CHINA DEVELOPMENT BANK INTERNATIONAL INVESTMENT LIMITED
國開國際投資有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1062)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2022

The board of directors (the "**Board**" or "**Directors**") of China Development Bank International Investment Limited (the "**Company**") announces the unaudited interim results of the Company and its subsidiaries (collectively the "**Group**") for the six months ended 30 June 2022 (the "**Period**"). The interim results for the Period have been reviewed by the audit committee of the Company and BDO Limited, the auditor of the Company.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2022

	Notes	**Six months ended 30 June** **2022** *HK$* **(Unaudited)**	2021 *HK$* (Unaudited)
Net valuation losses in fair value of financial assets at fair value through profit or loss		**(499,903,110)**	(120,547,984)
General and administrative expenses	*5*	**(5,156,486)**	(6,130,134)
Other gains, net		**2,419,088**	2,352,982
Dividend income from financial assets at fair value through profit or loss		**153,575,885**	–
Finance income		**97,107**	69,491
Finance costs		**(1,774,256)**	(3,611,801)
Share of profit/(loss) in an associate		**3,110,170**	(282,612)
Loss before income tax		**(347,631,602)**	(128,150,058)
Income tax expense	*4*	**(5,494,850)**	–
Loss and total comprehensive income for the period attributable to owners of the Company		**(353,126,452)**	(128,150,058)
Loss per share			
– Basic (HK cents)	*6*	**(12.17)**	(4.42)
– Diluted (HK cents)	*6*	**(12.17)**	(4.42)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

	Notes	30 June 2022 HK$ (Unaudited)	31 December 2021 HK$ (Audited)
Assets			
Non-current assets			
Property, plant and equipment		–	–
Interest in an associate		**5,414,131**	2,303,961
Financial assets at fair value through profit or loss		**1,212,612,703**	1,954,592,706
		1,218,026,834	1,956,896,667
Current assets			
Prepayments and other receivables		**6,143,771**	6,093,771
Financial assets at fair value through profit or loss		**242,076,893**	–
Cash and cash equivalents		**14,660,107**	265,243,204
		262,880,771	271,336,975
Total assets		**1,480,907,605**	2,228,233,642
Equity and liabilities			
Equity attributable to owners of the Company			
Share capital		**29,022,154**	29,022,154
Reserves		**1,449,688,128**	1,802,814,580
Total equity		**1,478,710,282**	1,831,836,734
Liabilities			
Current liabilities			
Other payables and accruals		**2,197,323**	6,396,908
Borrowings		–	390,000,000
		2,197,323	396,396,908
Total liabilities		**2,197,323**	396,396,908
Total equity and liabilities		**1,480,907,605**	2,228,233,642
Net asset value per share	*7*	**0.51**	0.63

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2022

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 ("**HKAS 34**") "**Interim Financial Reporting**" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"). The condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2021, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**").

The preparation of condensed consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the condensed consolidated financial statements.

2. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2021 (as described in those annual financial statements), except for the adoption of new and amended standards as set out below.

(a) New and amended standards adopted by the Group

In the current interim period, the Group has applied, for the first time, the following new and amended HKFRSs issued by the HKICPA that are relevant for the preparation of the Group's condensed consolidated financial statements:

HKAS 16 (Amendments)	Property, Plant and Equipment – Proceeds before Intended Use
HKAS 37 (Amendments)	Onerous Contracts – Cost of Fulfilling a Contract
HKFRS 3 (Amendments)	Reference to the Conceptual Framework
HKFRS 16 (Amendments)	Covid-19 – Related Rent Concessions beyond 30 June 2021
Accounting Guideline 5 (Revised)	Merger Accounting for Common Control Combinations
Annual Improvements to HKFRSs	Annual Improvements to HKFRSs 2018-2020 Cycle

The application of the above amendments to HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

(b) Impact of standards issued but not yet applied by the Group

Standards	Subject of amendment	Effective for accounting periods beginning or after
HKAS 1 (Amendments)	Classification of Liabilities as Current or Non-current	1 January 2023
Hong Kong Interpretation 5 (2020)	Presentation of Financial Statements– Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2023
HKAS 1 (Amendments)	Disclosure of Accounting Policies	1 January 2023
HKAS 8 (Amendments)	Definition of Accounting Estimates	1 January 2023
HKAS 12 (Amendments)	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
HKFRS 17	Insurance Contracts and the related Amendments	1 January 2023

The Group has already commenced an assessment of the impact of these new HKFRSs and none of those are expected to have material impact on the Group's accounting policies.

