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ZHI SHENG GROUP HOLDINGS LIMITED

智昇集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8370)

(1) CONVERSION OF 2024 CONVERTIBLE BONDS; AND (2) CHANGE IN USE OF PROCEEDS FROM THE SUBSCRIPTIONS

References are made to the announcement of Zhi Sheng Group Holdings Limited (the “**Company**”) dated 26 February 2024 in relation to, among other things, the issue of the 2024 Convertible Bonds under specific mandate, and the announcements dated 21 October 2024 and 20 December 2024 and circular dated 26 November 2024 (the “**Circular**”) of the Company in relation to, among other things, the completion of the Subscriptions of which the net proceeds will be applied for the repayment of the 2024 Convertible Bonds. Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in those announcements and circular.

CONVERSION OF 2024 CONVERTIBLE BONDS

On 14 February 2025, the Company received a conversion notice from Billion Eggs Limited, being one of the bondholders of the 2024 Convertible Bonds in the principal amount of HK\$9.92 million, exercising its rights to convert the 2024 Convertible Bonds at the conversion price of HK\$0.683 per conversion share (the “**Conversion**”). 14,524,158 conversion shares, representing approximately 10.42% of the total number of issued Shares immediately before the Conversion and approximately 9.44% of the total number of issued Shares enlarged by the Shares issued under the Conversion, will be allotted and issued to Billion Eggs Limited. The conversion shares shall rank *pari passu* with, and carry the same rights in all aspects (including the rights to dividends) as, the other Shares in issue as at the date of the allotment and among themselves in all respects.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) immediately before the Conversion; and (ii) immediately after the Conversion are set out as follows:

	Immediately before the Conversion		Immediately after the Conversion	
	<i>Shares</i>	<i>%</i>	<i>Shares</i>	<i>%</i>
Lightning Cloud Ltd. (<i>Note 1</i>)	33,000,000	23.68	33,000,000	21.44
Sun Universal Limited (<i>Note 2</i>)	26,330,040	18.89	26,330,040	17.11
Brilliant Talent Global Limited (<i>Note 3</i>)	8,040,000	5.77	8,040,000	5.22
Billion Eggs Limited (<i>Note 4</i>)	–	–	14,524,158	9.44
Other public Shareholders	71,994,331	51.66	71,994,331	46.79
Total	<u>139,364,371</u>	<u>100.00</u>	<u>153,888,529</u>	<u>100.00</u>

Notes:

1. The entire issued share capital of Lightning Cloud Ltd. is owned by Mr. Lai Ningning, an executive Director and chief executive officer of the Company. Mr. Lai Ningning is deemed to be interested in the Shares held by Lightning Cloud Ltd. for the purpose of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).
2. The entire issued share capital of Sun Universal Limited is owned by Mr. Ma Gary Ming Fai, an executive Director. Mr. Ma Gary Ming Fai is deemed to be interested in the Shares held by Sun Universal Limited for the purpose of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).
3. The entire issued share capital of Brilliant Talent Global Limited is owned by Ms. Zhang Gui Hong who is the spouse of Mr. Yi Cong, an executive Director.
4. Billion Eggs Limited, a company incorporated in the British Virgin Islands with limited liability and wholly-owned by Ms. Grace Wahyuni Sardjono. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, Billion Eggs Limited and its ultimate beneficial owner and associates are Independent Third Parties.
5. Certain percentage figures in the above table are subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

CHANGE IN USE OF PROCEEDS FROM THE SUBSCRIPTIONS

As disclosed in the Circular, the net proceeds from the Subscriptions, after deduction of relevant legal and advisory costs, will amount to approximately HK\$12.9 million, of which HK\$12.4 million will be used to repay the 2024 Convertible Bonds (the use of HK\$2.48 million of this HK\$12.4 million has been changed to general working capital of the Group due to conversion of the 2024 Convertible Bonds by another bondholder as announced by the Company on 20 December 2024). In view of the Conversion, the Company will change the use of the net proceeds of HK\$9.92 million from the Subscriptions from the repayment of 2024 Convertible Bonds to general working capital of the Group. The Board considers that such change of use of the net proceeds allows the Company to deploy its financial resources more flexibly and effectively and aligns with the current business needs of the Group. The Board believes that the change in use of proceeds will not have any material adverse effect on the existing business and operation of the Group and is in the interests of the Company and the Shareholders as a whole.

By order of the Board
Zhi Sheng Group Holdings Limited
LAI Ningning
Chief Executive Officer and Executive Director

Hong Kong, 17 February 2025

As at the date of this announcement, the Board comprises Mr. Lai Ningning, Mr. Yi Cong, Mr. Liang Xing Jun and Mr. Ma Gary Ming Fai as executive Directors; Mr. Luo Guoqiang as non-executive Director; and Mr. Chan Wing Kit, Ms. Chan Pui Shan and Mr. Lin Xiaodong as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page of the Stock Exchange’s website at www.hkexnews.hk for at least 7 days from the date of its posting and on the Company’s website at www.qtbogg.com.