

*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.*



**AUX INTERNATIONAL HOLDINGS LIMITED**  
**奧克斯國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2080)**

**ANNOUNCEMENT**

**DISCLOSEABLE TRANSACTION**  
**FORMATION OF A JOINT VENTURE COMPANY**

The Board of the Company is pleased to announced that on 9 September 2021, Ningbo Hengmao, an indirect wholly-owned subsidiary of the Company, entered into the JV Agreement with Nanjing Guanlong, Mr. Lu, Ningbo Aosheng, Ningbo Aochuang and Mr. Zhu for the formation of the JV Company.

Pursuant to the JV Agreement, the JV Company shall be, after its formation, be owned as to 35.0% by Ningbo Hengmao, 23.6% by Nanjing Guanlong, 20.0% by Mr. Lu, 9.4% by Ningbo Aosheng, 7.0% by Ningbo Aochuang and 5.0% by Mr. Zhu.

**LISTING RULES IMPLICATIONS**

Pursuant to the Listing Rules, as one or more of the applicable percentage ratios (as defined under rule 14.07 of the Listing Rules) calculated based on the total commitment of the Group in respect of the formation of the JV Company pursuant to the JV Agreement are more than 5% but all of such ratios are less than 25%, the entering into of the JV Agreement constitutes a discloseable transaction of the Company under the Listing Rules and is subject to the notification and announcement requirements as set out in Chapter 14 of the Listing Rules.

**BACKGROUND**

On 9 September 2021, Ningbo Hengmao, a wholly-owned subsidiary of the Company, entered into the JV agreement with Nanjing Guanlong, Mr. Lu, Ningbo Aosheng, Ningbo Aochuang and Mr. Zhu for the formation of the JV Company. The JV Company will become a subsidiary of the Company after its formation as Ningbo Hengmao has the right to appoint a majority of the JV Company's board of directors.

## THE JV AGREEMENT

Set forth below are the principal terms of the JV Agreement:

- Date: 9 September 2021
- Intended location of the JV Company: Ningbo, PRC
- Parties and shareholding ratio:
- (i) Ningbo Hengmao (35.0%)
  - (ii) Nanjing Guanlong (23.6%)
  - (iii) Mr. Lu (20.0%)
  - (iv) Ningbo Aosheng (9.4%)
  - (v) Ningbo Aochuang (7.0%); and
  - (vi) Mr. Zhu (5.0%)

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Nanjing Guanlong and its ultimate beneficial owner, Mr. Lu, Ningbo Aosheng and its ultimate beneficial owner, Ningbo Aochuang and its ultimate beneficial owner and Mr. Zhu are third parties independent of the Company and its connected persons.

Total registered capital of the JV Company: RMB150 million (equivalent to approximately HKD180 million)

Capital contribution: RMB150 million, to be contributed as follows:

- (i) 35.0% (amounting to a total of RMB52.5 million (equivalent to approximately HKD63.0 million) in the form of cash) by Ningbo Hengmao;
- (ii) 23.6% (amounting to a total of RMB35.4 million (equivalent to approximately HKD42.5 million) in the form of cash) by Nanjing Guanlong;
- (iii) 20% (amounting to a total of RMB30.0 million (equivalent to approximately HKD36.0 million) in the form of cash) by Mr. Lu;

- (iv) 9.4% (amounting to a total of RMB14.1 million (equivalent to approximately HKD16.9 million) in the form of cash) by Ningbo Aosheng;
- (v) 7.0% (amounting to a total of RMB10.5 million (equivalent to approximately HKD12.6 million) in the form of cash) by Ningbo Aochuang; and
- (vi) 5% (amounting to a total of RMB7.5 million (equivalent to approximately HKD9.0 million) in the form of cash) by Mr. Zhu.

The amount of capital contributions was determined after arm's length negotiation between the parties to the JV Agreement with reference to the capital contribution intentions and the past experience of the parties. Capital contribution by Ningbo Hengmao will be funded by the internal resources of the Group.

Payment of capital contribution:

- a. Each shareholder should contribute 15% of their respective share of the registered capital (“**15% contribution**”) within 15 working days after completion of the procedures for the requisite business registration with the relevant government authorities and establishment of the bank account of the JV Company;
- b. Nanjing Guanlong should contribute the remaining 85% of its share of the registered capital within 30 working days after completion of the 15% contribution; and
- c. after receiving the capital contribution from Nanjing Guanlong, the JV Company should require the remaining parties by notice to contribute the remaining 85% of their respective share of the registered capital within three working days.

Scope of business:

Primarily engaged in the development and production of photovoltaics products such as solar micro-invertors.

Board composition: The board of directors of the JV company will consist of five directors. Ningbo Hengmao is entitled to appoint four directors. Nanjing Guanlong is entitled to appoint one director.

Supervisor: Ningbo Hengmao is entitled to appoint the supervisor of the JV Company.

## **INFORMATION OF THE GROUP AND THE PARTIES TO THE JV AGREEMENT**

The Group is principally engaged in the operation of clubbing business and restaurant and bar outlets in Hong Kong and the provision of property management services in the PRC.

