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Suoxinda Holdings Limited

索信达控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3680)

DISCLOSEABLE TRANSACTION ASSET MANAGEMENT AGREEMENT

ASSET MANAGEMENT AGREEMENT

On 24 February 2020 (after trading hours), the Company (as asset entrustor) entered into the Asset Management Agreement with Wonderland Asset Management (as investment manager), Pursuant to the Asset Management Agreement, the Company agreed to appoint Wonderland Asset Management as the investment manager to manage and invest the Investment Capital of HKD30.0 million in cash, which will be deposited by the Company to the designated account opened with and maintained by Wonderland Securities. The Investment Capital will be funded by the Group's internal resources.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios in respect of the Investment Capital under the Asset Management Agreement exceed(s) 5% but less than 25%, the entering into of the Asset Management Agreement constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements thereunder.

ASSET MANAGEMENT AGREEMENT

On 24 February 2020 (after trading hours), the Company (as asset entrustor) entered into the Asset Management Agreement with Wonderland Asset Management (as investment manager). Pursuant to the Asset Management Agreement, the Company agreed to appoint Wonderland Asset Management as the investment manager to manage and invest the Investment Capital, which will be deposited by the Company to the designated account opened with and maintained by Wonderland Securities. The Investment Capital will be funded by the Group's internal resources.

Principal terms of the Asset Management Agreement are set out below:

Date: 24 February 2020

Parties: (1) The Company as the asset entrustor; and
(2) Wonderland Asset Management as the investment manager.

Investment Capital: HKD30.0 million in cash

Fees: The Company shall pay a management fee to Wonderland Asset Management, which will be calculated according to the number of actual days elapsed of the term of the Asset Management Agreement at the rate of 1% per annum, which shall be payable on a quarterly basis.

If the returns on the Investment Capital exceed 8% per annum, the Company will further pay to Wonderland Asset Management a commission amounting to 20% of excess returns that are higher than 8% per annum. If the returns on the Investment Capital are less or equal to 8% per annum, than all the returns shall belong to the Company.

The fees charged by Wonderland Asset Management were determined based on arm's length negotiation of the parties with reference to the market rates.

Investment scope: The Investment Capital shall only be used for investing fixed income products, including but not limited to, debt securities with high credit rating and senior notes.

Term: From the date of depositing the Investment Capital by the Company into the designated account opened with and maintained by Wonderland Securities to 31 December 2020.

Designated account: The Investment Capital under the Asset Management Agreement will be deposited into a designated account maintained with Wonderland Securities for investments in accordance with the Asset Management Agreement.

Withdrawal of the Entrusted Assets: Upon the expiry of the Asset Management Agreement, Wonderland Asset Management will return the net cash proceeds of the Entrusted Assets to the Company after deducting all fees payable. If not all of the investment products can be disposed, the parties will further negotiate other ways to deal with the products.

REASONS FOR AND BENEFIT OF ENTERING INTO THE ASSET MANAGEMENT AGREEMENT

By entering into the Asset Management Agreement, the Group intends to increase the rate of return of its funds that have no immediate use during the term of the Asset Management Agreement. Considering Wonderland Asset Management is a licensed corporation to conduct Type 9 (asset management) regulated activities under the SFO and the investments under the Asset Management Agreement can only be made on the fixed income products including but not limited to, debt securities with high credit rating and senior notes, the Directors consider that the investment risk of the Asset Management Agreement is low and could bring additional investment incomes to the Group.

The terms of the Asset Management Agreement and the fees charged by Wonderland Asset Management were negotiated by the parties on an arm's length basis. The Directors are therefore of the view that the Asset Management Agreement and transactions contemplated thereunder are on normal commercial terms, fair and reasonable and are in the interests of the Group and the Shareholders as a whole.

INFORMATION OF THE PARTIES TO THE ASSET MANAGEMENT AGREEMENT

The Group

The Group is principally engaged in providing data solutions, sales of hardware and software and related services as an integrated service, as well as IT maintenance and support services, to corporate customers in the PRC.

Wonderland Asset Management

Wonderland Asset Management is a company incorporated in Hong Kong with limited liability and a corporation licensed by the SFC to conduct Type 9 (asset management) regulated activities under the SFO. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Wonderland Asset Management and its ultimate beneficial owners are Independent Third Parties.

Wonderland Securities

Wonderland Securities is a company incorporated in Hong Kong with limited liability and a corporation licensed by the SFC to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts) and Type 4 (advising on securities) regulated activities under the SFO. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Wonderland Securities and its ultimate beneficial owners are Independent Third Parties.

Both Wonderland Asset Management and Wonderland Securities are wholly owned subsidiaries of Wonderland International Financial Holdings Company.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios in respect of the Investment Capital under the Asset Management Agreement exceed(s) 5% but less than 25%, the entering into of the Asset Management Agreement constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements thereunder.

DEFINITIONS

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

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| “Asset Management Agreement” | the asset management agreement dated 24 February 2020 entered into among the Company (as asset entrustor) and Wonderland Asset Management (as investment manager) in relation to the Investment Capital; |
| “Board” | the board of Directors; |
| “Company” | Suoxinda Holdings Limited 索信達控股有限公司, an exempted company incorporated under the laws of the Cayman Islands with limited liability on 6 December 2018, the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 3680); |
| “Director(s)” | the director(s) of the Company; |

“Entrusted Assets”	the assets in the designated account maintained with Wonderland Securities for investing in the investment products in accordance with the Asset Management Agreement;
“Group”	the Company and its subsidiaries;
“HKD”	Hong Kong dollar(s) and cent(s) respectively, the lawful currency of Hong Kong;
“Independent Third Party”	a third party independent of the Company and its connected persons and are not connected persons of the Company;
“Investment Capital”	the initial capital of HKD30.0 million in cash;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China;
“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Wonderland Asset Management”	Wonderland International Asset Management Limited, a licensed corporation to carry out Type 9 (asset management) regulated activities under the SFO;
“Wonderland Securities”	Wonderland International Securities Limited, a licensed corporation to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts) and Type 4 (advising on securities) regulated activities under the SFO;
“%”	per cent.

By order of the Board
Suoxinda Holdings Limited
Song Hongtao
Chairman of the Board

Hong Kong, 24 February 2020

As at the date of this announcement, the Board comprises Mr. Song Hongtao, Mr. Wu Xiaohua, Mr. Lam Chun Hung Stanley and Ms. Wang Jing as executive Directors; Mr. Tu Xinchun, Ms. Zhang Yahan and Dr. Qiao Zhonghua as independent non-executive Directors.