3. SEGMENT INFORMATION

The chief operating decision-maker ("**CODM**") has been identified as the Company's executive directors. The Group's principal activity is investment in equity instruments and other financial instruments. For the purpose of resources allocation and assessment of performance, the CODM regularly reviews the Group's investment portfolio, including financial assets at fair value through profit or loss. Information provided to the CODM includes fair value of the respective investees. The Group's financial assets at fair value through profit or loss portfolio are managed and evaluated on a total return basis. No other discrete financial information was provided to the CODM. Therefore, the Group has identified only one operating segment-investment holding, and no separate segment information is disclosed.

Management determines the Group is domiciled in Hong Kong, which is the location of the Group's principal office.

The Group's non-current assets (other than interest in an associate and financial assets at fair value through profit or loss) are located in Hong Kong. The Group's revenue was all derived from the Group's operation which is located in Hong Kong.

Given that the nature of the Group's operation is investment holding, there was no information regarding major customers as determined by the Group.

4. INCOME TAX EXPENSE

	Six months ended 30 June	
	2022	2021
	HK$	*HK$*
	(Unaudited)	(Unaudited)
Current tax		
– Withholding tax	**5,494,850**	–

Hong Kong profits tax is calculated at 16.5% (2021: 16.5%) of the estimated assessable profit. No provision for Hong Kong profits tax has been made in the condensed consolidated financial statements as the Group did not generate any assessable profits arising in Hong Kong for both periods.

Under the Enterprise Income Tax Law of PRC, withholding tax of 10% is imposed on gain in respect of disposal of domestic investments in the PRC.

5. EXPENSES BY NATURE

	Six months ended 30 June	
	2022	2021
	HK$	*HK$*
	(Unaudited)	(Unaudited)
Employee benefits expenses		
– Directors' fee	**150,000**	150,213
– Other staff costs *(Note)*		
Basic salaries and other benefits	**2,856,960**	3,822,450
Retirement benefits contribution	**292,340**	300,522
Auditor's remuneration	**205,000**	200,000
Investment management fees	**175,000**	175,000
Legal and professional fee	**401,980**	62,466
Others	**1,075,206**	1,419,483
Total general and administrative expenses	**5,156,486**	6,130,134

Note: During the six months ended 30 June 2022, the Group paid services fee of HK$302,196 (six months ended 30 June 2021: HK$483,046) to a personnel services company which provides staff to the Group. Such amounts are excluded from the total employee benefits expenses as mentioned above.

6. LOSS PER SHARE

	Six months ended 30 June	
	2022	2021
	HK$	*HK$*
	(Unaudited)	(Unaudited)
Loss for the period attributable to owners of the Company	**(353,126,452)**	(128,150,058)
Weighted average number of ordinary shares in issue	**2,902,215,360**	2,902,215,360
Basic loss per share (in HK cents)	**(12.17)**	(4.42)
Diluted loss per share (in HK cents)	**(12.17)**	(4.42)

Basic loss per share is calculated by dividing the loss for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

The calculation of diluted loss per ordinary share is based on the loss for the period attributable to owners of the Company and the weighted average number of ordinary shares in issue. The Company did not have any potential dilutive ordinary shares for the periods ended 30 June 2022 and 30 June 2021. Accordingly, the diluted loss per ordinary share are the same as the basic loss per ordinary share.

7. NET ASSET VALUE PER SHARE

Net asset value per share is computed based on the condensed consolidated net assets of HK$1,478,710,282 as at 30 June 2022 (31 December 2021: HK$1,831,836,734) and 2,902,215,360 ordinary shares in issue as at 30 June 2022 (31 December 2021: 2,902,215,360 ordinary shares).

8. EVENT AFTER THE REPORTING DATE

On 30 May 2022, the Company proposed to dispose its 4.82% interest in P.G. Logistics Property Investment Limited ("**P.G. Logistics**") on the Shanghai United Assets and Equity Exchange ("**SUAEX**") by way of listing-for-sale. On 30 June 2022, at the end of the publication period through SUAEX, the Company was informed that there was one transferee who was qualified for the proposed disposal, namely Shenzhen Aoyuheng Industrial Co., Ltd.*(深圳市奧裕恆實業有限公司) ("**Shenzhen Aoyuheng**") (an independent third party of the Company).

On 15 July 2022, the Company entered into the Equity Transfer Agreement with Shenzhen Aoyuheng in relation to the disposal of 4.82% interest in P.G. Logistics by the Company to Shenzhen Aoyuheng for a consideration of RMB192,800,000 (equivalent to approximately HK$225,447,000)("**Disposal**"). Upon completion of the Disposal, the Company will not hold any equity interest in P.G. Logistics.

The Company is currently in the course of dealing with matters towards completion of the Disposal.

