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Zhong Jia Guo Xin Holdings Company Limited

中加國信控股股份有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 899)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent

PineStone 鼎石

Pinestone Securities Limited

PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 20 May 2025 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, a maximum of 262,752,672 Placing Shares at the Placing Price of HK\$0.1 per Placing Share to not less than six Placees who and whose beneficial owners shall be Independent Third Parties.

Assuming there will be no change in the number of issued Shares between the date of this announcement and the date of Completion (save for the Placing Shares), the maximum number of 262,752,672 Placing Shares represent (i) approximately 20.0% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.7% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares.

The Placing Price of HK\$0.1 represents:

- (i) a premium of approximately 7.53% to the closing price of HK\$0.093 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and
- (ii) a discount of approximately 7.41% to the average closing price per Share of approximately HK\$0.108 as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

Assuming the maximum 262,752,672 Placing Shares are fully placed, the gross proceeds and net proceeds (after deducting the placing commission and other related expenses) of the Placing are estimated to be approximately HK\$26.28 million and HK\$25.49 million, respectively. The Company intends to apply the net proceeds from the Placing as general working capital of the Group.

The Placing Shares will be allotted and issued under the General Mandate and the Placing is not subject to any Shareholders' approval.

Shareholders and potential investors of the Company should note that the Placing is subject to the fulfillment of the conditions precedent under the Placing Agreement and the Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

THE PLACING AGREEMENT

Details of the Placing Agreement are set out as follows:

Date

20 May 2025 (after trading hours)

Parties

Issuer: The Company

Placing Agent: Pinestone Securities Limited

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

The Placing Agent has conditionally agreed with the Company to place a maximum of 262,752,672 Placing Shares on a best effort basis to not less than six Placees who and whose ultimate beneficial owners will be Independent Third Parties. The Placees shall be individual, institutional or professional investors. Upon Completion, it is expected that none of the Placees will become a substantial Shareholder. If any of the Placees will become a substantial Shareholder after Completion, further announcement will be made by the Company.

Placing Shares

As at the date of this announcement, the Company has 1,313,763,360 Shares in issue. Assuming there will be no change in the number of issued Shares between the date of this announcement and the date of Completion (save for the Placing Shares), the maximum number of 262,752,672 Placing Shares represent (i) approximately 20.0% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.7% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares. The aggregate nominal value of the Placing Shares is HK\$26,275,267.2.

Placing Price

The Placing Price of HK\$0.1 represents:

- (i) a premium of approximately 7.53% to the closing price of HK\$0.093 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and
- (ii) a discount of approximately 7.41 % to the average closing price per Share of approximately HK\$0.108 as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

The Placing Price was determined with reference to the prevailing market price and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the terms of the Placing Agreement, including the Placing Price and the commission, are fair and reasonable and the Placing is in the interests of the Company and the Shareholders as a whole.

General Mandate

The Placing Shares will be allotted and issued under the General Mandate granted to the Directors at the annual general meeting of the Company held on 28 August 2024. Pursuant to the General Mandate, the total number of new Shares that the Directors are authorized to allot and issue is 262,752,672 new Shares. Up to the date of this announcement, no Shares have been issued under the General Mandate and the General Mandate is sufficient for the allotment and issue of all the Placing Shares. As such, the Placing is not subject to any Shareholders' approval. The General Mandate will be utilized as to 100% upon allotment and issue of all the Placing Shares.

Commission

The Placing Agent will be entitled to a commission of 3% of the aggregate amount of the Placing Price multiplied by the Placing Shares successfully placed by the Placing Agent in accordance with the Placing Agreement. The placing commission was negotiated on an arm's length basis between the Company and the Placing Agent based on the current market conditions.

Ranking of the Placing Shares

The Placing Shares, when issued and fully paid, will rank *pari passu* in all respects among themselves and with the existing Shares in issue on the date of allotment and issue of the Placing Shares.

Conditions and Completion of the Placing

Completion of the Placing is conditional upon:

- i. the Listing Committee agreeing to grant the listing of and permission to deal in the Placing Shares, either unconditionally or subject to conditions which are acceptable to the Company and the Placing Agent; and
- ii. no representation, warranty or undertaking under the Placing Agreement having been breached in any material respect by the Company or is otherwise rendered inaccurate, untrue or misleading in any material respect.

None of the above conditions can be waived by the Company or the Placing Agent. If any of the conditions are not fulfilled on or before 10 June 2025 or such later date as the parties of the Placing Agreement may agree in writing, the Placing Agreement shall terminate and none of the parties to the Placing Agreement shall have any claim against the other for any costs or losses.

Application for listing

The Company will apply to the Listing Committee for the listing of, and permission to deal in, the Placing Shares.

Completion

Completion shall take place on a date not later than the fourth Business Day after the fulfillment of the conditions set out above and the Company has notified the Placing Agent of the same (or such later date as may be agreed between the parties of the Placing Agreement in writing).

