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**Huazhang Technology Holding Limited**

**華章科技控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1673)

**COMPLETION OF PLACING OF NEW SHARES  
AND SUBSCRIPTION OF NEW SHARES  
UNDER GENERAL MANDATE**

**Joint Placing Agents**



**Guotai Junan Securities (Hong Kong) Limited**



**Great Roc Capital Securities Limited**

Reference is made to the announcement of Huazhang Technology Holding Limited (the “**Company**”) dated 22 December 2017 (the “**Announcement**”) in relation to the Placing and Subscription. Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

**COMPLETION OF THE PLACING AND THE SUBSCRIPTION**

The Board is pleased to announce that all the conditions of the Placing have been fulfilled and the Placing Completion took place on 11 January 2018. A total of 13,882,000 Placing Shares have been successfully placed by the Joint Placing Agents to two Placees, namely Placee A and Placee B, at the Placing Price of HK\$3.6 per Placing Share pursuant to the terms and conditions of the Placing Agreement. To the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, each of Placee A and Placee B is Independent Third Party.

The Board further announce that all conditions of the Subscription Agreement have been fulfilled and the Subscription Completion took place on 11 January 2018 in accordance with the terms and conditions of the Subscription Agreement. A total of 18,056,000 Subscription Shares have been allotted to the Subscriber at the Subscription Price of HK\$3.6 per Subscription Share pursuant to the terms and conditions of the Subscription Agreement. To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Subscriber and its ultimate beneficial owner are Independent Third Parties.

The gross proceeds and net proceeds from the Placing are approximately HK\$50.0 million and approximately HK\$48.6 million respectively while the gross proceeds and net proceeds from the Subscription are approximately HK\$65.0 million and approximately HK\$65.0 million respectively. The total net proceeds of approximately HK\$113.6 million from the Placing and the Subscription are intended to be used: (i) approximately 10.0% for general working capital; (ii) approximately 50.0% for the repayment of debts including that arising from the acquisition of the entire share capital in Fu An 777 Logistics Limited as disclosed in the announcement of the Company dated 15 November 2017; and (iii) approximately 40.0% for potential acquisitions of the Group including but not limited to those disclosed in the announcements of the Company dated on 31 May 2017 and 2 October 2017.

None of the Placees or the Subscriber has become a substantial Shareholder (as defined under the Listing Rules) as a result of the Placing or the Subscription.

## EFFECTS ON SHAREHOLDING STRUCTURE

The 13,882,000 Placing Shares represent (i) approximately 2.01% of the issued share capital of the Company immediately before the Placing Completion; and (ii) approximately 1.92% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares and the Placing Shares.

The 18,056,000 Subscription Shares represent (i) approximately 2.61% of the existing issued share capital of the Company immediately before the Subscription Completion; and (ii) approximately 2.50% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares and the Subscription Shares.

Set out below is the shareholding structure of the Company immediately before and upon the Placing Completion and the Subscription Completion:

Shareholders	Immediately before the Placing Completion and the Subscription Completion		Immediately upon the Placing Completion and the Subscription Completion	
	Number of Shares	Approx. %	Number of Shares	Approx. %
Florescent ( <i>note 1</i> )	411,854,000	59.63	411,854,000	56.99
Placee A	-	-	5,550,000	0.77
Placee B	-	-	8,332,000	1.15
The Subscriber	-	-	18,056,000	2.50
Other existing Shareholders	278,829,681	40.37	278,829,681	38.59
<b>Total issued share capital</b>	<b>690,683,681</b>	<b>100.00</b>	<b>722,621,681</b>	<b>100.00</b>

Notes:

1. Florescent is owned as to 77.90% by Lian Shun Limited, which in turn is owned as to 61.31% by Mr. Zhu Gen Rong, the chairman and executive director of the Company.

For and on behalf of the Board  
**HUAZHANG TECHNOLOGY HOLDING LIMITED**  
**Zhu Gen Rong**  
*Chairman*

Hong Kong, 11 January 2018

*As at the date of this announcement, the executive Directors are Mr. Zhu Gen Rong, Mr. Wang Ai Yan, Mr. Jin Hao and Mr. Zhong Xin Gang, and the independent non-executive Directors are Ms. Chen Jin Mei, Mr. Dai Tian Zhu and Mr. Kong Chi Mo.*

*In the event of any inconsistency between the English and Chinese versions of this announcement, the English version of this announcement shall prevail over the Chinese version.*