* *for identification purpose only*

MANAGEMENT DISCUSSION AND ANALYSIS

OVERALL PERFORMANCE

For the Period, the Group recorded a loss of approximately Hong Kong Dollars ("**HK$**") 353.13 million (six months ended 30 June 2021: loss of approximately HK$128.15 million) which is primarily attributable to the net valuation losses in fair value of financial assets at fair value through profit or loss of approximately HK$499.9 million (six months ended 30 June 2021: loss of approximately HK$120.55 million) netted off by the general and administrative expenses of approximately HK$5.16 million (six months ended 30 June 2021: approximately HK$6.13 million) incurred during the Period. For the Period, the interest income of the Group was approximately HK$0.1 million (six months ended 30 June 2021: approximately HK$0.07 million). The Group's net valuation losses in fair value of financial assets at fair value through profit or loss for the Period amounted to approximately HK$499.90 million (six months ended 30 June 2021: net loss of approximately HK$120.55 million). The general and administrative expenses of the Group for the Period were approximately HK$5.16 million (six months ended 30 June 2021: approximately HK$6.13 million), the decrease was mainly due to a reduction in total staff costs. The Group's net asset value decreased to approximately HK$1,478.71 million as at 30 June 2022 (31 December 2021: approximately HK$1,831.84 million), with loss per share of approximately HK$12.17 cents (six months ended 30 June 2021: loss per share of approximately HK$4.42 cents).

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

It is the Group's policy to adopt a prudent financial management strategy. The Group's treasury policies are designed to maintain a suitable level of liquidity facilities and minimise financial risks in order to meet operation requirements and pursue investment opportunities.

On 11 November 2016, a loan agreement was entered into between China Development Bank International Holdings Limited ("**CDBIH**"), the immediate controlling company of the Company as the lender and the Company as the borrower, pursuant to which CDBIH will provide a term loan to the Company in an amount of up to United States Dollars ("**US$**") 100 million, at an interest rate of 1.65% per annum over US$ 3-month LIBOR ("**LIBOR**"). The relevant loan will be repayable on the date falling twelve months after the date of first drawdown, which may be automatically extended for another twelve months unless notified by either CDBIH or the Company not to extend repayment.

On 6 January 2020, a new facility agreement ("**New Facility Agreement**") was entered into among China Construction Bank (Asia) Corporation Limited ("**CCB Asia**") as the lender, the Company as the borrower, and CDBIH as the guarantor, pursuant to which CDBIH will be the guarantor of the Company for an uncommitted revolving loan facility in the amount of up to US$100,000,000 both granted by CCB Asia. CCB Asia is a licensed financial institution under the laws of Hong Kong and a wholly-owned subsidiary of China Construction Bank Corporation ("**China Construction Bank**") (listed on the Shanghai Stock Exchange, stock code: 601939 and listed on the Stock Exchange of Hong Kong Limited stock code: 939). CCB Asia is a third party independent of and not connected with the Company and its connected persons, despite that Central Huijin Investment Ltd., which owns directly and indirectly 57.31% interest in China Construction Bank, the controlling company of CCB Asia, also owns 34.68% interest in China Development Bank ("**CDB**"), the controlling shareholder of China Development Bank Capital Corporation Ltd. ("**CDBC**") at the date of the Facility Agreement was entered into.

As at 30 June 2022, the Group had total borrowings of HK$Nil (31 December 2021: HK$390 million) and the debt-to-equity ratio (calculated as the sum of borrowings to the total shareholder's equity) was approximately 0% (31 December 2021: approximately 21%), putting the Group in an advantageous position to realise its investment strategies and pursue investment opportunities.

As at 30 June 2022, the cash and cash equivalents of the Group were approximately HK$14.66 million (31 December 2021: approximately HK$265.24 million). As more than half of the retained cash was denominated in United States Dollars and placed in major banks in Hong Kong, the Group's exposure to exchange fluctuation risk is considered minimal. The Board believes that the Group still maintains a healthy financial position as at 30 June 2022.

Save as disclosed as above, there is no change to the Group's capital structure for the Period.

CHARGE ON ASSETS, CAPITAL COMMITMENT AND CONTINGENT LIABILITIES

As at 30 June 2022, there were no charges on the Group's assets and the Group had no material capital commitment or any significant contingent liabilities (31 December 2021: Nil). As at 30 June 2022, as far as the Directors are aware, the Group was not involved in any material litigation or arbitration and no material litigation or claim was pending or threatened or made against the Group.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the Period, the Company had not made any material acquisition and disposal of subsidiaries and associated companies.

