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新華聯合投資有限公司

CHINA UNITED VENTURE INVESTMENT LIMITED

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 8159)

NON-COMPLIANCE WITH THE GEM LISTING RULES IN RELATION TO PAST NOTIFIABLE TRANSACTIONS AND PAST CONNECTED TRANSACTIONS

Reference is made to the announcement of China United Venture Investment Limited (the “**Company**”) dated 2 April 2024 (the “**Investigation Announcement**”) in relation to the key findings of the Investigation and the Internal Control Review. Unless otherwise defined or the context requires otherwise, capitalised terms used in this announcement shall have the same meanings as those defined in the Investigation Announcement.

As disclosed in the Investigation Announcement, during the period from 2022 to 2024, the Group had entered into certain transactions which constituted notifiable or connected transactions under Chapter 19 and Chapter 20 the GEM Listing Rules.

THE DEBT ASSIGNMENT AGREEMENT

On 20 June 2022, the Debt Assignment Agreement was entered into between PT Design, Company A and CGEM, under which the rights of PT Design in respect of a RMB5 million debt due from Company A under the Company A Loan Agreement dated 8 June 2022 was assigned to CGEM for RMB5 million. The principal terms of the Debt Assignment Agreement are as follows:

Date	20 June 2022
Assignor	PT Design
Assignee	CGEM
Subject matter	The rights of PT Design under the Company A Loan Agreement in respect of the then outstanding principal of RMB5,000,000 payable by Company A to PT Design
Payment term	The consideration is payable on the date of signing the Debt Assignment Agreement

Circumstances surrounding the Debt Assignment Agreement and reasons for the transaction

As set out in the Investigation Announcement, at the material time, PT Design was informed that Company A encountered a short-term liquidity issue and would like to borrow from PT Design a sum in the amount of RMB5 million for 2 days. The loan was approved because PT Design had just begun a business relationship with Company A and PT Design was assured that the loan would be repaid. Since the term of the loan was only for 2 days, it was provided interest-free. As a result, on 8 June 2022, the Company A Loan Agreement was entered into between PT Design as lender and Company A as borrower, under which PT Design provided an interest-free loan of RMB5 million to Company A for a term of 2 days.

Subsequently, Company A did not repay the loan on time and upon repayment request, the loan owed to PT Design by Company A was assigned to CGEM under the Debt Assignment Agreement. On 22 June 2023, CGEM transferred RMB5 million, being the consideration under the Debt Assignment Agreement, to PT Design.

GEM Listing Rule implications

At the material time, CGEM was wholly owned by RAMIL. 60% of the issued shares in RAMIL was owned by RGHL. Mr. Huang, former non-executive Director and former co-Chairman of the Board, was the sole shareholder of RGHL. As such CGEM was a connected person at the time the Debt Assignment Agreement was entered into and the transaction constituted a connected transaction of the Company and were subject to reporting, announcement, circular and independent shareholders' approval requirements as set out in Chapter 20 of the GEM Listing Rules. Further, as one of the applicable percentage ratios of the Debt Assignment Agreement exceeded 5% but was below 25%, the transaction also constituted a discloseable transaction of the Company and was subject to announcement requirements as set out in Chapter 19 of the GEM Listing Rules.

THE 1ST CGEM LOAN AGREEMENT AND THE 2ND CGEM LOAN AGREEMENT

The 1st CGEM Loan Agreement

On 25 March 2022, the 1st CGEM Loan Agreement was entered into between PT Design (a wholly-owned subsidiary of the Company) as lender and CGEM as borrower, under which PT Design provided a loan of RMB10,500,000 to CGEM for a term of 1 year. The principal terms of the 1st CGEM Loan Agreement are as follows:

Date	25 March 2022
Lender	PT Design
Borrower	CGEM
Principal	RMB10,500,000

Term	1 year from the date of signing of the 1st CGEM Loan Agreement
Interest rate	Nil

The 2nd CGEM Loan Agreement

On 10 August 2022, the 2nd CGEM Loan Agreement was entered into between PT Design as lender and CGEM as borrower, under which PT Design provided a loan of RMB2,000,000 to CGEM for a term of 1 year. The principal terms of the 2nd CGEM Loan Agreement are as follows:

Date	10 August 2022
Lender	PT Design
Borrower	CGEM
Principal	RMB2,000,000
Term	1 year from the date of signing of the 2nd CGEM Loan Agreement
Interest rate	Nil

Circumstances surrounding the 1st CGEM Loan Agreement and the 2nd CGEM Loan Agreement and reasons for the transactions

As set out in the Investigation Announcement, in around early 2022, the Company and Beiwen Times were considering a business collaboration by (1) the Company investing into the equity of Beiwen Times and (2) Beiwen Times engaging the Company to be its exclusive design service provider for its cultural tourism projects.

