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匯成國際控股有限公司
Huicheng International Holdings Limited
(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1146)

(1) CONNECTED TRANSACTION IN RELATION TO THE SUBSCRIPTION OF SHARES UNDER SPECIFIC MANDATE AND (2) APPLICATION FOR WHITEWASH WAIVER

INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT SHAREHOLDERS

RAINBOW CAPITAL (HK) LIMITED
浤 博 資 本 有 限 公 司

CONNECTED TRANSACTION IN RELATION TO THE SUBSCRIPTION OF SHARES UNDER SPECIFIC MANDATE

On 26 May 2026 (after trading hours), the Company and the Subscriber entered into the Share Subscription Agreement, pursuant to which the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for, 100,000,000 Subscription Shares at the Subscription Price of HK$0.10 per Subscription Share for a total consideration of HK$10,000,000 in cash.

As at the date of this announcement, there are 3,445,450,000 Shares in issue. 100,000,000 Shares will be issued at the Subscription Price per Subscription Share under the Share Subscription, which represents:

(a) approximately 2.90% of the existing issued share capital of the Company as at the date of this announcement; and

(b) approximately 2.82% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares immediately after completion of the Share Subscription.

The Subscription Shares shall be allotted and issued pursuant to the Specific Mandate to be sought from the Independent Shareholders at the EGM.

APPLICATION FOR LISTING

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

TAKEOVERS CODE IMPLICATIONS AND APPLICATION FOR WHITEWASH WAIVER

As at the date of this announcement, the Subscriber and the parties acting in concert with her hold an aggregate of 1,670,466,000 Shares, representing approximately 48.48% of the issued share capital of the Company (or 1,025,318,000 Shares, representing approximately 29.76% of the issued share capital of the Company if shareholding of the concert parties under the Class (6) Presumption is excluded). Upon completion of the Share Subscription, assuming that there is no other change in the issued share capital of the Company between the date of this announcement and the date of completion (save and except for the Share Subscription), the shareholding of the Subscriber or parties acting in concert with her will increase to approximately 49.94% of the issued share capital of the Company as enlarged by the Subscription Shares (or 31.74% of the issued share capital of the Company as enlarged by the Subscription Shares if shareholding of the concert parties under the Class (6) Presumption is excluded).

Each of Mr. Sun David Lee, Ms. Huang Xiaoyun, Mr. Wang Wei and Tingli Limited is presumed to be acting in concert with the Subscriber under the Class (6) Presumption until Completion. This Class (6) Presumption will cease to apply after Completion. Other than such presumption, none of Mr. Sun David Lee, Ms. Huang Xiaoyun, Mr. Wang Wei and Tingli Limited is a party acting in concert with the Subscriber under the definition of "acting in concert" under the Takeovers Code.

As such, under Rule 26.1 of the Takeovers Code, the allotment and issuance of the Subscription Shares under the Share Subscription Agreement to the Subscriber will give rise to an obligation on the part of the Subscriber to make a mandatory general offer for all Shares and other securities of the Company (other than those already owned or agreed to be acquired by the Subscriber or parties acting in concert with her), unless the Whitewash Waiver is granted by the Executive.

The Subscriber will make an application to the Executive for the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code in respect of the allotment and issuance of the Subscription Shares to the Subscriber. The Whitewash Waiver, if granted, will be subject to, among other things, the approval by at least 75% of the votes cast by the Independent Shareholders by way of poll in respect of the Whitewash Waiver and more than 50% of the votes cast by the Independent Shareholders by way of poll in respect of the Share Subscription, respectively, at the EGM.

The Subscriber, her associates, and any parties acting in concert with the Subscriber, and the Shareholders who are involved in or interested in the Share Subscription and/or the Whitewash Waiver, will be required to abstain from voting in respect of the resolution(s) to approve the Share Subscription and the Whitewash Waiver at the EGM.

The Executive may or may not grant the Whitewash Waiver. The Share Subscription will not proceed if the Whitewash Waiver is not granted or approved.

LISTING RULES IMPLICATIONS

The Subscriber (who is the daughter of Mr. ZHANG Yongli) is an associate of Mr. ZHANG Yongli, an executive Director, the chairman and chief executive officer of the Company who is interested in approximately 24.73% of the issued shares of the Company, and is therefore a connected person of the Company. Accordingly, the Share Subscription constitutes a connected transaction on the part of the Company under Chapter 14A of the Listing Rules and will be subject to announcement, reporting and the Independent Shareholders' approval requirements.

ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

Pursuant to the Listing Rules and Rule 2.8 of the Takeovers Code, the Independent Board Committee, (comprising all the independent non-executive Directors who have no direct or indirect interest in the Share Subscription, namely Mr. Kwong Wilson Wai Sun, Mr. Yeung Chi Wai and Mr. Ho Ka Wang) has been formed to advise the Independent Shareholders as to whether the Share Subscription and the Whitewash Waiver are fair and reasonable and make recommendation as to voting. As Mr. Wang Wei, being a non-executive Director, is presumed to be acting in concert with the Subscriber under the Class (6) Presumption, he would not be a member of the Independent Board Committee.

Pursuant to Rule 2.1 of the Takeovers Code, the Independent Financial Adviser has been appointed with the approval of the Independent Board Committee to advise the Independent Board Committee and the Independent Shareholders as to whether the Share Subscription Agreement and the transactions contemplated thereunder (including the Share Subscription) and the Whitewash Waiver are fair and reasonable and make recommendation on voting.

CONNECTED TRANSACTION IN RELATION TO THE SUBSCRIPTION OF SHARES UNDER SPECIFIC MANDATE

On 26 May 2026 (after trading hours), the Company and the Subscriber entered into the Share Subscription Agreement, pursuant to which the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for, 100,000,000 Subscription Shares at the Subscription Price of HK$0.10 per Subscription Share for a total consideration of HK$10,000,000 in cash. The principal terms of the Share Subscription Agreement are set out below.

Principal terms of the Share Subscription Agreement

Date	26 May 2026
Parties	(a) the Company (an issuer) (b) the Subscriber (a subscriber)
Total Share Subscription consideration	HK$10,000,000
Subscription price per Subscription Share	HK$0.10
Par Value of Subscription Shares	Ordinary shares of the Company with a par value of HK$0.1 each

The Subscription Shares

100,000,000 Shares will be issued at the Subscription Price per Subscription Share under the Share Subscription, which represents:

(a) approximately 2.90% of the existing issued share capital of the Company as at the date of this announcement; and

(b) approximately 2.82% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares immediately after completion of the Share Subscription.

The Subscription Shares shall be allotted and issued pursuant to the Specific Mandate to be sought from the Independent Shareholders at the EGM.

Ranking

The Subscription Shares, when allotted and issued, shall rank pari passu in all respects among themselves and with the Shares in issue.

The Subscription Price

The Subscription Price of HK$0.10 per Subscription Share represents:

(a) a premium of approximately 88.7% to the closing price of HK$0.053 per Share as quoted on the Stock Exchange on the date of the Share Subscription Agreement;

(b) a premium of approximately 93.8% to the average closing price of HK$0.0516 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to and including the date of the Share Subscription Agreement;

(c) a premium of approximately 92.7% to the average closing price of HK$0.0519 per Share as quoted on the Stock Exchange for the last thirty consecutive trading days immediately prior to and including the date of the Share Subscription Agreement;

(d) a premium of approximately 113.2% to the average closing price of HK$0.0469 per Share as quoted on the Stock Exchange for the last sixty consecutive trading days immediately prior to and including the date of the Share Subscription Agreement; and

(e) a discount of approximately 65.1% to the audited consolidated net asset value per Share attributable to the Shareholders as at 31 December 2025 of approximately HK$0.2863 per Share calculated based on the audited consolidated net asset value of the Group attributable to the Shareholders of approximately RMB891,140,000 as at 31 December 2025 as extracted from the annual report of the Company for the year ended 31 December 2025 and 3,445,450,000 Shares then in issue (based on the exchange rate of HK$1: RMB0.90322 as at 31 December 2025 published by the State Administration of Foreign Exchange for illustration purposes).

The Subscription Price was determined after arm's length negotiations between the Company and the Subscriber taking into account (i) the recent and historical market prices of the Shares – the average closing price of the Shares of approximately HK$0.0519 over the past 30 consecutive trading days immediately prior to and including the date of the Share Subscription Agreement and continued decline in the Share price of over 25% since 2025; (ii) the liquidity of Shares – the Company's average daily trading volume for the 30 consecutive trading days immediately prior to and including the date of the Share Subscription Agreement represented only approximately 0.06% of the total issued share capital of the Company, indicating relatively limited market liquidity for the Shares; (iii) the business prospects and financial position of the Group; and (iv) the current equity capital market conditions.