SUBSEQUENT EVENTS

On 30 May 2022, the Company proposed to dispose its 4.82% interest in P.G. Logistics Property Investment Limited ("**P.G. Logistics**") on the Shanghai United Assets and Equity Exchange ("**SUAEX**") by way of listing-for-sale. On 30 June 2022, at the end of the publication period through SUAEX, the Company was informed that there was one transferee that was qualified for the proposed disposal, namely Shenzhen Aoyuheng Industrial Co., Ltd.*(深圳市奧裕恆實業有限公司) ("**Shenzhen Aoyuheng**") (an independent third party of the Company).

On 15 July 2022, the Company entered into the Equity Transfer Agreement with Shenzhen Aoyuheng in relation to the disposal of 4.82% interest in P.G. Logistics by the Company to Shenzhen Aoyuheng for a consideration of RMB192,800,000 (equivalent to approximately HK$225,447,000) ("**Disposal**"). Upon completion of the Disposal, the Company will not hold any equity interest in P.G. Logistics.

The Company is currently in the course of dealing with matters towards completion of the Disposal.

* *for identification purpose only*

PORTFOLIO REVIEW

Particulars of the investments of the Group as at 30 June 2022 are set out as follows:

	Cost/carrying book cost as at 30 June 2022 *HK$* (Unaudited)	Market value/ carrying amount as at 30 June 2022 *HK$* (Unaudited)	Market value/ carrying amount as at 31 December 2021 *HK$* (Audited)	Unrealised gains/(losses) recognised for the Period ended 30 June 2022 *HK$* (Unaudited)	Accumulated unrealised gains/(losses) recognised as of 30 June 2022 *HK$* (Unaudited)	Percentage to the Group's total assets as at 30 June 2022 *%* (Unaudited)
Jade Sino Ventures Limited *(*"**Jade Sino**"*)* *(Note 1)*	194,987,520	284,443,148	605,003,588	(320,560,440)	89,455,628	19.2%
P.G. Logistics Property Investment Limited ("**P.G. Logistics**") *(Note 2)*	195,000,000	242,076,893	250,271,905	(8,195,012)	47,076,893	16.3%
BEST Inc. ("**Best Inc.**") *(Note 3)*	234,000,000	6,623,406	21,722,700	(15,099,294)	(227,376,594)	0.4%
Meicai *(Note 4)*	200,460,000	423,720,217	565,462,846	(141,742,629)	223,260,217	28.6%
G7 Connect Inc ("**G7**") *(Note 5)*	195,000,000	308,517,574	323,894,954	(15,377,380)	113,517,574	20.8%
Yimeter Holding Limited ("**Yimeter**") *(Note 6)*	153,260,180	189,308,358	188,236,713	1,071,645	36,048,178	12.8%
China Property Development (Holdings) Limited ("**CPDH**") *(Note 7)*	78,000,000	5,414,131	2,303,961	3,110,170	(74,889,830)	0.4%

Notes:

1. Jade Sino is an investment holding company incorporated in the British Virgin Islands with limited liabilities. As at 30 June 2022, the proportion of the issued share capital of Jade Sino owned by the Group was approximately 23.81%. As at 30 June 2022, Jade Sino directly held approximately 8.35% of the equity interests of Jinko Power Technology Co., Ltd. ("**Jinko Power**"), a company incorporated in the People's Republic of China ("**PRC**") with limited liabilities. Jinko Power was successfully listed on the Shanghai Stock Exchange in May 2020. Jinko Power and its subsidiaries are principally engaged in developing, building and operating photovoltaic power stations in the PRC. No gain or loss on disposal was recorded during the Period. Dividends of approximately HK$153.58 million were received during the period.

2. Guangzhou P.G. Investment Co., Ltd.* ("**PG Investmen**t"), a company incorporated in the PRC with limited liabilities, completed the restructuring of overseas red chips on 25 May 2021. As a result, the equity interests of Jolly Investment Limited ("**Jolly**") originally held by the Group has been converted into relevant equity interests of PG Logistics, an investment holding company incorporated in the Cayman Islands with limited liabilities, in accordance with relevant legal documents. As at 30 June 2022, the proportion of the issued share capital of P.G. Logistics owned by the Group was approximately 4.82%. As at 30 June 2022, P.G. Logistics held the entire equity interests of PG Investment. No gain or loss on disposal was recorded during the Period. No dividend was received during the Period.

* *for identification purpose only*

3. Best Inc. was incorporated in the Cayman Islands with limited liabilities which is principally engaged in express delivery, freight delivery and supply chain service. Best Inc. was successfully listed on the New York Stock Exchange in September 2017. As at 30 June 2022, the proportion of its issued share capital owned by the Group was approximately 0.83%. No gain or loss on disposal was recorded during the Period. No dividend was received during the Period.

