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CONFIDENCE INTELLIGENCE HOLDINGS LIMITED

信 懇 智 能 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1967)

VOLUNTARY ANNOUNCEMENT

**(1) ACQUISITION OF 60% OF REGISTERED CAPITAL OF
SHANGHAI REGAN FINANCIAL INFORMATION SERVICE CO., LTD.*
AND
(2) ENTERING OF STRATEGIC COOPERATION FRAMEWORK
AGREEMENT WITH REGAN GROUP HOLDING LIMITED**

This announcement is made by Confidence Intelligence Holdings Limited on a voluntary basis to provide the Shareholders and potential investors of the Company with the latest business development of the Group.

(1) ACQUISITION OF 60% OF REGISTERED CAPITAL OF REGAN FINANCIAL INFORMATION

The Board is pleased to announce that, on 25 July 2022 (after trading hours of the Stock Exchange), Regan Shiye, Wanhai Big Data (being a wholly-owned subsidiary of the Company) and Regan Financial Information entered into the Equity Transfer Agreement, pursuant to which Regan Shiye has conditionally agreed to sell, and Wanhai Big Data has conditionally agreed to purchase, 60% of the registered capital of Regan Financial Information for a consideration of approximately RMB7.0 million, which will be settled in cash upon the Completion. After the Completion, Regan Financial Information will be owned as to 60% and 40% by Wanhai Big Data and Regan Shiye, respectively, as a new joint-venture cooperation. As such, upon the Completion, Regan Financial Information will become a non-wholly-owned subsidiary of the Company and its financial information will be consolidated into the consolidated financial statements of the Group.

As none of the applicable percentage ratios in respect of the Acquisition exceeds 5%, the Acquisition does not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules.

Completion is subject to the fulfillment of the conditions precedent set out in the Equity Transfer Agreement and therefore the Acquisition may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

(2) ENTERING OF STRATEGIC COOPERATION FRAMEWORK AGREEMENT WITH REGAN HOLDING

The Board is also pleased to announce that, on 25 July 2022 (after trading hours of the Stock Exchange), the Company and Regan Holding entered into the Strategic Cooperation Framework Agreement for a period of three years from the date of the Strategic Cooperation Framework Agreement, pursuant to which, the Company and Regan Holding have agreed to carry out strategic cooperation in the area of asset management, insurance brokerage, financial technology, its ancillary business and other businesses as agreed in writing by both parties from time to time in the PRC, Hong Kong, Singapore and other jurisdictions as agreed in writing by both parties from time to time. Subject to further negotiation between the Company and Regan Holding, the form of cooperation shall potentially include but not limited to the following:

- (a) as part of the aforementioned strategic cooperation, the Equity Transfer Agreement was entered into amongst Regan Shiye, Wanhai Big Data and Regan Financial Information, details of which are set out in the section headed “(1) Acquisition of 60% of registered capital of Regan Financial Information” in this announcement. Based on the software application, namely “e-Financial Club App” (金融e家), and other application platforms established and owned by Regan Financial Information or its subsequently established subsidiary(ies) (collectively the “**Application Platforms**”) during the term of the Strategic Cooperation Framework Agreement:
 - (i) Regan Group shall provide fund, insurance products and other related product information to the Application Platforms;
 - (ii) the Application Platforms shall connect the registered users to suitable sales personnel for consultation and/or websites managed by third parties (holding relevant financial qualification, if required) or Regan Group for purchase of the said products;
 - (iii) Regan Group and third parties shall regularly provide information such as market updates on the Application Platforms;
 - (iv) Regan Financial Information and Regan Group shall jointly organise live broadcasts hosted by Regan Group’s professionals in relation to the Cooperation Business on the Application Platforms;
- (b) fully utilise the resources of both parties (including but not limited to professional knowhow and skills, human resources as well as customer base) to develop and operate the Cooperation Business;
- (c) establish an incentive scheme to motivate personnels who contribute to the Cooperation Business.

INFORMATION ON REGAN SHIYE AND REGAN FINANCIAL INFORMATION

Regan Financial Information, being a company established in the PRC with limited liability, is principally engaged in the development and operation of financial-related application platform “e-Financial Club App” and other financial-related services. As at the date of this announcement, Regan Financial Information is a direct wholly-owned subsidiary of Regan Shiye under Regan Group. The main asset of Regan Financial Information is “e-Financial Club App” which is a software application and can be installed on devices such as mobile phones and tablets. The “e-Financial Club App” is an online platform with user friendly features for registered users to explore and understand various types of insurance products and solutions and fund products with the assistance of qualified financial service agents or insurance agents. Based on the information provided by the registered users, the “e-Financial Club App” conducts intelligent analysis and assigns a suitable agent to the registered users. The qualified financial service agents and insurance agents are required to register on the “e-Financial Club App” and their qualifications must be verified by Regan Financial Information before they can provide consultancy or advisory services to the registered users. The “e-Financial Club App” also offers quality content covering a wide range of up-to-date financial information, pushes effective content feeds recommendations and organises live broadcasting with professional speakers. The “e-Financial Club App” will provide the registered agents with paid features and functions that could enable advanced tools, analysis of customer demand/preference and intelligent marketing support services with separate service fees. The “e-Financial Club App” has accumulated around 15,000 registered users since its soft launch in January 2021.

