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CHINA FINANCIAL LEASING GROUP LIMITED

中國金融租賃集團有限公司 *

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2312)

RESULTS OF THE RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY ONE (1) SHARE HELD ON THE RECORD DATE

Reference is made to the prospectus of China Financial Leasing Group Limited (the “**Company**”) dated 24 January 2024 (the “**Prospectus**”) in relation to, among others, the Rights Issue. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Prospectus.

RESULTS OF THE RIGHTS ISSUE

The Board is pleased to announce that, as all conditions set out in the Underwriting Agreement have been fulfilled and the Underwriter did not terminate the Underwriting Agreement prior to the Latest Time for Termination, the Rights Issue became unconditional at 4:30 p.m. on Friday, 9 February 2024.

As at 4:00 p.m. on Wednesday, 7 February 2024, being the latest time for acceptance of and payment for the Rights Shares and application and payment for the excess Rights Shares,

- (i) a total of 10 valid acceptances of provisional allotments under the PALs had been received for a total of 134,765,054 Rights Shares, representing approximately 77.7% of the total number of 173,448,741 Rights Shares available for subscription under the Rights Issue; and
- (ii) a total of 4 valid applications for excess Rights Shares under the EAFs had been received for a total of 93,786,535 excess Rights Shares, representing approximately 54.1% of the total number of 173,448,741 Rights Shares available for subscription under the Rights Issue.

* For identification purpose only

In aggregate, 14 valid acceptances and applications in respect of a total of 228,551,589 Rights Shares under the PALs and the EAFs, representing approximately 131.8% of the total number of 173,448,741 Rights Shares available for subscription under the Rights Issue, had been received.

Based on the above results, the Rights Issue was over-subscribed by 55,102,848 Rights Shares, representing approximately 31.8% of the total number of 173,448,741 Rights Shares available for subscription under the Rights Issue.

EXCESS RIGHTS SHARES

Given the valid acceptance of provisional allotments under the PALs mentioned above, 38,683,687 Rights Shares, representing approximately 22.3% of the total number of 173,448,741 Rights Shares were available for subscription under the EAFs. Such number of the excess Rights Shares was insufficient to satisfy all valid applications for a total number of 93,786,535 excess Rights Shares under the EAFs.

The allocation of the excess Rights Shares was made pursuant to the principles set out in the section headed “Letter from the Board – Rights Issue – Application for the excess Rights Shares” in the Prospectus. Given that the number of the excess Rights Shares available for subscription under the EAFs only represented approximately 41.2% of a total of 93,786,535 excess Rights Shares validly applied for, the allocation of the 38,683,687 Rights Shares to the Qualifying Shareholders who applied for the excess Rights Shares was made on a fair and equitable basis, and as far as practicable on a pro-rata basis of approximately 41.2466% and 41.2465% by reference to the number of the excess Rights Shares applied for under each application. Reference was only made to the number of the excess Rights Shares being applied for but no reference was made to the Rights Shares subscribed through applications by PALs or the existing number of Shares held by the Qualifying Shareholders. In addition, no preference was given to topping up odd-lots to whole board lots.

Allotment results in respect of the excess Rights Shares are set out as follows:

Number of excess Rights Shares applied for	Number of valid excess applications	Total number of excess Rights Shares applied for	Basis of allotment	Total number of Rights Shares allotted	Approximate percentage of allocation based on the total number of excess Rights Shares applied for in this category
1 to 4,800,000	3	4,819,764	Approximately 41.2466% of the excess Rights Shares applied for (Round up to the nearest Share)	1,987,987	41.2466%
88,966,771	1	88,966,771	Approximately 41.2465% of the excess Rights Shares applied for	36,695,700	41.2465%
	<u>4</u>	<u>93,786,535</u>		<u>38,683,687</u>	

THE UNDERWRITING AGREEMENT

As a result of the over-subscription of the Rights Shares taking into account of the valid applications for the excess Rights Shares, the Underwriter's obligations under the Underwriting Agreement in respect of the Underwritten Shares have been fully discharged.