4. Meicai is an investment holding company incorporated in the Cayman Islands and provides supply chain related services (including ingredient procurement, warehousing and distribution to small-and-medium-sized restaurants in the PRC). As at 30 June 2022, the proportion of the issued share capital of Meicai owned by the Group was approximately 1.06%. No gain or loss on disposal was recorded during the Period. No dividend was received during the Period.

5. G7 is a technology leader in the logistics sector in the PRC. Its services span each aspect of fleet management including order processing, short/long haul visibility, asset tracking, dispatch, route planning, financial settlement, accounting, safety management, etc. As at 30 June 2022, the proportion of the issued share capital of G7 owned by the Group was approximately 2.92%. No gain or loss on disposal was recorded during the Period. No dividend was received during the Period.

6. Yimidida is a company incorporated in the PRC with limited liabilities which is principally engaged in the operation of the less-than-truckload freight network and was jointly established by several regional leading less-than-truckload logistics enterprises, Yimidida, with the mode of direct operation in core areas and regional franchise, unified the branding, systems, clearing, services and management standards of its partners along the whole ecological chain, and rapidly established the country-wide less-than-truckload freight franchise network. On 30 July 2021, the Board of Yimidida approved the overall merger and acquisition reorganisation of Yimidida by J&T Global Express Limited ("**J&T Express**"). In January 2022, the Company completed the relevant merger and acquisition reorganisation and now directly holds 1,735,266 ordinary shares of Yimeter (a holding vehicle created by some former shareholders of Yimidida), and indirectly holds 1,735,266 preference shares in J&T Express. No gain or loss on disposal was recorded during the Period. No dividend was received during the Period.

7. The investments in CPDH disclosed in the table above are accounted for in accordance with HKAS 28 Investment in Associates and Joint Ventures.

UNLISTED INVESTMENTS REVIEW

The Company has been committed to identifying and exploring high-quality investment opportunities and has established certain investment layout in areas including, but not limited to, logistics infrastructure and supply chain services, advanced manufacturing and new energy. The investments below in Yimeter, G7, Meicai, PG Investment and other investments as set out below are expected to create investment returns for the Shareholders and to further promote the Company's overall market advantage in sectors such as logistics, information technology, advanced manufacturing, medical, new energy, energy saving and environment protection. The Company will proactively leverage the resources of CDB in the areas of agriculture modernisation, logistics infrastructure and credit and will fully utilise the Company's extensive knowledge and experience in finance, management and relevant industries to assist Yimeter, G7, Meicai, PG Investment and other investments in enhancing their efficiency, exploring business opportunities, optimising the decision-making and incentive mechanisms and continuously improving corporate governance practices.

PG Investment

On 15 December 2015, the Company had entered into a share subscription agreement with Jolly and an independent third party of the Company, pursuant to which Jolly agreed to issue an aggregate of 31,449 ordinary shares of Jolly and the Company as one of the investors agreed to subscribe for 7,245 ordinary shares of Jolly at a cash consideration of US$25.00 million. Jolly is an investment holding company incorporated in the Cayman Islands with limited liabilities. Jolly indirectly invested in PG Investment, a PRC company. PG Investment is a leading logistics warehouse infrastructure operator in the PRC, whose principal business includes investment, construction and operation of large scale logistics parks, business facilities and exhibition centers. Jolly and PG Investment are both independent third parties of the Group.

On 25 May 2021, following the completion of the restructuring of overseas red chips, PG Investment became the wholly owned subsidiary of P.G. Logistics, a newly established investment holding company incorporated in the Cayman Islands. As a result, the equity interests of Jolly originally held by the Group has been converted into relevant equity interests of P.G. Logistics in accordance with relevant legal documents. The restructuring of overseas red chips will not affect the actual shareholding ratio of the Group in PG Investment.

On 30 May 2022, the Company proposed to dispose its 4.82% interest in P.G. Logistics on the SUAEX by way of listing-for-sale. On 30 June 2022, at the end of the publication period through SUAEX, the Company was informed that there was one transferee that was qualified for the Disposal, i.e., Shenzhen Aoyuheng (an independent third party of the Company). On 15 July 2022, the Company entered into the Equity Transfer Agreement with Shenzhen Aoyuheng in relation to the disposal of 4.82% interest in P.G. Logistics by the Company to Shenzhen Aoyuheng at a consideration of RMB192,800,000. Upon completion of the Disposal, the Company will not hold any equity interest in P.G. Logistics.

The Company is currently in the course of dealing with matters towards completion of the Disposal.

