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HUAJIN INTERNATIONAL HOLDINGS LIMITED

華津國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2738)

TERMINATION OF ACTING IN CONCERT AGREEMENT AND CHANGE IN CONTROLLING SHAREHOLDERS

This announcement is made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO.

INTRODUCTION

On 4 January 2016, Mr. Xu and Mr. Luo entered into the Acting in Concert Agreement, pursuant to which Mr. Xu and Mr. Luo confirmed that they, being ultimate shareholders of the Group, had been acting in concert throughout the Track Record Period and up to the date thereof and would continue to act in concert in the control and management of the Group, including in the exercise of their voting rights, through their holding companies, namely Haiyi, Intrend Ventures and Zhong Cheng, in general meetings of the Company. Such acting in concert arrangement (the “**Arrangement**”) was agreed to continue to be in effect after the Listing until termination by the parties thereto with written agreement.

By virtue of the Acting in Concert Agreement, Mr. Xu, Mr. Luo, Haiyi, Intrend Ventures and Zhong Cheng (collectively, the “**Concert Parties**”) were considered as a group of shareholders of the Company acting in concert and they were deemed to be interested in each other’s interest in the Shares by virtue of the SFO. Upon the Listing and immediately before the execution of the Termination Deed, the Concert Parties together held 75% of the entire issued share capital of the Company. The Concert Parties are collectively considered as the controlling shareholders of the Company for the purpose of the Listing Rules.

TERMINATION OF THE ACTING IN CONCERT AGREEMENT

Mr. Xu and Mr. Luo no longer intended to be bound by the Arrangement under the Acting in Concert Agreement with each other in view of their respective succession and estate planning. On 16 December 2021, they entered into the Termination Deed to terminate the Acting in Concert Agreement. On the same date, Haiyi transferred its 54,000,000 Shares and 4,500,000 Shares to Zhong Cheng and Irichest Enterprises respectively in exchange of transferring 120 shares and 10 shares in Haiyi held by Zhong Cheng and Irichest Enterprises respectively to Intrend Ventures (all share transfers mentioned above in this paragraph collectively referred to as the “**Transfers**”).

SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the Company had 600,000,000 issued Shares. Set out below is the table showing the changes in the interests, direct and deemed, of the Shareholders as a result of the execution of the Termination Deed and completion of Transfers:

Shareholders	Immediately before the execution of the Termination Deed and completion of Transfers		Immediately after the execution of the Termination Deed and completion of Transfers	
	<i>Number of Shares</i>	<i>Percentage of total issued share capital</i>	<i>Number of Shares</i>	<i>Percentage of total issued share capital</i>
Haiyi	450,000,000 <i>(note 1)</i>	75.00%	391,500,000 <i>(note 2)</i>	65.25%
Zhong Cheng	-	-	54,000,000 <i>(note 3)</i>	9.00%
Irichest Enterprises	-	-	4,500,000 <i>(note 4)</i>	0.75%
Other Shareholders	150,000,000	25.00%	150,000,000	25.00%
Total	<u>600,000,000</u>	<u>100.00%</u>	<u>600,000,000</u>	<u>100.00%</u>

Notes:

1. Immediately prior to the execution of the Termination Deed and completion of Transfers, Haiyi was owned as to 87.0% by Intrend Ventures, 12.0% by Zhong Cheng and 1.0% by Irichest Enterprises respectively. By virtue of the Arrangement, each of Mr. Xu and Mr. Luo was deemed to be interested in all 450,000,000 Shares held by Haiyi, representing 75% of the issued Shares.
2. Upon the execution of the Termination Deed and completion of Transfers, Haiyi will be wholly-owned by Intrend Ventures, which is wholly-owned by Mr. Xu, therefore by virtue of the SFO, Mr. Xu is deemed to be interested in all 391,500,000 Shares held by Haiyi, representing 65.25% of the issued Shares.
3. Zhong Cheng is wholly-owned by Mr. Luo. Upon the execution of the Termination Deed and completion of Transfers, by virtue of the SFO, Mr. Luo is deemed to be interested in all 54,000,000 Shares held by Zhong Cheng, representing 9.00% of the issued Shares.
4. Irichest Enterprises is wholly-owned by Mr. Chen. Upon the execution of the Termination Deed and completion of Transfers, by virtue of the SFO, Mr. Chen is deemed to be interested in all 4,500,000 Shares held by Irichest Enterprises, representing 0.75% of the issued Shares.