INTENDED USE OF PROCEEDS FROM THE RIGHTS ISSUE

The gross proceeds raised from the Rights Issue are approximately HK\$20.8 million and the net proceeds from the Rights Issue after expenses are approximately HK\$19.4 million. The Company intends to apply the net proceeds in the manner disclosed in the section headed "Letter from the Board – REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS" in the Prospectus.

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, set out below is the shareholding structure of the Company immediately before and after completion of the Rights Issue:

Shareholders	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
	<i>No. of Shares</i>	<i>Approx. %</i>	<i>No. of Shares</i> <i>(Note 2)</i>	<i>Approx. %</i>
Mr. Lam Shu Chung <i>(Note 1)</i>	46,203,360	26.6	95,706,440	27.6
Other public Shareholders	<u>127,245,381</u>	<u>73.4</u>	<u>251,191,042</u>	<u>72.4</u>
Total	<u>173,448,741</u>	<u>100.0</u>	<u>346,897,482</u>	<u>100.0</u>

Notes:

1. Mr. Lam has taken up 46,203,360 Rights Shares provisionally allotted to him pursuant to the Irrevocable Undertaking. Mr. Lam has also applied for excess Rights Shares. Based on the number of excess Rights Shares applied by Mr. Lam and the allocation ratio of Rights Shares under valid application of excess Rights Shares submitted, approximately 3,299,720 excess Rights Shares are expected to be allocated to Mr. Lam.
2. The number of Shares shown is based on the allocation ratio of Rights Shares under valid application of excess Rights Shares submitted. The final allotment may be slightly different due to the allocation of Rights Shares registered in the name of HKSCC Nominees Limited amongst CCASS Participants that have validly applied for excess Rights Shares.

DESPATCH OF SHARE CERTIFICATES FOR FULLY-PAID RIGHTS SHARES AND REFUND CHEQUES

It is expected that share certificates in respect of the fully-paid Rights Shares and the refund cheque (if any) in respect of wholly or partially unsuccessful applications for the excess Rights Shares (without interest) will be despatched to those entitled thereto by ordinary post to their respective registered address at their own risk by the Registrar on or before Monday, 19 February 2024.

ARRANGEMENT ON ODD LOT TRADING

Upon completion of the Rights Issue, the board lots of the Company will remain as 10,000 Shares. In order to facilitate the trading of odd lots of Shares which will arise upon the Rights Issue, the Company has appointed Lego Securities Limited to stand in the market and provide matching services on a best effort basis for the holders of odd lots of Shares during the period from 9:00 a.m. on Tuesday, 20 February 2024 to 4:00 p.m. on Monday, 11 March 2024 (both days inclusive).

Shareholders who wish to take advantage of this facility either to dispose of their odd lots of the Shares or to top up their odd lots to a full board lot may directly or through their brokers contact Mr. Kelvin Li of Lego Securities Limited at Room 301, 3/F, China Building, 29 Queen's Road Central, Hong Kong (telephone: (852) 2128 9433) during office hours (i.e., from 9:00 a.m. to 6:00 p.m.) within such period.

Shareholders should note that the matching services mentioned above are on a best effort basis only and successful matching of the sale and purchase of odd lots of Shares is not guaranteed and will depend on there being adequate amount of odd lots of Shares available for matching. Shareholders are advised to consult their financial advisers if they are in doubt about the above arrangements.

COMMENCEMENT OF DEALINGS IN THE FULLY-PAID RIGHTS SHARES

Dealings in the fully-paid Rights Shares are expected to commence on the Stock Exchange at 9:00 a.m. on Tuesday, 20 February 2024.

By order of the Board
CHINA FINANCIAL LEASING GROUP LIMITED
Lui Cheuk Hang Henri
Executive Director

Hong Kong, 16 February 2024

As at the date of this announcement, the Board comprises Mr. Lui Cheuk Hang Henri and Mr. Chiu Tak Wai as executive Directors, Mr. Hui Yat On, Mr. Chan Pak Lam, Tom and Dr. Lau Kin Shing, Charles as independent non-executive Directors.