Save for the 2025 Final Dividend, as at the date of this announcement, the Company does not intend to declare, pay and/or make any dividend or other distribution between the date of this announcement up to the Completion Date. As at the date of this announcement, the Company does not have any declared but unpaid dividend or other distribution. For the avoidance of doubt, pursuant to the Share Subscription Agreement, the declaration and distribution of the 2025 Final Dividend would not affect the Subscription Price.

Conditions precedent

Completion of the Share Subscription is conditional upon satisfaction or (if applicable) waiver of the following conditions:

(a) the approval by (i) more than 50% of the votes cast by the Independent Shareholders at the EGM in respect of the Share Subscription Agreement and the transactions contemplated thereunder and the Specific Mandate and (ii) at least 75% of the votes cast by the Independent Shareholders at the EGM in respect of the Whitewash Waiver, in accordance with the Takeovers Code, the Listing Rules, the company law of Cayman Islands, the articles of association of the Company and/or other requirements.

(b) the Listing Committee of the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Subscription Shares and such approval and permission remaining in full force and effect;

(c) the granting of the Whitewash Waiver by the Executive pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code of the obligation on the part of the Subscriber to make a mandatory general offer for all the Shares and other securities of the Company (other than those already owned or agreed to be acquired by the Subscriber and its concert parties) as a result of the allotment and issue of Shares pursuant to the Share Subscription, and the Whitewash Waiver remaining in full force and effect;

(d) no suspension in the trading of Shares (other than any temporary suspension relating to the clearance of any announcement in respect of the Subscription Agreement or other reasons agreed by the Subscriber) for a consecutive period of five (5) Business Days and no indication from Stock Exchange and/or the SFC that the Company's listing status on the Stock Exchange might be revoked or opposed (whether conditionally or unconditionally) as a result of the transaction contemplated under the Subscription Agreement;

(e) the compliance of all applicable laws and regulations (including Listing Rules and the Takeovers Code) relating to the Share Subscription in all material respects;

(f) no regulatory authority having implemented or enacted any legislation, regulations or decrees to prohibit the Share Subscription, and no courts with competent jurisdiction having issued any order or injunction prohibiting or preventing the Share Subscription; and

(g) the representations and warranties given by the Company under the Share Subscription Agreement remaining true, complete and accurate in all material respects and not misleading.

The Subscriber shall be entitled to waive any of the conditions as set out in paragraph (d) and (g) above. The conditions as set out in paragraphs (a) to (c), (e) and (f) are non-waivable. As at the date of this announcement, none of the conditions as set out above has been satisfied or (if applicable) waived.

If any of the conditions as set out above are not satisfied or waived (applicable to paragraphs (d) and (g) only) on or before 31 December 2026 (or such other time and date as may be agreed by the Company and the Subscriber in writing), the Share Subscription Agreement and the transactions contemplated thereunder (including the Share Subscription) shall terminate and lapse, and the Company and the Subscriber shall be released from all obligations thereunder and neither party shall have claim against the other, save for any rights and obligations accrued prior to such termination.

Completion of the Share Subscription

Completion of the Share Subscription shall take place within 5 Business Days (or such other date and time as may be agreed by the Company and the Subscriber) upon the satisfaction or (if applicable) waiver of the conditions under the Share Subscription Agreement, upon which the Company shall allot and issue the Subscription Shares to the Subscriber and the Subscriber shall pay to the Company the total consideration for the Subscription Shares.

Termination of the Share Subscription Agreement

The Share Subscription Agreement may be terminated:

(a) by the non-defaulting party, if a party failed to satisfy the completion deliverables on Completion;

(b) in the manner as described in the paragraph "Conditions Precedent" in this announcement; and

(c) upon agreement in writing between the parties.

Information of the Company

The Company is principally engaged in the business of design, manufacturing, marketing and sale of apparel products and accessories in the PRC, with a focus on menswear, and property development.

The following is a summary of the key financial data of the Group for each of the years ended 31 December 2024 and 31 December 2025 based on the audited consolidated financial statements prepared in accordance with all applicable IFRS Accounting Standards:

	For the year ended	
	31 December 2024	**31 December 2025**
	RMB'000	***RMB'000***
	(audited)	**(audited)**
Revenue	156,082	**139,437**
Loss before taxation	(111,816)	**(95,738)**
Loss attributable to the Shareholders	(109,413)	**(93,443)**

As at 31 December 2025, the audited consolidated total assets of the Group was approximately RMB1,103,117,000 and the net assets attributable to the Shareholders was approximately RMB891,140,000 respectively.

