C CHENG HOLDINGS LIMITED
思城控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1486)

INSIDE INFORMATION IN RELATION TO PROPOSED RESTRUCTURING, PROPOSED SHARE CAPITAL REDUCTION AND PROPOSED DEEMED ACQUISITION

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance.

PROPOSED RESTRUCTURING, PROPOSED SHARE CAPITAL REDUCTION AND PROPOSED DEEMED ACQUISITION

Reference is made to the announcement of the Company dated 15 November 2023.

Immediately upon the completion of the Subscription, save for Gain Sky, each of the shareholders of Element Investment, i.e. C Cheng Project Management, Mettle, Ms. Wang and Innovax, had fully paid up its/her relevant shares subscribed pursuant to the 2023 Shareholders' Agreement. Up to and including the date hereof, Gain Sky has not paid any consideration in respect of the shares it subscribed under the 2023 Shareholders' Agreement, nor for the shares it already legally and beneficially held prior to the Subscription. Accordingly, as at the date hereof, all the 22,200,000 shares (representing approximately 40.36% of the issued share capital of Element Investment) held by Gain Sky remain as unpaid or not paid up or regarded as unpaid or not paid up.

The Board announces that it has recently received news that the shareholders of Element Investment have conducted preliminary negotiations and reached a preliminary consensus on a proposed restructuring (the "**Proposed Restructuring**") that, Gain Sky will procure another investor(s) to inject the funds directly into the PRC subsidiary of Element Investment. This injection will replace the approximately RMB22.2 million consideration that Gain Sky was originally required to pay to Element Investment for the shares subscribed under the 2023 Shareholders' Agreement. Subsequently, the 22,200,000 unpaid shares (representing approximately 40.36% of the issued share capital of Element Investment) held by Gain Sky shall then be extinguished or reduced (the "**Proposed Share Capital Reduction**").

Immediately after the Proposed Restructuring and the Proposed Share Capital Reduction become effective, Element Investment will become a non-wholly-owned subsidiary (as defined under the Listing Rules) of the Company, and the financial results of Element Investment will be consolidated into the consolidated financial statements of the Company. Therefore, it gives rise to a deemed acquisition on the part of the Company (the "**Proposed Deemed Acquisition**"). Furthermore, following the injection of funds, the PRC subsidiary of Element Investment into which the funds will be injected will cease to be a subsidiary thereof and will instead be recognised as an investment in an associate in the Company's consolidated financial statements.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratio(s) (as defined under Rule 14.07 of the Listing Rules) in respect of the Proposed Deemed Acquisition exceeds 5% but all are less than 25%, the Proposed Deemed Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements but is exempt from circular and Shareholders' approval requirements under the Listing Rules. Accordingly, the Company will make further announcement in accordance with the applicable Listing Rules as and when appropriate.

The Proposed Restructuring, the Proposed Share Capital Reduction and the Proposed Deemed Acquisition are subject to, among others, further negotiations between the parties and the signing of the definitive agreement(s). As at the date of this announcement, the terms and conditions of the definitive agreement(s) are yet to be finalised or agreed. As such, the Proposed Restructuring, the Proposed Share Capital Reduction and the Proposed Deemed Acquisition may or may not proceed. The Proposed Restructuring, the Proposed Share Capital Reduction and the Proposed Deemed Acquisition, if materialise, may constitute a notifiable transaction for the Company under the Listing Rules.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. The Company will make further announcement in respect of the Proposed Restructuring, the Proposed Share Capital Reduction and the Proposed Deemed Acquisition as and when appropriate in accordance with the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

"2023 Shareholders' Agreement"	the shareholders' agreement dated 15 November 2023 entered into between C Cheng Project Management, Mettle, Gain Sky, Ms. Wang, Innovax and Element Investment
"Board"	the board of Directors
"C Cheng Project Management"	C Cheng Project Management Limited (思城項目管理有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
"Company"	C Cheng Holdings Limited (思城控股有限公司), a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 1486)
"Director(s)"	the director(s) of the Company
"Element Investment"	Element Investment (Hong Kong) Limited (元素投資(香港)有限公司), a company incorporated in Hong Kong with limited liability
"Gain Sky"	Gain Sky Resources Limited (得天資源有限公司), a company incorporated in Hong Kong with limited liability
"Hong Kong"	Hong Kong Special Administrative Region of the PRC
"Innovax"	Innovax Management Limited, a company incorporated in the British Virgin Islands with limited liability

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Mettle"	Mettle Capital Limited (邁達投資管理有限公司), a company incorporated in Hong Kong with limited liability and a non-wholly-owned subsidiary of the Company
"Ms. Wang"	Ms. Wang Xiao Mao (王曉毛)
"PRC"	the People's Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary shares(s) of the Company
"Shareholder(s)"	holder(s) of the Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription"	The subscription of a total of 54,990,000 shares of Element Investment by C Cheng Project Management, Mettle, Gain Sky, Ms. Wang and Innovax in accordance with the terms and conditions of the 2023 Shareholders' Agreement
"%"	per cent

By order of the Board
C CHENG HOLDINGS LIMITED
Liang Ronald
Chairman and Executive Director

Hong Kong, 19 December 2025

As at the date of this announcement, the executive Directors are Mr. Liang Ronald, Mr. Liu Jiang Tao, Mr. Fu Chin Shing, Mr. Wang Jun You, Mr. Deng Li Ming and Mr. Lei Zhi Jun, and the independent non-executive Directors are Mr. Chan James, Ms. Su Ling and Mr. Wan Sze Chung.