Regan Shiye, being a company established in the PRC with limited liability, is an investment holding company. Its subsidiaries are principally engaged in the business of insurance brokerage and asset management. Regan Shiye is an indirect non-wholly-owned subsidiary of Regan Holding under Regan Group.

INFORMATION ON REGAN HOLDING AND REGAN GROUP

Regan Holding is a company incorporated in the Cayman Islands with limited liability under Regan Group. Regan Group is principally engaged in asset management, trust, insurance brokerage and financial technology in the PRC and Hong Kong with its headquarter located in Shanghai. Among the entities in Regan Group, Regan International Securities Limited is a licensed corporation to carry out Type 1 (dealing in securities) regulated activity under the SFO; Regan International Asset Management Limited is a licensed corporation to carry out Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO; Regan Insurance Brokers (HK) Limited is a licensed insurance broker company registered under the Insurance Authority; Regan International Trust Limited is principally engaged in the provision of family wealth management services for the Chinese family (including asset allocation, legacy planning, investment planning and tax planning etc); Shanghai Regan Insurance Brokers Company Limited is a licensed insurance broker company registered under the China Banking and Insurance Regulatory Commission; as well as some of its core subsidiaries in the PRC are principally engaged in asset management. Lerx Life Family Trust and LARV Family Trust, of which their settlors are Mr. Li Hailong and Mr. Li Jinlong, respectively, are the controlling shareholders of Regan Holding.

As at the date of this announcement, (i) Regan International Growth Fund SPC is interested in 12,736,000 Shares, representing approximately 5.09% of the issued share capital of the Company; (ii) Regan Global All Weather Strategy Fund SPC is interested in 3,732,000 Shares, representing approximately 1.49% of the issued share capital of the Company; and (iii) Regan Fund Management Company Limited is the investment manager of both funds. Regan Fund Management Company Limited is indirectly wholly-owned by Lee Brothers Family Trust, the settlor of which is Mr. Li Hailong.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Regan Holding, Regan Shiye, Lerx Life Family Trust, LARV Family Trust, Lee Brothers Family Trust and the settlors of these three trusts are the Independent Third Parties.

REASONS FOR AND BENEFITS OF THE ACQUISITION AND THE STRATEGIC COOPERATION

The Group is principally engaged in the provision of electronic manufacturing service. As disclosed in the annual report of the Company for the year ended 31 December 2021, the Group is taking proactive measures and making active responses in an effort to sustain the future growth of business and actively diversify or expand the customer base and product base to broaden the sources of revenue and diversify business risk.

According to the Ernst & Young Fintech Adoption Index published in 2019, the adoption rate of consumer fintech in China reached 87%, implying that 87% of China's digitally active population use at least one fin-tech service (mobile payments, online banking, insurance, borrowing, etc.) in their daily life. The People's Bank of China recently released its "Fintech Development Plan for 2022–2025", which seeks to further develop China's fintech sector in a regulated way and drive the digital transformation of finance in China over the next four years. Among the fintech ecosystem, the Directors have been looking at the potential development of insurance products and solutions in the PRC. According to a report published by an independent management consulting company in March 2022, if the disposable income per capital will be in the range of US\$7,000 to US\$10,000, China's life insurance market is expected to surpass that of the US market and become the world's largest insurance market by 2030 in China, the medical insurance, pension and annuities, term life and whole life policies are currently underdeveloped, and thus these gaps will become the backbone of the future growth in the PRC's insurance market. In view of a large population of consumers for fintech market coupled with the national policy of fintech development, the long-term growth potential of the insurance market in the PRC and the popularity of fintech, the Directors believe that it is beneficial for the Group to commence the fintech and insurance-related business.