Meicai

On 24 November 2016, the Company had entered into an investment agreement with Meicai pursuant to which the Company agreed to subscribe for the newly issued convertible preferred shares of Meicai at a cash consideration of US$25.70 million. Meicai is a holding company incorporated in the Cayman Islands and provides supply chain related services (including ingredient procurement, warehousing and distribution to small-and-medium-sized restaurants in the PRC). It is the largest e-commerce platform in terms of gross merchandise volume in the area of supply chain for agricultural products in the PRC. By shortening the distribution process of agricultural products, improving the efficiency of agricultural products supply chain, and establishing large scale warehousing and distribution system and the good quality control for the whole process, Meicai is able to provide economic and efficient services for farmers and restaurant customers in the PRC's agricultural products supply chain. Meicai is an independent third party of the Group.

Meicai's business focus in 2022 is to continue to expand into new cities to increase its market share, while reducing costs and increasing efficiency to improve the company's profitability. In the future, Meicai will continue to increase its market share by shortening the distribution process of agricultural products and improving the efficiency of the agricultural supply chain to provide economical and efficient services to farmers and restaurant customers in the Chinese agricultural supply chain. The Company is also committed to continuously optimising its people and business lines, reducing overheads, optimising staff levels and reducing costs and efficiency. The Company is confident that Meicai will continue to grow its business at a satisfactory rate and become one of the leaders in the supply chain of agricultural products in China.

G7

On 29 December 2016, a wholly-owned subsidiary of the Company entered into a convertible preferred share subscription agreement with G7 pursuant to which the Group, as one of the investors, agreed to subscribe for the newly issued preferred shares of G7 at a cash consideration of US$25.00 million. G7 is a leading logistics artificial intelligence service and intelligent equipment supplier in China with its business coverage spanning across China and its neighboring countries in Asia. G7 is connected to cargo vehicles from various customers. By installing smart devices on vehicles in the fleet, G7 utilizes real-time sensing technology to provide data services that span the entire logistic process, to connect the data of every single vehicle, consignor, fleet owner and driver, and thus to improve the efficiency of logistic service. Based on big data of the connected vehicles, G7 cooperates with premium partners from oil distribution, toll roads and bridges, insurance, banking and financial leasing industries to establish a one-stop service platform that integrates primary consumption of fleets. The platform enables safer, more economical, more efficient and more environmentally-friendly logistic services. G7 is an independent third party of the Group.

Despite the adverse impact of the COVID-19 epidemic, G7 completed the share swap and merger with Shenzhen Yiliu Technology Co., Ltd.("**E6**") in the first quarter of 2022 and completed the first phase of business integration with E6 in order to consolidate its competitive advantage and enhance its integrated service capabilities to take advantage of the favourable market opportunities. E6 has a long history of working with large shippers and large logistics companies, focusing on providing IoT-based software subscription services to its customers. The Company expects that through this merger, G7 will become the largest and most influential data services company in the industry, covering key vertical markets from production logistics to consumer logistics, with customers including major players in the road freight market, a product portfolio that forms a one-stop digital service, and a further strengthened technological advantage.

Yimeter (J&T Express)

On 30 November 2017, a wholly-owned subsidiary of the Company entered into a capital increment agreement with Yimidida, pursuant to which the Group, as one of the investors, agreed to subscribe for the shares newly issued by Yimidida at a consideration of RMB130.00 million in USD equivalent. Yimidida is principally engaged in the operation of the less-than-truckload freight network and was jointly established by several regional leading less-than-truckload logistics enterprises. Yimidida, with the mode of direct operation in core areas and regional franchise, unified the branding, systems, clearing, services and management standards of its partners along the whole ecological chain, and rapidly established the country-wide less-than-truckload freight franchise network. Yimidida is an independent third party of the Group.

On 30 July 2021, the Board of Yimidida approved the overall merger and acquisition reorganisation of Yimidida by J&T Express. In January 2022, the Company completed the relevant merger and acquisition reorganisation and now indirectly holds 1,735,266 preference shares in J&T Express.

During the Period, despite the adverse impact of the COVID-19 epidemic, J&T Express successfully completed the integration of the domestic courier business of Best Inc., with a steady increase in average daily delivery volume, further optimisation of its network services and operational and management capabilities, and stable expansion of its franchisee network. The Company expects that with its strengths, J&T Express will further strengthen and optimise its network coverage, improve its service quality and enhance its brand image.

CPDH

CPDH is a company incorporated in the Cayman Islands with limited liability and principally engaged in investment of residential development project. CPDH did not carry out any business during the Period and it is under litigation process. Its carrying value is accounted for using equity method.

LISTED INVESTMENTS REVIEW

Securities Investments

BEST INC.