Ningbo Hengmao is a limited liability company established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company, and principally engaged in distribution of electrical equipment.

Nanjing Guanlong is a limited partnership enterprise established under the laws of the PRC and principally engaged in research and development of new energy technology and manufacturing of new energy equipment. To the best of the knowledge of the Directors, Nanjing Guanlong is owned as to 80% by Mr. Zhang Haibo (張海波) as at the date of this announcement.

Mr. Lu is a PRC resident. To the best of the knowledge of the Directors, Mr. Lu is an investor who mainly invests in electricity industry.

Ningbo Aosheng is a limited partnership enterprise established under the laws of the PRC and principally engaged in research and development of new energy technology. To the best of the knowledge of the Directors, Ningbo Aosheng is owned as to approximately 61.2% by Mr. Li Weiqing (李維晴) as at the date of this announcement.

Ningbo Aochuang is a limited partnership enterprise established under the laws of the PRC and principally engaged in research and development of new energy technology. To the best of the knowledge of the Directors, Ningbo Aochuang is owned as to approximately 98.2% by Ms. Li Jian (李健) as at the date of this announcement.

Mr. Zhu is a PRC resident. To the best of the knowledge of the Directors, Mr. Zhu is an investor who mainly invests in electricity industry.

To the best of the Director's knowledge, information and belief having made all reasonable enquiries, Nanjing Guanlong and its ultimate beneficial owner, Mr. Lu, Ningbo Aosheng and its ultimate beneficial owner, Ningbo Aochuang and its ultimate beneficial owner and Mr. Zhu are third parties independent of the Company and its connected persons.

## **REASONS FOR AND BENEFITS OF THE FORMATION OF THE JV COMPANY**

Through the formation of the JV Company, the Group, Nanjing Guanlong, Mr. Lu, Ningbo Aosheng, Ningbo Aochuang and Mr. Zhu are able to complement the strength of each other and share management expertise and resources, which is beneficial for the development the business of the JV Company. The Board expects that the Group, through the JV Company, will be able to expand its business portfolio, enhance future earning capability and decrease the business volatility of the Group as a whole while operating and developing its clubbing business and restaurant and bar outlets. The Directors consider that the terms of the JV Agreement are fair and reasonable and in the interests of the shareholders of the Company as a whole.

## **LISTING RULES IMPLICATIONS**

Pursuant to the Listing Rules, as one or more of the applicable percentage ratios (as defined under rule 14.07 of the Listing Rules) in respect of the JV Agreement exceeds 5% but all of such ratios are below 25%, the transaction thereunder constitutes a discloseable transaction of the Company and shall be subject to the notification and announcement requirements under the Listing Rules.

## **DEFINITIONS**

Unless the context otherwise requires, the following expressions shall have the following meanings in this announcement:

“Board”	the board of Directors;
“Company”	AUX International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	collectively, the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“independent third parties”	person(s) or company(ies) which is/are not connected person(s) of the Company;
“JV Agreement”	the joint venture agreement dated 9 September 2021 entered into between Ningbo Hengmao, Nanjing Guanlong, Mr. Lu, Ningbo Aosheng, Ningbo Aochuang and Mr. Zhu in relation to the formation of the JV Company;
“JV Company”	a limited liability company to be formed under the JV Agreement and to be established under the laws of the PRC;

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Mr. Lu”	陸安君 (Mr. Lu Anjun), a PRC resident and an independent third party;
“Mr. Zhu”	竺琪君 (Mr. Zhu Qijun), a PRC resident and an independent third party;
“Nanjing Guanlong”	南京冠隆新能源合夥企業（有限合夥）(Nanjing Guanlong New Energy Partnership Enterprise (Limited Partnership)*), a limited partnership enterprise established under the laws of the PRC;
“Ningbo Aochuang”	寧波奧創能源合夥企業（有限合夥）(Ningbo Aochuang Energy Partnership Enterprise (Limited Partnership)*), a limited partnership enterprise established under the laws of the PRC;
“Ningbo Aosheng”	寧波奧升能源合夥企業（有限合夥）(Ningbo Aoshen Energy Partnership Enterprise (Limited Partnership)*), a limited partnership enterprise established under the laws of the PRC;
“Ningbo Hengmao”	寧波寶泰恒茂貿易有限公司 (Ningbo Po Tai Hengmao Trading Co., Ltd.*), a limited liability company established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company;
“PRC”	the People’s Republic of China, which, for the purpose of this announcement, should not include Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“subsidiary”	has the meaning ascribed to it under the Listing Rules.

\* *The English translations of the Chinese names of the entities established in the PRC marked with an asterisk are included for identification purpose only.*

By Order of the Board  
**AUX International Holdings Limited**  
**Zheng Jiang**  
*Chairman*

9 September 2021

*As at the date of this announcement, the executive Directors are Mr. Zheng Jiang, Mr. Chan Hon Ki, Mr. Liang Songluan and Ms. Shen Guoying, and the independent non-executive Directors are Mr. Poon Chiu Kwok, Mr. Bau Siu Fung and Ms. Lou Aidong.*