Information of the Subscriber

The Subscriber is Ms. ZHANG Kailun (the daughter of Mr. ZHANG Yongli) and, as at the date of this announcement, directly holds approximately 5.02% of the issued shares of the Company. Mr. ZHANG Yongli, an executive Director, the chairman and chief executive officer of the Company who is interested in approximately 24.73% of the issued shares of the Company.

INFORMATION REQUIRED UNDER THE TAKEOVERS CODE

As at the date of this announcement, the Subscriber confirms that:

(a) save for the Share Subscription Agreement, none of the Subscriber or parties acting in concert with her has dealt in any Shares, acquired or entered into any agreement or arrangement to acquire any voting rights in the Company within the six months immediately prior to and including the date of this announcement;

(b) other than the Share Subscription, none of the Subscriber or parties acting in concert with her will make any acquisitions or disposals of voting rights in the Company which constitute disqualifying transactions (within the meaning of the Takeovers Code) in the period between the date of this announcement and the Completion;

(c) save as disclosed in the section headed "Effects on Shareholding Structure of the Company" in this announcement, there is no holding of voting rights in the Company or rights over any Shares which is owned, controlled or directed by the Subscriber or parties acting in concert with her;

(d) none of the Subscriber or parties acting in concert with her holds any outstanding options, warrants, or any securities that are convertible into Shares or any derivatives in respect of Shares nor has entered into any outstanding derivative in respect of securities in the Company;

(e) there is no outstanding derivative in respect of the securities of the Company which has been entered into by any of the Subscriber or parties acting in concert with her;

(f) save for the Share Subscription Agreement, there is no arrangement referred to in Note 8 to Rule 22 of the Takeovers Code (whether by way of option, indemnity or otherwise) with any other persons in relation to the Shares or shares of the Subscriber and which might be material to the transactions contemplated under the Share Subscription Agreement and/or the Whitewash Waiver;

(g) none of the Subscriber or parties acting in concert with her has received any irrevocable commitment from any person as to whether they will vote for or against the resolution approving the Share Subscription Agreement and the transactions contemplated thereunder, the Specific Mandate and/or the Whitewash Waiver;

(h) save for the Share Subscription Agreement, there are no agreements or arrangements to which the Subscriber is a party which relate to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Share Subscription or the Whitewash Waiver;

(i) none of the Subscriber or parties acting in concert with her has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;

(j) save for the Subscription Price for the Subscription Shares payable under the Share Subscription Agreement, none of the Subscriber or parties acting in concert with her has paid or will pay any other consideration, compensation or benefit in whatever form to the Company or any of the parties acting in concert with it in relation to the Share Subscription; and

(k) there is no understanding, arrangement or agreement which constitutes a special deal (as defined under Rule 25 of the Takeovers Code) between the Subscriber or parties acting in concert with her on one hand and any of the other Shareholders on the other hand.

There is no understanding, arrangement or agreement which constitutes special deal (as defined under Rule 25 of the Takeovers Code) between the Company, its subsidiaries or associated companies on the one hand and any of the Shareholders on the other hand.

REASONS FOR AND BENEFITS OF THE SHARE SUBSCRIPTION AND USE OF PROCEEDS

The Group is principally engaged in apparel products and accessories segment and property development business. For the year ended 31 December 2025, the Group has recorded net loss attributable to owners of the parent of approximately RMB93.4 million with an operating cash outflow of approximately RMB27.2 million.

(i) Replenishment of cash resources for exploring business & investment opportunities to promote growth

In view of the continued underperformance of the Group's business, in particular, the loss-making of the Group's products and accessories segment and property development business over the past five consecutive financial years, the management of the Company has been actively seeking other business growth and investment opportunities to enhance the value of the Company and its Shareholders as a whole.

For example, for the year ended 31 December 2025, the Group's financial assets at fair value through profit or loss increased from approximately RMB11.9 million to approximately RMB33.0 million. As disclosed in the 2025 annual result announcement of the Company, one of the notable successful investment by the Company was Shanghai Biren Technology Co., Ltd. (6082.HK), whose shares were listed on the Stock Exchange on 2 January 2026 and a gain on change in fair value of approximately RMB7.8 million was recognized in 2025. Given the Company's negative operating cash flow since the financial year of 2021, the Share Subscription at a significant premium to the market price not only allows the Company to replenish its financial resources but also provides an additional offshore cash resources buffer to explore business development and investment opportunities to enhance Shareholders' value.

