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中煙國際(香港)有限公司
China Tobacco International (HK) Company Limited
(incorporated in Hong Kong with limited liability)
(Stock Code: 6055)

**FULL EXERCISE OF THE OVER-ALLOTMENT OPTION,
STABILIZING ACTIONS AND END OF STABILIZATION PERIOD**

FULL EXERCISE OF THE OVER-ALLOTMENT OPTION

The Company announces that, on 30 June 2019, the Over-allotment Option described in the Prospectus was fully exercised by the Joint Global Coordinators, on behalf of the International Underwriters, in respect of an aggregate of 25,000,000 Shares (the “**Over-allotment Shares**”), representing approximately 15% of the number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option), to facilitate the return of 25,000,000 borrowed Shares to Tianli which were used to cover over-allocations of Shares in the International Offering. The Over-allotment Shares will be issued and allotted by the Company at HK\$4.88 per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%), being the Offer Price under the Global Offering.

STABILIZING ACTIONS AND END OF STABILIZATION PERIOD

The Company further announces that the stabilization period in connection with the Global Offering ended on 30 June 2019, being the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering. Further information of stabilizing actions undertaken by China International Capital Corporation Hong Kong Securities Limited (“CICC”) as the Stabilizing Manager, its affiliates or any person acting for it, during the stabilization period is set out in this announcement.

FULL EXERCISE OF THE OVER-ALLOTMENT OPTION

The Company announces that, on 30 June 2019, the Over-allotment Option described in the Prospectus was fully exercised by the Joint Global Coordinators, on behalf of the International Underwriters, in respect of an aggregate of 25,000,000 Shares, representing approximately 15% of the number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option), to facilitate the return of 25,000,000 borrowed Shares to Tianli which were used to cover over-allocations of Shares in the International Offering.

The Over-allotment Shares will be issued and allotted by the Company at HK\$4.88 per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%), being the Offer Price under the Global Offering.

Approval for the listing of and permission to deal in the Over-allotment Shares has already been granted by the Listing Committee of the Stock Exchange. 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 4 July 2019.

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

	Immediately before the full exercise of the Over-allotment Option		Immediately after the full exercise of the Over-allotment Option	
	Number of Shares	Approximate percentage of the Company's issued share capital (%)	Number of Shares	Approximate percentage of the Company's issued share capital (%)
Tianli	500,010,000*	75%	500,010,000*	72.3%
Public shareholders	166,670,000	25%	191,670,000	27.7%
TOTAL	666,680,000	100%	691,680,000	100%

* Inclusive of the borrowed Shares to be returned to Tianli by the Stabilizing Manager.

The additional net proceeds of approximately HK\$118.95 million to be received by the Company from the issue and allotment of the Over-allotment Shares after deducting the underwriting fees and commission and other expenses in relation to the exercise of the Over-allotment Option, will be used by the Company for the purposes as set out in the section headed “*Future Plans and Use of Proceeds – Use of Proceeds*” in the Prospectus.

STABILIZING ACTIONS AND END OF STABILIZATION PERIOD

The Company further announces that the stabilization period in connection with the Global Offering ended on 30 June 2019, being the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering. The stabilizing actions undertaken by CICC as the Stabilizing Manager, its affiliates or any person acting for it, during the stabilization period were:

- (1) over-allocations of an aggregate of 25,000,000 Shares in the International Offering, representing approximately 15% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option);
- (2) the borrowing of an aggregate of 25,000,000 Shares by CICC from Tianli pursuant to the Stock Borrowing Agreement to cover the over-allocations in the International Offering. Such Shares will be returned and redelivered to Tianli in accordance with the terms of the Stock Borrowing Agreement; and
- (3) the full exercise of the Over-allotment Option by the Joint Global Coordinators, on behalf of the International Underwriters, on 30 June 2019 in respect of an aggregate of 25,000,000 Shares, representing approximately 15% 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 per Share, to facilitate the return to Tianli of all of the borrowed Shares which were used to cover the over-allocations in the International Offering.

There had been no purchase or sale of any Shares on the market for the purpose of price stabilization by the Stabilizing Manager during the stabilization period.

Immediately after the completion of the Global Offering and after the full exercise of the Over-allotment Option, the Company will continue to comply with the public float requirements under Rule 8.08(1) of the Listing Rules.

By order of the Board
China Tobacco International (HK) Company Limited
Shao Yan
Chairman

Hong Kong, 1 July 2019

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Shao Yan, as Chairman and non-executive Director, Mr. Zhang Hongshi, Ms. Yang Xuemei and Mr. Wang Chengrui as executive Directors, and Mr. Chow Siu Lui, Mr. Wang Xinhua, Mr. Chau Kwok Keung and Mr. Qian Yi as independent non-executive Directors.