CHANGE IN CONTROLLING SHAREHOLDERS

Upon execution of the Termination Deed and completion of Transfers, the Concert Parties are no longer a group of shareholders of the Company acting in concert under the Takeovers Code and are no longer deemed to be interested in each other's interest in the Shares. As a result, each of Zhong Cheng and Mr. Luo is no longer entitled to exercise or control the exercise of 30% or more of the voting power at general meetings of the Company and thus has ceased to be a controlling shareholder of the Company.

After the execution of the Termination Deed and completion of Transfers, Mr. Xu continues to hold (through his wholly-owned companies, namely Haiyi and Intrend Ventures) 391,500,000 Shares and therefore each of Haiyi, Intrend Ventures and Mr. Xu is entitled to exercise or control the exercise of 30% or more of the voting power at general meetings of the Company and remains as the controlling shareholder of the Company as defined under the Listing Rules.

DEED OF NON-COMPETITION

On 23 March 2016, the Concert Parties entered into the Deed of Non-competition in favour of the Company, pursuant to which they undertook to the Company, inter alia, not to carry on, participate in, hold, engage in, acquire or operate, or to provide any form of assistance to any person, firm or company (except members of the Group) to conduct any business which, directly or indirectly, competes or may compete with the business carried on by the Group from time to time. Upon the execution of the Termination Deed and completion of Transfers, Zhong Cheng and Mr. Luo ceased to be controlling shareholders of the Company and would no longer be bound by the Deed of Non-competition, whereas Mr. Xu, Haiyi and Intrend Ventures will continue to be bound by the Deed of Non-competition notwithstanding the execution of the Termination Deed.

The Board believes that the execution of the Termination Deed, the Transfers and the change in the controlling shareholders of the Company will have no material effect on the financial position and operations of the Group.

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

DEFINITIONS

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

“Acting in Concert Agreement”	the acting in concert agreement dated 4 January 2016 entered into by and between Mr. Xu and Mr. Luo to acknowledge and confirm, among other things, their acting in concert arrangement in relation to the Group, further details of which were set out in the Prospectus
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“Company”	Huajin International Holdings Limited (華津國際控股有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange

“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Deed of Non-competition”	the deed of non-competition dated 23 March 2016 entered into by the Concert Parties in favour of the Company, further details of which were set out in the Prospectus
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Haiyi”	Haiyi Limited (海逸有限公司), a company incorporated under the laws of BVI with limited liability, which is wholly-owned by Intrend Ventures immediately after the execution of the Termination Deed and completion of Transfers
“HK\$”	the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Intrend Ventures”	Intrend Ventures Limited, a company incorporated under the laws of BVI with limited liability, which is wholly-owned by Mr. Xu
“Irichest Enterprises”	Irichest Enterprises Limited (智富企業有限公司), a company incorporated under the laws of BVI with limited liability, which is wholly-owned by Mr. Chen
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange consummated on 15 April 2016
“Mr. Chen”	Mr. Chen Chunniu (陳春牛先生), the executive Director
“Mr. Luo”	Mr. Luo Canwen (羅燦文先生), the executive Director
“Mr. Xu”	Mr. Xu Songqing (許松慶先生), the executive Director
“Prospectus”	the prospectus of the Company dated 5 April 2016
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC in Hong Kong (as amended from time to time)
“Termination Deed”	The deed of termination dated 16 December 2021 entered into by and between Mr. Xu and Mr. Luo to terminate the Acting in Concert Agreement
“Track Record Period”	the period comprising the years ended 31 December 2013, 2014 and 2015
“Zhong Cheng”	Zhong Cheng International Limited (中誠有限公司), a company incorporated under the laws of BVI with limited liability, which is wholly-owned by Mr. Luo
“%”	Percentage

By order of the Board
Huajin International Holdings Limited
Xu Songqing
Chairman

Hong Kong, 16 December 2021

As at the date of this announcement, the Board is comprised of Mr. Xu Songqing (Chairman), Mr. Luo Canwen (Chief Executive Officer), Mr. Chen Chunniu, Mr. Xu Songman and Mr. Xu Jianhong as executive Directors, and Mr. Goh Choo Hwee, Mr. Ou Qiyuan and Mr. Tam Yuk Sang Sammy as independent non-executive Directors.