(ii) Further support from the controlling shareholder and alignment of interests

Upon Completion, the aggregate shareholding percentage of the Subscriber and her associate, Mr. Zhang Yongli, will increase from 29.75% to approximately 31.74%. The Subscriber and Mr. Zhang Yongli will become the controlling shareholder of the Company (the "**Incoming Controlling Shareholder**") and the interest of the Controlling Shareholder will be further aligned with the performance of the Company. The Share Subscription will enable the Incoming Controlling Shareholder, to devote more business and financial resources in supporting the long-term business development of the Company, which in turn facilitates the Company to realize its own long-term development strategy.

The Share Subscription, at a significant premium to the prevailing market price of the Shares, demonstrates the Incoming Controlling Shareholder's confidence in, and commitment to, the Company's long-term development and growth prospects, and will further strengthen the Company's capital base by raising additional funds for the Group.

The maximum gross proceeds from the Share Subscription will be approximately HK$10,000,000. The maximum net proceeds (after deducting placing commission and other relevant costs and expenses) from the Share Subscription are estimated to be approximately HK$9,040,000 and the net subscription price of each Subscription Share will be approximately HK$0.0904.

The net proceeds from the Share Subscription are intended to be used as to (i) approximately 50% of the net proceeds (being approximately HK$4,520,000) for exploring business development and investment opportunities to enhance Shareholders' value; and (ii) approximately 50% of the net proceeds (being approximately HK$4,520,000 for replenishing cash resources resulted from the negative operating cash outflow and following the payment of the 2025 Final Dividend and strengthening cash reserves to support dividend distributions in subsequent years.

Based on the aforesaid, the Directors (other than Mr. ZHANG Yongli, the executive Director, who have material interest in the Subscription Agreement and have abstained from voting on the resolutions in relation thereto and members of the Independent Board Committee who will express their views after receiving advice from the Independent Financial Adviser), are of the view that the Share Subscription is fair and reasonable, on normal commercial terms and is in the interests of the Company and its Shareholders (including the Independent Shareholders) as a whole.

FUND-RAISING ACTIVITIES OF THE COMPANY DURING THE PAST TWELVE MONTHS

The Company had not conducted any fund-raising activities involving the issue of its equity securities in the twelve months immediately preceding the date of this announcement.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (a) as at the date of this announcement; and (b) immediately after completion of the Share Subscription, assuming that there is no other change to the share capital and shareholding structure of the Company from the date of this announcement up to the Completion Date, are set out below:

Shareholders	**As at the date of this announcement**		**Immediately after Completion**	
	Number of Shares	*Approximate %*	*Number of Shares*	*Approximate %*
Subscriber and parties acting in concert with her				
The Subscriber *(Note 1)*	173,000,000	5.02%	273,000,000	7.70%
CEC Outfitters Limited *(Note 2)*	839,748,000	24.37%	839,748,000	23.69%
Mr. ZHANG Yongli	12,570,000	0.37%	12,570,000	0.35%
Subtotal	1,025,318,000	29.76%	1,125,318,000	31.74%

Shareholders	As at the date of this announcement		Immediately after Completion	
	Number of Shares	*Approximate %*	*Number of Shares*	*Approximate %*
Class (6) Presumption concert parties				
Mr. SUN David Lee *(Note 3 and 6)*	3,852,000	0.11%	3,852,000	0.11%
Ms. HUANG Xiaoyun *(Note 3 and 6)*	497,896,000	14.45%	497,896,000	14.04%
Mr. WANG Wei *(Note 4 and 6)*	3,400,000	0.10%	3,400,000	0.10%
Tingli Limited *(Note 5 and 6)*	140,000,000	4.06%	140,000,000	3.95%
Subtotal (for the Subscriber and parties acting in concert with her)	1,670,466,000	48.48%	1,770,466,000	49.94%
Public Shareholders	1,774,984,000	51.52%	1,774,984,000	50.06%
Total	3,445,450,000	100%	3,545,450,000	100%

Notes:

(1) The Subscriber is the daughter of Mr. Zhang Yongli.

(2) CEC Outfitters Limited is wholly owned by Vinglory Holdings Limited and Vinglory Holdings Limited is wholly owned by Mr. Zhang Yongli.