The Directors are of the view that the aforementioned strategic cooperation, serving as a stepping stone, will allow the Group to participate in the fintech business, thereby diversifying its existing business portfolio and broadening the Group's revenue base and offer better returns to the Shareholders. The Directors expect that, leveraging on the engineering and information technology background of the Group, entering into of the Strategic Cooperation Framework Agreement would represent a promising business opportunity for the Group to tap in the fin-tech business with shared resources from Regan Group. As part of the aforementioned strategic cooperation, the Company and Regan Shiye jointly invested in Regan Financial Information as a starting point to commence the financial technology business. Through the big data collected by the "e-Financial Club App", Regan Financial Information will further improve efficiency of "e-Financial Club App" and develop new features that enhance the overall user experience with an aim to expand the scale of its registered users, the registered agents and boost the daily time spending per active user. In the future, the Group could further utilise the assets and resources of Regan Financial Information, and leverage on the financial service background and client base of Regan Group to expand the Group's business portfolio into the field of financial technology.

The Directors consider that the terms of the Acquisition and the Strategic Cooperation Framework Agreement are based on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Directors wish to emphasise that the Strategic Cooperation Framework Agreement merely provides a framework of cooperation between the Company and Regan Holding. If there is any cooperation contemplated under the Strategic Cooperation Framework Agreement, it is subject to the terms of any definitive agreements which any member of the Group and any member of Regan Group may subsequently enter into from time to time. As at the date of this announcement, apart from the Equity Transfer Agreement, the Group and Regan Group have not yet entered into any legally binding agreements in relation to any specific cooperation plans. Should there be any material development with respect to the Strategic Cooperation Framework Agreement, the Company will make further announcement(s) in accordance with the Listing Rules as and when appropriate.

DEFINITIONS

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

"Acquisition"	the acquisition of 60% of the registered capital of Regan Financial Information by Wanhai Big Data from Regan Shiye pursuant to the terms and conditions of the Equity Transfer Agreement
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“Application Platforms”	the “e-Financial Club (金融e家)” application platform and other application platforms established and owned by Regan Financial Information or its subsequently established subsidiary(ies) during the term of Strategic Cooperation Framework Agreement
“Board”	the board of Directors
“Cooperation Business”	business of asset management, insurance brokerage, financial technology, its ancillary business and other businesses as agreed in writing by both parties from time to time under the terms of the Strategic Cooperation Framework Agreement
“Company”	Confidence Intelligence Holdings Limited (信懋智能控股有限公司), a company incorporated in the Cayman Islands with limited liability and its issued shares are listed on the Main Board of the Stock Exchange (stock code: 1967)
“Completion”	Completion of the Acquisition pursuant to the terms and conditions of the Equity Transfer Agreement
“Director(s)”	the director(s) of the Company
“Equity Transfer Agreement”	the conditional equity transfer agreement dated 25 July 2022 and entered into amongst Regan Shiye (as vendor), Wanhai Big Data (as purchaser) and Regan Financial Information (as target company) in relation to the Acquisition
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Party”	a third party independent of the Company and the connected persons (has the meaning ascribed thereto in the Listing Rules) of the Company and is not a connected person (has the meaning ascribed thereto in the Listing Rules) of the Company
“Strategic Cooperation Framework Agreement”	a framework agreement dated 25 July 2022 and entered into between the Company and Regan Holding in relation to the strategic cooperation between the Company and Regan Holding

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China excluding, for the purpose of this announcement, the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“Regan Financial Information”	Shanghai Regan Financial Information Service Co., Ltd.* (上海雷根金融信息服務有限公司), a company established in the PRC with limited liability and a direct wholly-owned subsidiary of Regan Shiye as at the date of this announcement
“Regan Group”	Regan Holding and its subsidiaries from time to time
“Regan Holding”	Regan Group Holding Limited (雷根集團控股有限公司), a company incorporated in the Cayman Islands with limited liability
“Regan Shiye”	Regan Shiye Group Co., Ltd.* (雷根實業集團有限公司), a company established in the PRC with limited liability, being owned as to approximately 95.00% by Regan Big Data Technology Co., Ltd.* (雷根大數據科技有限公司), which is an indirect wholly-owned subsidiary of Regan Holding, and approximately 5.00% by i-Golden Data Asia Limited
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Wanhai Big Data”

Wanhai Big Data Technology (Shanghai) Limited* (萬海大數據科技(上海)有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company

“%”

per cent

* For identification purpose only

By order of the Board
Confidence Intelligence Holdings Limited
Li Hao
Chairman

Hong Kong, 25 July 2022

As at the date of this announcement, the executive Directors are Mr. Li Hao, Mr. Zhang Bizhong, Mr. Xu Shizhen, Ms. Li Biqiong and Mr. Hao Xiangjun, the non-executive Director is Mr. Yuan Shuntang, and the independent non-executive Directors are Mr. Chen Zhong, Mr. Wong Chun Sek Edmund and Ms. Mu Lingxia.