On 18 January 2016, the Company entered into a convertible preferred shares purchase agreement with Best Logistics as well as the members of Best Logistics group, the existing holders of the securities of Best Logistics and investors of the new preferred shares of Best Logistics, pursuant to which the Company, as one of the investors of the new preferred shares, agreed to subscribe for certain new preferred shares at a cash consideration of US$30.00 million, representing approximately 0.96% of the enlarged issued share capital of Best Logistics. In June 2017, the name of Best Logistics was changed to Best Inc.. In September 2017, Best Inc. completed its initial public offering of 45,000,000 ADSs, each representing one share of its Class A ordinary shares, at US$10.00 per ADS for a total offering size of US$450.00 million. Its ADSs commenced trading on the New York Stock Exchange on 20 September 2017. Now the symbol is "BEST".

Combining the Internet, information technology and traditional logistics services, Best Inc. is committed to creating a one-stop logistics and supply chain service platform to provide customers with efficient services and experience. It is one of the largest integrated logistics service providers in China. Its multisided platform combines technology, integrated logistics and supply chain services, last-mile services and value-added services. BEST Cloud, the proprietary technology platform of Best Inc., which seamlessly connects its systems with those of its ecosystem participants, is the backbone that powers its integrated services and solutions. Its logistics, supply chain and last-mile services encompass B2B and B2C supply chain management, express and less-than-truckload delivery, cross-border supply chain management and a real-time bidding platform to source truckload capacity. In addition, it provides value-added services to support its ecosystem participants and help them grow.

In November 2020, Best Inc. announced its strategic restructuring and organisational changes. On 29 October 2021, Best Inc. announced the sale of its domestic express delivery business to J&T Express for a consideration of approximately RMB6.8 billion, and the transaction was completed on 17 December 2021. Upon completion of the transaction, Best Inc. will be able to focus more on its core business of less-than-truckload delivery and supply chain management, and its business is expected to resume growth and improve its profitability and financial performance in 2022. As a result of the COVID-19 epidemic and the curtailment of the UCargo business, Best Inc. reported a net loss of RMB380 million on revenue of RMB1,802.6 million (approximately US$284.4 million) for the first quarter of 2022.

JINKO POWER

On 29 September 2014, the Company entered into a share subscription agreement (the "**Jade Sino Subscription Agreement**") with CDBIH and Jade Sino, pursuant to which the Company and CDBIH agreed to subscribe for 11,904 and 13,096 ordinary shares of Jade Sino, representing approximately 23.81% and 26.19% of the enlarged issued share capital of Jade Sino respectively.

In 2014, Jade Sino contributed an aggregate of US$105 million to subscribe for preferred shares issued by JinkoSolar Power Engineering Group Limited ("**JinkoSolar Power**"). As a result of the subsequent reorganization of JinkoSolar Power's assets and the introduction of new investors, Jade Sino held 15.01% of the ordinary shares of Jinko Power. In May 2020, Jinko Power completed the initial public offering of 594,592,922 A shares ("**A Shares**") on the Shanghai Stock Exchange with the issue price of RMB4.37 per A share for a total offering size of approximately RMB2.60 billion under stock code 601778. As at 30 June 2022, Jade Sino directly held approximately 8.35% equity interest in Jinko Power.

During the Period, the business income performance of Jinko Power was similar as compared with that at the beginning of 2021, with the major sources of its income including sales of electricity and design, procurement and construction. The Company expects that the performance of Jinko Power in 2022 will be generally in line with our expectations and it is expected that Jinko Power can make a significant contribution to the Company's performance afterward.

EMPLOYEES

As at 30 June 2022, the Company had 6 employees (30 June 2021: 7 employees). The total staff costs of the Group (excluding Directors' fee) for the Period was approximately HK$3.15 million (six months ended 30 June 2021: HK$4.12 million). The Company determines its staff remuneration in accordance with prevailing market salary scales, individual qualifications and performance. Remuneration packages of the Company's employees including basic salary, performance bonuses and mandatory provident fund are reviewed on a regular basis. The Company had no share option scheme during the six months ended 30 June 2022. However, the Company provided training suitable to employees' needs and in accordance with the Company's own development strategy.

GEARING RATIO

As at 30 June 2022, the Group had outstanding bank borrowings of HK$Nil (31 December 2021: HK$390 million). As at 30 June 2022 the Group's current ratio (current assets to current liabilities) was approximately 11,964% (31 December 2021: approximately 68%). The ratio of total liabilities to total assets of the Group was approximately 0.15% (31 December 2021: approximately 18%).