(3) Mr. Sun David Lee and Ms. Huang Xiaoyun are executive Directors.

(4) Mr. Wang Wei is a non-executive Director.

(5) Tingli Limited is wholly owned by Mr. Gu Lin who is the son of Ms. Huang Xiaoyun, an executive Director.

(6) Each of Mr. Sun David Lee, Ms. Huang Xiaoyun, Mr. Wang Wei and Tingli Limited is presumed to be acting in concert with the Subscriber under the Class (6) Presumption until Completion. This Class (6) Presumption will cease to apply after Completion. Other than such presumption, none of Mr. Sun David Lee, Ms. Huang Xiaoyun, Mr. Wang Wei and Tingli Limited is a party acting in concert with the Subscriber under the definition of "acting in concert" under the Takeovers Code.

(7) The percentage figures as set out above are subject to rounding adjustments.

As at the date of this announcement, other than the 3,445,450,000 Shares in issue, the Company has no other convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares.

APPLICATION FOR LISTING

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

TAKEOVERS CODE IMPLICATIONS AND APPLICATION FOR WHITEWASH WAIVER

As at the date of this announcement, the Subscriber and the parties acting in concert with her hold an aggregate of 1,670,466,000 Shares, representing approximately 48.48% of the issued share capital of the Company (or 1,025,318,000 Shares, representing approximately 29.76% of the issued share capital of the Company if shareholding of the concert parties under the Class (6) Presumption is excluded). Upon completion of the Share Subscription, assuming that there is no other change in the issued share capital of the Company between the date of this announcement and the date of completion (save and except for the Share Subscription), the shareholding of the Subscriber or parties acting in concert with her will increase to approximately 49.94% of the issued share capital of the Company as enlarged by the Subscription Shares (or 31.74% of the issued share capital of the Company if shareholding of the concert parties under the Class (6) Presumption is excluded).

As such, under Rule 26.1 of the Takeovers Code, the allotment and issuance of the Subscription Shares under the Share Subscription Agreement to the Subscriber will give rise to an obligation on the part of the Subscriber to make a mandatory general offer for all Shares and other securities of the Company (other than those already owned or agreed to be acquired by the Subscriber and parties acting in concert with her), unless the Whitewash Waiver is granted by the Executive.

The Subscriber will make an application to the Executive for the Whitewash Waiver from compliance with the obligations to make a mandatory general offer for all Shares and other securities of the Company (other than those already owned or agreed to be acquired by the Subscriber and parties acting in concert with her) under Rule 26.1 of the Takeovers Code as a result of the allotment and issuance of the Subscription Shares to the Subscriber. The Whitewash Waiver, if granted, will be subject to, among other things, the approval by at least 75% of the votes cast by the Independent Shareholders by way of poll in respect of the Whitewash Waiver and more than 50% of the votes cast by the Independent Shareholders by way of poll in respect of the Share Subscription, respectively, at the EGM. None of the other Directors are involved in the discussion or negotiation of the Subscription.

The Subscriber, her associates, and any parties acting in concert with the Subscriber, and the Shareholders who are involved in or interested in the Share Subscription and/or the Whitewash Waiver, will be required to abstain from voting in respect of the resolution(s) to approve the Share Subscription and the Whitewash Waiver at the EGM.

The Executive may or may not grant the Whitewash Waiver. The Share Subscription will not proceed if the Whitewash Waiver is not granted or approved.

As at the date of this announcement, the Directors are of the view that the Share Subscription does not give rise to any concerns in relation to compliance with other applicable rules or regulations (including the Listing Rules). If a concern should arise after the release of this announcement, the Company will endeavour to resolve the matter to the satisfaction of the relevant authority as soon as possible but in any event before the dispatch of the circular in respect of the Whitewash Waiver. The Company notes that the Executive may not grant the Whitewash Waiver if the Share Subscription does not comply with other applicable rules and regulations.

LISTING RULES IMPLICATIONS

As described in the section headed "Information of the Subscriber" in this announcement, the Subscriber (who is the daughter of Mr. ZHANG Yongli) is an associate of Mr. ZHANG Yongli, an executive Director, the chairman and chief executive officer of the Company who holds 24.73% of the issued shares of the Company, and is therefore a connected person of the Company. Accordingly, the Share Subscription constitutes a connected transaction on the part of the Company under Chapter 14A of the Listing Rules and will be subject to announcement, reporting and the Independent Shareholders' approval requirements.

ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

Pursuant to the Listing Rules and Rule 2.8 of the Takeovers Code, the Independent Board Committee (comprising all the independent non-executive Directors who have no direct or indirect interest in the Share Subscription, namely Mr. Kwong Wilson Wai Sun, Mr. Yeung Chi Wai and Mr. Ho Ka Wang) has been formed to advise the Independent Shareholders as to whether the Share Subscription and the Whitewash Waiver are fair and reasonable and make recommendation as to voting. As Mr. Wang Wei, being a non-executive Director, is presumed to be acting in concert with the Subscriber under the Class (6) Presumption, he will not be a member of the Independent Board Committee.

Pursuant to Rule 2.1 of the Takeovers Code, the Independent Financial Adviser has been appointed with the approval of the Independent Board Committee to advise the Independent Board Committee and the Independent Shareholders as to whether the Share Subscription Agreement and the transactions contemplated thereunder (including the Share Subscription), the grant of the Specific Mandate and the Whitewash Waiver are fair and reasonable and make recommendation on voting.

GENERAL

The EGM will be convened to consider and, if thought fit, pass the requisite resolutions to approve, among other things: (i) the Share Subscription Agreement (including the transactions contemplated thereunder and the Specific Mandate); and (ii) the Whitewash Waiver.

Resolutions approving the Share Subscription (including the Share Subscription Agreement, the transactions contemplated thereunder and the Specific Mandate) and the Whitewash Waiver will be proposed at the EGM to be approved by the Independent Shareholders. The Whitewash Waiver will be proposed by way of a resolution to be passed by at least 75%, and the Share Subscription (including the Share Subscription Agreement, the transactions contemplated thereunder and the Specific Mandate) will be proposed by way of resolution(s) to be passed by more than 50%, of the votes cast by the Independent Shareholders that are cast either in person or by proxy, respectively, at the EGM. The voting at the EGM will be conducted by way of poll.

DESPATCH OF CIRCULAR

A circular containing, among other things, (i) details of the Share Subscription (including the Share Subscription Agreement, the transactions contemplated thereunder and the Specific Mandate); (ii) the Whitewash Waiver; (iii) a letter of advice from the Independent Board Committee on the Share Subscription and the Whitewash Waiver; (iv) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders on the Share Subscription (including the Share Subscription Agreement, the transactions contemplated thereunder and the Specific Mandate) and the Whitewash Waiver; and (v) a notice of EGM together with the form of proxy, is expected to be despatched to Shareholders within 15 business days from the date of this announcement pursuant to Rule 14A.68 of the Listing Rules or 21 days from the date of this announcement pursuant to Rule 8.2 of the Takeovers Code, whichever is the earlier.

The Company will seek the Executive's consent (which may or may not be granted) if it becomes clear that the circular may not be able to be issued within 21 days from the date of this announcement and will apply to the Executive for an extension for the despatch of the circular. Further announcement(s) will be made by the Company as and when appropriate.

Since the Completion is subject to the fulfilment or waiver (as applicable) of the conditions precedent as set out in the Share Subscription Agreement, the Share Subscription may or may not proceed.

The Whitewash Waiver may or may not be granted by the Executive and if granted, will, among others things, be subject to the approval by at least 75% of the votes cast by the Independent Shareholders by way of poll in respect of the Whitewash Waiver and more than 50% of the votes cast by the Independent Shareholders by way of poll in respect of the Share Subscription, respectively, at the EGM. Completion of the Share Subscription is conditional upon, among other things, the Whitewash Waiver being granted by the Executive and approved by the Independent Shareholders.

Shareholders and potential investors are reminded to exercise caution when dealing in the Shares, and are recommended to consult their stockbroker, bank manager, solicitor or other professional adviser if they are in any doubt about their position and as to actions that they should take.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

"2025 Final Dividend"	the proposed special final dividend of HK$1 cent per share for the year ended 31 December 2025 as recommended by the Board and disclosed in the annual results announcement of the Company dated 24 March 2026, which is subject to the approval of the Company's shareholders at the forthcoming annual general meeting of the Company;
"acting in concert"	has the meaning ascribed thereto under the Takeovers Code;
"associate(s)"	has the meaning ascribed thereto under the Listing Rules;
"Board"	the board of Directors;
"Business Day(s)"	any day (not being a Saturday, Sunday or public holiday in Hong Kong or the PRC) on which licensed banks in Hong Kong and the PRC are generally open for business throughout their normal business hours and the Stock Exchange is open for the transaction of business;
"Class (6) Presumption"	the class (6) presumption under the definition of "acting in concert" under the Takeovers Code
"Company"	Huicheng International Holdings Limited (stock code: 1146), a company incorporated in the Cayman Islands which has its shares listed on the main board on the Stock Exchange;
"Completion"	the completion of the Share Subscription pursuant to the terms and conditions of the Share Subscription Agreement;
"Completion Date"	the date on which the Completion takes place pursuant to the terms and conditions of the Share Subscription Agreement;
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules;
"Director"	director(s) of the Company;

