

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Sino Energy International Holdings Group Limited
中能國際控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1096)

VOLUNTARY ANNOUNCEMENT
MEMORANDUM OF UNDERSTANDING
IN RESPECT OF POSSIBLE ACQUISITION OF
65% INTEREST IN A CEMENT PLANT

This announcement is made by Sino Energy International Holdings Group Limited (the “**Company**”, together with its subsidiaries the “**Group**”) on a voluntary basis to provide its shareholders and potential investors with updated information in relation to the latest business development of the Group.

POSSIBLE ACQUISITION

The Board is pleased to announce that on 18 November 2020, the Company, as the purchaser, and Sino-Harbor Construction Group (Hong Kong) Co., Limited (中港建設集團(香港)有限公司) (the “**Vendor**”), entered into the non-legally binding memorandum of understanding (“**MOU**”), pursuant to which the Company intends to acquire and the Vendor intends to dispose of 65% interest in a cement plant located in Northern Pemba City, Cabo Delgado Province, Mozambique (the “**Target**”) (the “**Possible Acquisition**”).

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Vendor is a third party independent of the Company and its connected persons (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) as at the date of this announcement.

FORMAL AGREEMENT

The Company and the Vendor shall enter into a formal sale and purchase agreement in relation to the Possible Acquisition within 120 days upon the signing of the MOU.

DUE DILIGENCE

The Company will be entitled to conduct the due diligence of the Target (including but not limited to the business, litigation and financial aspects).

EXCLUSIVITY PERIOD

The Vendor agreed that they shall not engage in any discussion, negotiation or arrangement or enter into any agreement in relation to the disposal of the Target with any other party during the 120 days after the signing of the MOU (the “**Exclusivity Period**”), and the Exclusivity Period may be extended upon written agreement of the Vendor and the Company.

INFORMATION OF THE TARGET AND THE VENDOR

The Target is a cement plant located in Northern Pemba City, Cabo Delgado Province, Mozambique, and is owned by the Vendor as to 65%. It is principally engaged in the production of cement with an annual cement production capacity of 300,000 to 400,000 tonnes.

The Vendor is a company incorporated in Hong Kong with limited liability on 22 July 2015 and is principally engaged in investment, development, financing, human resources management and international trade management.

REASONS FOR AND BENEFITS OF THE MOU

The Company's principal business is manufacturing and sales of casual footwear, apparel and related accessories in the PRC. The Company also engages in operating gas stations.

To diversify the business of the Group and to increase the Group's source of revenue, the Company has been seeking various development opportunities. The Board is optimistic for the prospect of cement production industry in Mozambique. The Board is of the view that the MOU enables the Company the opportunities to develop the above industry by leveraging on the Target's strength, resources and expertise. The Board believes that the MOU offers a good opportunity to the Group to diversify its business into the above industries and to broaden the Group's revenue base in the future.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the board of
Sino Energy International Holdings Group Limited
Chen Jianbao
Chairman

Hong Kong, 18 November 2020

As at the date of this announcement, the executive Directors are Mr. Chen Jianbao, Ms. Cai Xiuman, Mr. Zhang Wenbin, Mr. Wang Qingshan and Mr. Zhu Tianxiang; and the independent non-executive Directors are Mr. Chen Jinzhong, Roy and Mr. Chai Chung Wai.