Termination

Notwithstanding anything contained in the Placing Agreement, if, at any time prior to 12:00 noon on the Completion Date:

- (i) there shall have been, since the date of the Placing Agreement, such a change in national or international financial, political or economic conditions or taxation or exchange controls which, in the opinion of the Placing Agent, is likely to prejudice materially the consummation of the Placing; or
- (ii) any material breach of any of the representations and warranties set out in the Placing Agreement that comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the Completion Date which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Company of any other provisions of the Placing Agreement; or
- (iii) any moratorium, suspension or material restriction on trading in shares or securities generally on the Stock Exchange due to exceptional financial circumstances or otherwise,

then and in any such case, the Placing Agent may after consultation with the Company (to the extent that the same is reasonably practicable) terminate the Placing Agreement by giving notice in writing to the Company, provided that such notice is received prior to 12:00 noon on the Completion Date. In the event the Placing Agent terminates the Placing Agreement pursuant to any of the aforesaid paragraphs (i) to (iii), all obligations of each of the parties under the Placing Agreement shall cease and determine and no party shall have any claim against the other party in respect of any matter arising out of or in connection with the Placing Agreement except for any antecedent breach of any obligation under the Placing Agreement.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Group is principally engaged in the (i) water business; (ii) property development and investment business; and (iii) mining business.

Assuming all the Placing Shares are fully placed, the gross proceeds from the Placing will be approximately HK\$26.28 million. The net proceeds, after deduction of all relevant expenses (including but not limited to placing commission, legal expenses and disbursements) incidental to the Placing, are estimated to be approximately HK\$25.49 million. On such basis, the net issue price will be approximately HK\$0.097 per Placing Share. The Company intends to apply the net proceeds from the Placing as general working capital of the Group.

The Directors consider that the Placing represents an opportunity to raise additional funding for the business 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.

The Directors (including the independent non-executive Directors) consider that the terms of the Placing Agreement (including the Placing Price and the placing commission) are on normal commercial terms following arm's length negotiations between the Company and the Placing Agent and are fair and reasonable based on the current market conditions and the Placing is in the interests of the Company and the Shareholders as a whole.

EFFECTS ON SHAREHOLDING STRUCTURE

The shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after the Completion of the Placing, assuming that there is no change in the issued share capital of the Company between the date of this announcement and the Completion (save for the Placing Shares) and that all Placing Shares are fully placed is set out as follows:

		As at the date of this announcement		Immediately after the Completion of the Placing	
Beneficial owners of the Shares					
	Notes	Number of Shares	Approx. %	Number of Shares	Approx. %
Yao Jigen	(1)	252,973,800	19.26%	252,973,800	16.05%
Li Jia Yi		233,921,000	17.81%	233,921,000	14.84%
Creation Financial Group Limited		160,420,000	12.21%	160,420,000	10.18%
Chen Huaijun		73,000,000	5.56%	73,000,000	4.63%
Public Shareholders					
–The Placees	(2)	-	-	262,752,672	16.67%
–Other public Shareholders		593,448,560	45.16%	593,448,560	37.63%
Total		1,313,763,360	100.00%	1,576,516,032	100.00%

Notes:

1. Yao Jigen personally holds 9,700,000 Shares and Full Tenda Development Limited, a company wholly and beneficially owned by Yao Jigen, holds 243,273,800 Shares. The total number of Shares beneficially owned by Yao Jigen is 252,973,800 Shares.
2. It is expected that none of the Placees will become a substantial Shareholder upon Completion.

Shareholders and potential investors of the Company should note that the Placing is subject to the fulfillment of the conditions precedent under the Placing Agreement and the Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

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

“Board”	the board of Directors
“Business Day”	a day on which banks in Hong Kong are open for general business, other than (i) a Saturday, a Sunday or a public holiday; or (ii) a day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not lowered or discontinued at or before 12:00 noon on which banks generally are open for business in Hong Kong
“Company”	Zhong Jia Guo Xin Holdings Company Limited (Stock code: 899), a company incorporated in Bermuda with limited liability and the shares of which are listed on the Stock Exchange
“Completion”	the completion of the transaction contemplated under the Placing Agreement
“Completion Date”	the date not later than the fourth Business Day after the fulfillment of the conditions precedent to the Placing and the Company having notified the Placing Agent of the same (or such later date as may be agreed by the parties of the Placing Agreement in writing)
“connected person”	has the meaning set out in the Listing Rules
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate granted by the Shareholders to the Directors at the annual general meeting of the Company held on 28 August 2024
“Group”	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 People’s Republic of China

“Independent Third Parties”	third parties who are independent of, and not connected with, the Company and its connected persons (as defined in the Listing Rules)
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	any individuals, corporate, institutional investors or other investors who are Independent Third Parties, procured by or on behalf of the Placing Agent to subscribe for any of the Placing Shares
“Placing”	the placing of the Placing Shares, on a best effort basis, procured by the Placing Agent to the Placees, on and subject to the terms and conditions set out in the Placing Agreement
“Placing Agent”	Pinestone Securities Limited (鼎石證券有限公司), a licensed corporation to carry on business in type 1 (dealing in securities) regulated activity under the SFO
“Placing Agreement”	the conditional placing agreement dated 20 May 2025 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	the placing price of HK\$0.1 per Placing Share
“Placing Share(s)”	a maximum of up to 262,752,672 new Shares to be placed pursuant to the Placing Agreement
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holders(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“substantial Shareholder(s)” has the meaning set out in the Listing Rules

“%” per cent.

By order of the Board
Zhong Jia Guo Xin Holdings Company Limited
Ouyang Yanling
Chairman

Hong Kong, 20 May 2025

As at the date of this announcement, the Board consists of five executive directors, Ms. Ouyang Yanling, Mr. Li Yuguo, Mr. Liu Yan Chee James, Mr. Li Xiaoming and Mr. Chan Wai Fung; three non-executive directors, Mr. Chen Dong Yao, Mr. Yang Xiaoqiang and Mr. Huang Yilin; and four independent non-executive directors, Mr. Ba Junyu, Dr. Liang Jinxiang, Mr. Wong Sung and Mr. Xu Xingge.