"EGM"	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving, among other things, the Share Subscription Agreement (including the transactions contemplated thereunder and the Specific Mandate) and the Whitewash Waiver;
"Executive"	the Executive Director of the Corporate Finance Division of the SFC or any of his delegate(s);
"Group"	the Company and its subsidiaries;
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong;
"Hong Kong"	Hong Kong Special Administrative Region of the People's Republic of China;
"Independent Board Committee"	an independent committee of the Board comprising the independent non-executive Directors who have no direct or indirect interest in the Share Subscription and the Whitewash Waiver (namely Mr. Kwong Wilson Wai Sun, Mr. Yeung Chi Wai and Mr. Ho Ka Wang) and established pursuant to the requirements of the Listing Rules and Takeovers Code to provide recommendations to the Independent Shareholders on the Share Subscription (including the grant of the Specific Mandate) and the Whitewash Waiver;
"Independent Financial Adviser"	Rainbow Capital (HK) Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed by the Independent Board Committee to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Subscription Agreement and the transactions contemplated thereunder (including the Subscription), the grant of the Specific Mandate and the Whitewash Waiver are fair and reasonable and make recommendation as to voting;
"Independent Shareholders"	Shareholders other than (i) the Subscriber, her associates, and any parties acting in concert with her; and (ii) all other Shareholders who are interested or involved in the Share Subscription and/or the Whitewash Waiver (if any);
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange;

"Mr. Zhang Yongli"	Mr. Zhang Yongli, an executive Director, chairman and chief executive officer and a substantial shareholder of the Company, and the father of the Subscriber;
"PRC"	the People's Republic of China, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purpose of this announcement;
"RMB"	Renminbi, the lawful currency of the PRC;
"SFC"	Securities and Futures Commission of Hong Kong;
"Share(s)"	ordinary share(s) of HK$0.1 each in the share capital of the Company;
"Shareholders"	holder(s) of the Share(s);
"Share Subscription"	the subscription of the Subscription Shares by the Subscriber pursuant to the terms and conditions of the Share Subscription Agreement;
"Share Subscription Agreement"	the conditional subscription agreement dated 26 May 2026 and entered into between the Company and the Subscriber in relation to the Share Subscription;
"Specific Mandate"	the specific mandate to be sought from the Independent Shareholders at the EGM to grant the authority to the Board for the allotment and issue of the Subscription Shares;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Subscriber"	Ms. ZHANG Kailun, the daughter of Mr. ZHANG Yongli who is an executive Director, the chairman and chief executive officer of the Company and a substantial shareholder of the Company;
"Subscription Shares"	100,000,000 new Shares to be issued by the Company to the Subscriber pursuant to the Share Subscription Agreement;
"Subscription Price"	HK$0.10 per Subscription Share;
"substantial Shareholder(s)"	has the meaning ascribed thereto under the Listing Rules;
"Takeovers Code"	The Code on Takeovers and Mergers (as amended, modified and supplemented from time to time);

"Whitewash Waiver"	the whitewash waiver from the Executive pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code in respect of any obligation of the Subscriber to make a mandatory general offer for all the issued Shares and other securities of the Company (other than those already owned or agreed to be acquired by the Subscriber and parties acting in concert with her) which might otherwise arise as a result of the Subscriber subscribing for the Subscription Shares under the Share Subscription Agreement; and
"%"	per cent.

By Order of the Board
Huicheng International Holdings Limited
Zhang Yongli
Chairman

Hong Kong, 26 May 2026

As at the date of this announcement, the executive directors of the Company are Mr. Zhang Yongli, Mr. Sun David Lee and Ms. Huang Xiaoyun; the non-executive director is Mr. Wang Wei; and the independent non-executive directors are Mr. Kwong Wilson Wai Sun, Mr. Yeung Chi Wai and Mr. Ho Ka Wang.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.