At the material time, Beiwen Times was inviting subscription for its capital for developing its cultural tourism projects. As the subscription was only open to Beiwen Times' existing shareholders, Beiwen Times, PT Design and CGEM (also being a shareholder of Beiwen Times) agreed that PT Design could subscribe for capital in Beiwen Times via CGEM. Consequently, on 25 March and 10 August 2022, 1st CGEM Loan Agreement and the 2nd CGEM Loan Agreement were entered into and the sums of RMB10.5 million and RMB2,000,000 were transferred from PT Design to CGEM, respectively. On 26 April 2023, the sum of RMB2,000,000 was returned to PT Design by CGEM.

In respect of the amount due to PT Design under the 1st CGEM Loan Agreement and the Company A Cancellation Agreement, PT Design entered into a factoring agreement with a independent third party, under which PT Design agreed to assign its rights in respect of total outstanding amount due from Company A and CGEM for a consideration of RMB25 million (i.e. 100% of the amount due to PT Design under the Company A Cancellation Agreement and 1st CGEM Loan Agreement exclusive of interest). Commercial acceptance bills in the total sum of RMB25 million were issued to a wholly-owned subsidiary of PT Design, on 28 and 29 March 2024.

GEM Listing Rule implications

At the material time, CGEM was wholly owned by RAMIL. 60% of the issued shares in RAMIL was owned by RGHL. Mr. Huang, former non-executive Director and former co-Chairman of the Board, was the sole shareholder of RGHL. As such CGEM was a connected person at the time the 1st CGEM Loan Agreement and the 2nd CGEM Loan Agreement were entered into and the transactions constituted connected transactions of the Company and were subject to reporting, announcement, circular and independent shareholders' approval requirements as set out in Chapter 20 of the GEM Listing Rules. Further, as one of the applicable percentage ratios of the 1st CGEM Loan Agreement and the 2nd CGEM Loan Agreement, on an aggregated basis exceeded 5% but was below 25%, the transactions also constituted a discloseable transaction of the Company and were subject to announcement requirements as set out in Chapter 19 of the GEM Listing Rules.

THE COMPANY A CANCELLATION AGREEMENT

Company A and PT Design entered into the Company A Cancellation Agreement on 10 January 2024 to terminate the Design Service Agreement and Company A agreed to refund RMB14.5 million to PT Design. The principal terms of the Company A Cancellation Agreement are as follows:

Date	10 January 2024
Party A	PT Design
Party B	Company A
Subject matter	The cancellation and discharge of the Design Service Agreement
Return of prepayment	Party B shall return the prepayments totaling RMB14,500,000 to Party A by 30 September 2024 with interest accrued from the dates on which the funds were transferred until the date on which they were returned calculated at 5% per annum

Circumstances surrounding the Company A Cancellation Agreement and reasons for the transaction

As set out in the Investigation Announcement, at the material time, Beiwen Times had a number of cultural tourism projects which it intended to develop, including a project in Wuhan, the PRC. Under the Exclusive Strategic Cooperation Agreement which was entered into between PT Design and Beiwen Times announced by the Company on 4 March 2022, PT Design was appointed as the exclusive design service provider of Beiwen Times. Although PT Design possessed expertise in architectural design and planning, its focus had been on design projects of real estate development and as such it did not have a lot of experience in conducting project planning feasibility studies and commerciality operation and design, which were relevant to the design of a cultural tourism project.

For this reason, Beiwen Times introduced Company A to PT Design, and Company A and PT Design entered into the Design Service Agreement on 3 March 2022 under which PT Design would outsource to Company A the works in relation to project planning and feasibility studies and commerciality operation for a fee of RMB50 million with half of it payable upfront. Prepayments totaling RMB14.5 million were transferred to Company A by PT Design under the Design Service Agreement. Subsequently, the project in Wuhan fell through and due to the impact of COVID and economic recession in the PRC, no collaborative projects were commenced between Company A, Beiwen Times and PT Design. As a result, Company A and PT Design entered into the Company A Cancellation Agreement to terminate the Design Service Agreement and provide for the refund of the RMB14.5 million to PT Design. As mentioned above, in respect of the amount due to PT Design under the 1st CGEM Loan Agreement and the Company A Cancellation Agreement, PT Design entered into a factoring agreement with an independent third party, under which PT Design agreed to assign its rights in respect of total outstanding amount due from Company A and CGEM for a consideration of RMB25 million (i.e. 100% of the amount due to PT Design under the Company A Cancellation Agreement and 1st CGEM Loan Agreement exclusive of interest). Commercial acceptance bills in the total sum of RMB25 million were issued to a wholly-owned subsidiary of PT Design, on 28 and 29 March 2024.

