the Company and the Subscribers on 26 January 2026 in respect of the Subscription
“Subscription Price”	HK\$0.68 per Subscription Share
“Subscription Shares”	a total of 149,600,000 new Shares to be subscribed for and allotted and issued pursuant to the Subscription Agreements

“%”

per cent

By order of the Board
Zhixin Group Holding Limited
Ye Zhijie
Chairman and Executive Director

Hong Kong, 26 January 2026

As at the date of this announcement, the Board comprises Mr. Ye Zhijie, Mr. Huang Wengui, Mr. Lai Quanshui, Mr. Qiu Limiao, Mr. Ye Dan and Mr. Huang Kaining as executive Directors; and Ms. Wong Tuen Sau, Mr. Cai Huinong and Mr. Jiang Qinjian as independent non-executive Directors.