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Ye Xing Group Holdings Limited
燁星集團控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1941)

**PARTIAL EXERCISE OF THE OVER-ALLOTMENT OPTION,
STABILISING ACTIONS, END OF STABILISATION PERIOD AND
LAPSE OF OVER-ALLOTMENT OPTION**

PARTIAL EXERCISE OF THE OVER-ALLOTMENT OPTION

The Company announces that the Over-allotment Option described in the Prospectus and the allotment results announcement dated 12 March 2020 was partially exercised by the Stabilising Manager, on behalf of the Placing Underwriters, on 3 April 2020, in respect of an aggregate of 5,310,000 Shares representing approximately 5.31% of the total number of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option to facilitate the return to Ascendor Futur Holdings Limited of part of the borrowed Shares under the Stock Borrowing Agreement which were used to cover the over-allocations in the Placing.

The Over-allotment Shares will be allotted and issued by the Company at HK\$1.56 per Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, and Stock Exchange trading fee of 0.005%), being the Offer Price per Offer Share under the Global Offering.

Approval of Listing

Approval for the listing of and permission to deal in the Over-allotment Shares has already been granted by the Listing Committee. Listing of, and dealings in, such Over-allotment Shares are expected to commence on the Main Board of the Stock Exchange at 9:00 a.m. on 6 April 2020.

Share capital upon the completion of the partial exercise of Over-allotment Option

The shareholding structure of the Company immediately before and immediately after the completion of the partial exercise of the Over-allotment Option is as follows:

	Immediately before the completion of the partial exercise of the Over-allotment Option		Immediately after the completion of the partial exercise of the Over-allotment Option	
	<i>Number of issued Shares</i>	<i>Approximate % of issued share capital</i>	<i>Number of issued Shares</i>	<i>Approximate % of issued share capital</i>
Shareholders				
<i>Controlling Shareholders</i> (including Mr. Zhao Weihao, Ms. Wu Hong, Mr. Zhao Bin, Will Full Holdings Limited and Ascendor Futur Holdings Limited)	237,780,000 ⁽¹⁾	59.45%	237,780,000	58.67%
<i>Pre-IPO Investor</i> (including Winz Strategy Company Limited and Ms. Li Yin Ping)	62,220,000	15.55%	62,220,000	15.35%
Public Shareholders				
<i>Cornerstone Investor</i> (including Successful Lotus Limited and Dr. Peter Lee Ka-kit)	13,460,000	3.37%	13,460,000	3.32%
<i>Other Public Shareholders</i>	86,540,000	21.63%	91,850,000	22.66%
Total	<u>400,000,000</u>	<u>100%</u>	<u>405,310,000</u>	<u>100%</u>

Note:

- (1) Inclusive of the 15,000,000 Shares borrowed by Huatai Financial Holdings (Hong Kong) Limited under the Stock Borrowing Agreement

Use of proceeds

The additional net proceeds of approximately HK\$8.06 million to be received by the Company from the allotment and issue of the Over-allotment Shares after deducting the underwriting fees and commissions and other estimated expenses (if any) in connection with the exercise of the Over-allotment Option, will be used by the Company for the purposes as set out in “Future plans and use of proceeds — Use of proceeds” in the Prospectus.

STABILISING ACTIONS AND END OF STABILISATION PERIOD

The Company announces that the stabilisation period in connection with the Global Offering ended on Sunday, 5 April 2020, being the 30th day after the last day for the lodging of applications under the Public Offer.

The stabilising actions undertaken by Huatai Financial Holdings (Hong Kong) Limited as the Stabilising Manager, its affiliates or any person acting for it during the stabilisation period are set out below:

- (i) over-allocations of an aggregate of 15,000,000 Offer Shares in the Placing, representing approximately 15% of the total number of Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option;
- (ii) borrowing of an aggregate of 15,000,000 Shares from Ascendor Futur Holdings Limited pursuant to the Stock Borrowing Agreement to cover the over-allocations in the Placing. Such borrowed shares will be returned and redelivered to Ascendor Futur Holdings Limited in accordance with the terms of Stock Borrowing Agreement;
- (iii) purchases of an aggregate of 9,690,000 Shares in the price range of HK\$1.20 to HK\$1.55 per Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) on the market during the stabilisation period. The last purchase made by the Stabilising Manager on the market during the stabilisation period was on 31 March 2020 at the price of HK\$1.20 per Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%); and
- (iv) the partial exercise of the Over-allotment Option by the Stabilising Manager, on behalf of the Placing Underwriters, on 3 April 2020 in respect of an aggregate of 5,310,000 Shares, representing approximately 5.31% of the total number of Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option, at the Offer Price of HK\$1.56 per Offer Share (excluding brokerage fee of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) to facilitate the return to Ascendor Futur Holdings Limited of part of the borrowed Shares under the Stock Borrowing Agreement which were used to cover the over-allocations in the Placing.

LAPSE OF OVER-ALLOTMENT OPTION

The part of the Over-allotment Option that has not been exercised by the Stabilising Manager, on behalf of the Placing Underwriters, lapsed on Sunday, 5 April 2020, being the 30th day after the last day for the lodging of applications under the Public Offer.

PUBLIC FLOAT

The Directors confirm that, immediately after the end of the stabilisation period, the number of issued shares in the hands of the public will satisfy the minimum percentage as prescribed in Rule 8.08(1) of the Listing Rules and the Company will continue to comply with the public float requirement.

By order of the Board
Ye Xing Group Holdings Limited
Wu Guoqing
Chairman

Hong Kong, 5 April 2020

As at the date of this announcement, the Board comprises Mr. Zhao Weihao, Ms. Wu Guoqing and Ms. Li Yin Ping as executive directors; and Mr. Chan Cheong Tat, Mr. Cheung Wai Hung and Ms. Chen Weijie as independent non-executive directors.