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中升集團控股有限公司
Zhongsheng Group Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 881)

VOLUNTARY ANNOUNCEMENT
POTENTIAL REORGANISATION OF B&L MOTOR

This announcement is made by Zhongsheng Group Holdings Limited (the “**Company**”) on a voluntary basis.

Famous Great International Limited (“**Famous Great International**”), an indirect wholly-owned subsidiary of the Company, is currently under discussion with Teal Orchid Investment Limited (“**Teal Orchid**”) and Mr. Patrick Hsiao-Po, Chou (周小波) (“**Mr. Chou**”), the ultimate controlling shareholder of Teal Orchid, in relation to the reorganisation (the “**Reorganisation**”) of B&L Motor Holding Co., Ltd. (“**B&L Motor**”). The Reorganisation, should it materialise, will involve (i) a transfer of 100% equity interest in certain companies by B&L Motor and Mr. Chou to Famous Great International or any designated wholly-owned subsidiaries of Famous Great International (the “**Transferred-in Transaction**”) and (ii) a transfer of 50% equity interest in B&L Motor by Famous Great International to Teal Orchid, which will result in a transfer of 50% equity interest in the remaining companies under B&L Motor from Famous Great International to Teal Orchid (the “**Transferred-out Transaction**”). The Transferred-in Transaction and the Transferred-out Transaction are inter-conditional and each forms a part of the Reorganisation.

As at the date of this announcement, Famous Great International, Teal Orchid and Mr. Chou have generally agreed on the Reorganisation arrangement but no definitive agreement has been entered into among the parties. The board of directors of the Company has approved the Reorganisation arrangement and authorised one executive director of the Company to negotiate on and execute relevant reorganisation agreements. The Company expects that the definitive agreements in relation to the Reorganisation will be entered into among the parties recently.

As at the date of the announcement, each of the Company and Teal Orchid held 50% equity interest in B&L Motor and Mr. Chou is the ultimate controlling shareholder of Teal Orchid. As B&L Motor has been treated as a subsidiary of the Company, both Teal Orchid and Mr. Chou constitute our connect persons under Chapter 14A of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) by virtue of being substantial shareholders of our subsidiary. Thus, if the Reorganisation shall materialise, the Transferred-in Transaction and Transferred-out Transaction under the Reorganisation will constitute connected transactions of the Company under Chapter 14A of the Listing Rules. The Transferred-out Transaction, should it materialise, may also constitute a discloseable transaction under the Listing Rules. The Company will make further announcement in accordance with requirements of the Listing Rules if and when the definitive agreements are entered into.

Depending on the negotiation between the Company and Teal Orchid and Mr. Chou, the Reorganisation may or may not materialise. Shareholders of the Company and potential investors are therefore advised that they should exercise caution when dealing with the Company’s shares.

By order of the Board
Zhongsheng Group Holdings Limited
Huang Yi
Chairman

Hong Kong, 31 March 2016

As at the date of this announcement, the executive directors of the Company are Mr. Huang Yi, Mr. Li Guoqiang, Mr. Du Qingshan, Mr. Yu Guangming, Mr. Si Wei and Mr. Zhang Zhicheng; the non-executive director of the Company is Mr. Adam Keswick; and the independent non-executive directors of the Company are Mr. Ng Yuk Keung, Mr. Shen Jinjun, Mr. Lin Yong and Mr. Shoichi Ota.