GEM Listing Rule implications

As one of the applicable percentage ratios for the Company A Cancellation Agreement exceeded 5% but was below 25%, the transaction constituted a discloseable transaction of the Company under the GEM Listing Rules and was subject to the announcement requirement as set out in Chapter 19 of the GEM Listing Rules.

THE TENANCY AGREEMENT

On 11 May 2022, the Company entered into the Tenancy Agreement with CSVG, under which the Company agreed to rent and CSVG agreed to sublet the Office located at Room 1801-1802, 18/F, Bank of America Tower, 12 Harcourt Road, Admiralty, Hong Kong to the Company for a term of 33 months from 11 May 2022 to 28 February 2025 at a monthly rent of HK\$100,000.

The principal terms of the Tenancy Agreement are as follows:

Date	11 May 2022
Party A	CSVG
Party B	The Company
Rental unit	Room 1801-1802, 18/F, Bank of America Tower, 12 Harcourt Road, Admiralty, Hong Kong
Term	33 months from 11 May 2022 to 28 February 2025
Rent	HK\$100,000 per month
Deposit	HK\$200,000

Circumstances surrounding the Tenancy Agreement and reasons for the transaction

On 1 March 2022, CSVG entered into the Main Tenancy Agreement with the Landlord, the registered owner of the Office. Pursuant to the Main Tenancy Agreement, the Office was rented by the Landlord to CSVG for a term of 3 years from 1 March 2022 to 28 February 2025 at a monthly rent of HK\$236,000 per month. It was also stipulated in the Main Tenancy Agreement that CSVG may share the office with its “affiliated companies” provided that prior written notice is given to the Landlord.

The Company entered into the Tenancy Agreement with a view to boosting its status and corporate image in the finance industry. Given that the Company was still in the early stage of developing its finance business, to save costs, the Company shared the use of the Office with other two companies, the shares of which are listed on the Main Board of the Stock Exchange. On 31 July 2023, a Termination Agreement was executed between the Company and CSVG in respect of the Tenancy Agreement.

GEM Listing Rules implications

At the material time, China United International Group Limited was the sole shareholder of CSVG and Mr. Huang, former non-executive Director and former co-Chairman of the Board, indirectly held 50% of the shareholding in China United International Group Limited. As such, CSVG was a connected person of the Company and the transaction constituted a connected transaction of the Company under Chapter 20 of the GEM Listing Rules. As all the applicable percentage ratios were less than 5%, the transaction was subject to the reporting and announcement requirements but exempt from the circular (including independent financial advice) and shareholders’ approval requirements under Rule 20.74(2) of the GEM Listing Rules.

INFORMATION ABOUT THE PARTIES

The Company and the Group

The Company is an investment holding company incorporated in the Cayman Islands and continued in Bermuda with limited liability. The Group principally engages in electronic business and architectural business with the development of financial services business at an initial stage.

PT Design

PT Design is a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company. PT Design principally engages in provision of comprehensive architectural service.

Company A

Company A is a company established in the PRC with limited liability and principally engages in provision of design, management and technological services. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, Company A is independent of and not connected with, the Company and its connected persons.

CGEM

CGEM is a company established in the PRC with limited liability and principally engages in provision of corporate management advisory, commercial advisory, investment advisory and financial advisory services. At the material time the Debt Assignment Agreement, the 1st CGEM Loan Agreement and the 2nd CGEM Loan Agreement were entered into, CGEM was wholly owned by RAMIL. 60% of the issued shares in RAMIL was owned by RGHL. Mr. Huang, former non-executive Director and former co-Chairman of the Board, was the sole shareholder of RGHL. As such CGEM was a connected person.

CSVG

CSVG is an investment holding company incorporated in Hong Kong with limited liability. At the material time the Tenancy Agreement was entered into, China United International Group Limited was the sole shareholder of CSVG and Mr. Huang, former non-executive Director and former co-Chairman of the Board, indirectly held 50% of the shareholding in China United International Group Limited. As such, CSVG was a connected person of the Company.