EXCHANGE EXPOSURE

The Group had an insignificant exchange risk exposure under review during the Period since more than half of the retained cash was denominated in United States Dollars and placed in several major banks in Hong Kong. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

FUTURE PROSPECTS

The Company has been committed to identifying and exploring high-quality investment opportunities and has established certain investment layout in areas including, but not limited to, logistics infrastructure and supply chain services, advanced manufacturing and new energy. The Company expects that the logistics industry will maintain good growth, as it is a fundamental and strategic industry which supports the national economic development, synergises with e-commerce transactions with increasing importance and is also a key industry supported by CDB, the ultimate controlling shareholder of the Company. The Company will proactively leverage the resources of CDB in the areas of logistics infrastructure and credit based on its existing logistics network, and its extensive industry knowledge and experience in finance and management to assist the Company in continuously enhancing its efficiency, exploring business opportunities, optimising the decision-making process and incentive mechanism and improving corporate governance practices, and continue to be committed to identifying and exploring suitable investment opportunities in the logistics industry. The Company will continue to actively pursue opportunities to bring the best returns to the Shareholders and pave the way for its business growth.

Looking forward, the management believes that the business and operating environment for the Group is full of challenges and volatility. In order to improve the performance of the Group and deliver the best returns to the Shareholders, the Group will continue to look for investment opportunities which could strengthen profitability with acceptable risk of the portfolio of the Group by continuing to diversify its investments in different segments such as logistics, information technology, advanced manufacturing, medical, new energy, energy saving and environment protection.

As a result of the uncertainty and continuing impacts brought by the COVID-19 on the economic development and performance of investment projects, the management will continue to enhance communication and pay close attention to the impact of COVID-19 on the industry, and actively assist the invested companies to resume normal operations by various means. The management will also continue to closely monitor the market situation and enhance its operation in all areas, to raise levels of financial discipline and improve profitability of the Group.

INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend for the Period (30 June 2021: Nil).

AUDIT COMMITTEE

As at 30 June 2022, the audit committee of the Company (the "**Audit Committee**") comprises four members, namely, Mr CHEUNG Ngai Lam, Mr. LU Yanpo, Mr SIN Yui Man and Mr FAN Ren Da, Anthony. All members of the Audit Committee are non-executive Directors. The chairman of the Audit Committee is Mr CHEUNG Ngai Lam, an independent non-executive Director of the Company. The members of the Audit Committee meet regularly to review the financial report and other information submitted and reported to the Shareholders, the system of internal control, and the effectiveness and objectivity of risk management and audit process. The Audit Committee acts in an advisory capacity and makes recommendations to the Board. The terms of reference of the Audit Committee which explained the role and the authority delegated to the Audit Committee by the Board were revised in 2018 is available on the websites of the Company and the Stock Exchange. The Audit Committee has reviewed the interim results announcement and the interim report, including the unaudited condensed consolidated interim financial information of the Group for the Period, which has also been reviewed by the Company's auditor, BDO Limited, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Period.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Throughout the Period, the Directors believe that the Company has complied with all the code provisions of the Corporate Governance Code as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"), save and except for the following deviation:

In accordance with paragraph B.1 of Part 2 of the Corporate Governance Code, there should be a balanced composition of executive and non-executive directors (including independent non-executive directors) on the Board so that there is a strong independent element on the Board capable of exercising independent judgment effectively. On 30 June 2022, following the resignation of Mr. BAI Zhe, an executive director of the Company, the Board did not have any executive director and deviated from paragraph B.1 of Part 2 of the Corporate Governance Code.

The Board has been actively identifying suitable candidates to fill the vacancy and further announcement(s) will be made as and when appropriate. Until a new executive director is appointed to the Board, the Company will continue and maintain the same investment policies and strategies all along adopted and implemented by the Company and will also seek the professional advice of the investment manager as and when necessary.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") contained in Appendix 10 of the Listing Rules as its own code of conduct regarding the Directors' securities transactions. Having made specific enquiry by the Company, the Directors have confirmed that they have complied with the required standards as set out in the Model Code throughout the Period.

ACKNOWLEDGMENT

On behalf of the Board, I would like to take this opportunity to express our appreciation to the external professionals to provide their professional services to the Group throughout the Period. I would like to thank my fellow Directors for their valuable contribution and the staff of the Company for their commitment and dedicated services throughout the Period. I would like to express our gratitude to our Shareholders for their support to the Group.

PUBLICATION OF INTERIM REPORT

The 2022 interim report will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cdb-intl.com) and dispatched to the Shareholders in due course.

By Order of the Board
China Development Bank International Investment Limited
LU Yanpo
Chairman

Hong Kong, 18 August 2022

As at the date of this announcement, the Board is comprised of Mr LU Yanpo as Non-executive Director; and Mr SIN Yui Man, Mr FAN Ren Da, Anthony and Mr CHEUNG Ngai Lam as Independent Non-executive Directors.