NON-COMPLIANCE WITH THE GEM LISTING RULES

The Company failed to comply with the relevant requirements under Chapter 19 and Chapter 20 of the GEM Listing Rules in respect of the aforementioned transactions. The relevant provisions of the GEM Listing Rules require the publication of an announcement as soon as the terms of a notifiable transaction or a connected transaction have been finalised, as well as sending a circular to the Stock Exchange and the Shareholders for connected transactions that are subject to the approval of Shareholders and conducting such connected transactions only upon the approval of the Shareholders.

The details of the transactions were identified by the Review Committee following the Investigation by the Investigation Firm appointed by the Review Committee. As the relevant transactions had already been completed or terminated and that the relevant fund outflows had been returned to or recovered by the Group in full, the Board will not submit the relevant transactions for approval by the independent Shareholders (where required under the GEM Listing Rules).

IMPACT OF THE TRANSACTIONS ON THE BUSINESS OPERATION AND FINANCIAL POSITION OF THE GROUP

The Board takes the view that the potential impact of the aforementioned transactions on the Company's business operation and financial position is minimal for the following reasons:

1. The Debt Assignment Agreement – Given that the rights of PT Design under the Company A Loan Agreement had been assigned to CGEM at a consideration of RMB5 million which had been settled by CGEM on 22 June 2023, there was no fund outflow from the Group taking into account the Company A Loan Agreement and the Debt Assignment Agreement as a whole.
2. The 1st CGEM Loan Agreement – As set out in the Investigation Announcement, the repayment obligation of CGEM under the 1st CGEM Loan Agreement was secured by the Personal Guarantee entered into by Mr. Wan (the legal representative of Beiwen Times) and the legal representative of Company A (the ex-wife of Mr. Wan) on 9 January 2024 at the request of the Company. Further, in respect of the amount due to PT Design under the 1st CGEM Loan Agreement and the Company A Cancellation Agreement, PT Design entered into a factoring agreement with an independent third party on 28 March 2024 (the “**Factoring Agreement**”), under which PT Design agreed to assign its rights in respect of the total outstanding amount due from Company A and CGEM for a consideration of RMB25 million (i.e. representing 100% of the amount due to PT Design under both the Company A Cancellation and the 1st CGEM Loan Agreements, exclusive of interest), and in return a service fee and interest will be charged to PT Design. On 28 and 29 March 2024, commercial acceptance bills in the total sum of RMB25 million were issued to a wholly-owned subsidiary of PT Design. As such, the Group has recovered in full all the fund outflows under the 1st CGEM Loan Agreement and Company A Cancellation Agreement.

3. The 2nd CGEM Loan Agreement – As set out in the Investigation Announcement, CGEM did not transfer the RMB2 million received from PT Design under the 2nd CGEM Loan Agreement to Beiwen Times because the subscription for capital in Beiwen Times was cancelled due to adverse market condition, this sum has been returned to PT Design and therefore there was no fund outflow from the Group.
4. The Company A Cancellation Agreement – As set out in the Investigation Announcement, the repayment obligation of Company A under the Company A Cancellation Agreement was secured by the Personal Guarantee entered into by Mr. Wan (the legal representative of Beiwen Times) and the legal representative of Company A (the ex-wife of Mr. Wan) on 9 January 2024 at the request of the Company. Further, as a result of the Factoring Agreement as aforementioned, overall there was no fund outflow from the Group.
5. The Tenancy Agreement – The rent payable under the Tenancy Agreement was on normal commercial terms based on publicly available rental transaction records. Due to changes in business needs and to save costs and expenses, a termination agreement was executed between the Company and CSVG on 31 July 2023 to terminate the Tenancy Agreement.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on GEM of the Stock Exchange was suspended with effect from 9:00 a.m. on 3 April 2023 and will remain suspended until further notice.

By order of the Board
CHINA UNITED VENTURE INVESTMENT LIMITED
Fan Xiaoling
Executive Director

Hong Kong, 30 May 2024

As at the date of this announcement, the executive Director is Mr. Fan Xiaoling; non-executive Director is Mr. Wang Li Feng (Chairman); and the independent non-executive Directors are Dr. Yan Ka Shing (Lead Independent Director), Mr. Zhang De An and Ms. Lo Choi Ha.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page of the Stock Exchange website at <http://www.hkexnews.hk> for at least 7 days from the date of its publication and on the website of the Company at www.glorymark.com.tw/hk/investor.htm. In the case of inconsistency, the English text of this announcement shall prevail over the Chinese text.