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**信達國際控股有限公司**  
**CINDA INTERNATIONAL HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 111)**

## **DISCLOSEABLE TRANSACTION – DISPOSAL OF EQUITY INTEREST IN A JOINT VENTURE**

Reference is made to the announcements of the Company dated 24 June 2022 and 25 July 2022, respectively in relation to the disposal of the Equity Interest.

The Board hereby announces that on 22 August 2022, the Company was notified by the Shanghai United Assets and Equity Exchange that the Purchaser, who had submitted the final bid price of RMB13.545 million (equivalent to approximately HK\$15.98 million) during the bidding invitation period, was the successful bidder for the public tender of the Equity Interest.

Under such circumstances, after trading hours on 26 August 2022, the Company entered into the Equity Transfer Agreement with the Purchaser, pursuant to which the Company agreed to sell, and the Purchaser agreed to purchase, the Equity Interest, being 35% of the equity interests in JXGM at the Consideration of RMB13.545 million (equivalent to approximately HK\$15.98 million and the final bid price tendered by the Purchaser during the bidding invitation period).

Upon completion of the Disposal, the Company will cease to have any interest in JXGM, while JXGM will no longer be a joint venture of the Company. The financial results of JXGM will cease to be recognised in the accounts of the Group.

### **LISTING RULES IMPLICATIONS**

As certain applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal exceed 5% but all of them are less than 25%, the Disposal constitutes a discloseable transaction of the Company, and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

**Completion of the Disposal is subject to the completion of the matters as set out in the section headed under “The Equity Transfer Agreement – Matters to be completed prior to the Payment Date”. As such, the Disposal may or may not proceed. Shareholders and potential investors shall exercise caution when dealing in the securities of the Company.**

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## **THE DISPOSAL**

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## **THE EQUITY TRANSFER AGREEMENT**

Principal terms of the Equity Transfer Agreement are summarised below:

- Date:** 26 August 2022 (after trading hours)
- Parties:** (1) the Company as vendor; and  
(2) the Purchaser as purchaser
- Subject matter:** The Equity Interest, representing 35% of the equity interests in JXGM directly held by the Company as at the date of this announcement.
- Consideration:** RMB13.545 million (equivalent to approximately HK\$15.98 million), representing (i) the exact amount of the final bid price submitted by the Purchaser during the bidding invitation period; and (ii) a discount of 10% to the initial indicative price of RMB15.05 million (equivalent to approximately HK\$17.76 million) for the Equity Interest, which was determined by the Company with reference to 35% of the sum of (a) the net asset value of JXGM of approximately RMB42.73 million as at the Reference Date (based on the Valuation Report as appraised by the Independent Valuer) and (b) the difference between the unaudited net asset value of JXGM of approximately RMB37.96 million as at 31 May 2022 and the audited net asset value of JXGM of approximately RMB37.69 million as at the Reference Date, as disclosed in the announcement of the Company dated 24 June 2022.

**Payment:**

The Purchaser has deposited an amount of RMB3 million (equivalent to approximately HK\$3.54 million) as security deposit (the “**Security Deposit**”) to the Shanghai United Assets and Equity Exchange, which shall be applied towards the settlement of the Consideration. On the Payment Date, the Purchaser shall further deposit the remaining amount of the Consideration of RMB10.545 million (equivalent to approximately HK\$12.44 million) to the designated bank account held by the Shanghai United Assets and Equity Exchange as set out in the Equity Transfer Agreement.

The Shanghai United Assets and Equity Exchange shall, upon receiving a written notice from the Company after the relevant equity transfer certificate having been issued by the Shanghai United Assets and Equity Exchange, release all the proceeds of the Consideration to the bank account designated by the Company.

**Matters to be completed prior to the Payment Date:**

Payment Date shall be a date falling within seven (7) Business Days after all of the following matters have been completed (or waived by the Purchaser in writing, as the case may be), which include, among other matters:–

- (a) the Company and the Purchaser have obtained all necessary internal approval or authorisation for the Disposal;
- (b) the Company has obtained all necessary authorisation, approval or filing from or with the relevant government body(ies) for the execution and performance of the Equity Transfer Agreement, and the execution and performance of the Equity Transfer Agreement by the Company will not result in any violation of applicable laws;
- (c) the representations, warranties and undertakings given by the Company under the Equity Transfer Agreement are true, complete and accurate, and the Company has not performed any conduct in violation of any provisions of the Equity Transfer Agreement; and

- (d) from the Reference Date to the Payment Date, there is no existence of any events, facts, conditions, changes or other circumstances which have constituted or are reasonably foreseeable to constitute material adverse impact on the shareholding structure, business, material assets, key employees, financial conditions, liabilities, technique, profit prospect and normal operations of JXGM and there is no event which may lead to material adverse impact on the holding of the Equity Interest by the Company or on the Disposal has occurred or is likely to occur.

As at the date of this announcement, the aforesaid matter (a) has been completed.

**Completion of the transfer of the rights of the Equity Interest:**

Completion of the transfer of the rights of the Equity Interest shall take place within ninety (90) Business Days after the Equity Transfer Agreement takes effect.

**Liquidated damages:**

If the Purchaser fails to pay the Consideration within the time limit as set out in the Equity Transfer Agreement, the Purchaser shall pay to the Company the liquidated damages at the rate of 0.025% of the overdue amount of the Consideration per day. If the Consideration has become overdue for more than one hundred and twenty (120) days, the Company is entitled to terminate the Equity Transfer Agreement and demand the Purchaser to compensate for losses.

If the Company fails to cooperate with the Purchaser in completing the transfer of the rights of the Equity Interest within the time limit as set out in the Equity Transfer Agreement, the Company shall pay to the Purchaser the liquidated damages at a rate of 0.025% of the Consideration per day. If completion of the transfer of the rights of the Equity Interest does not take place for more than one hundred and twenty (120) days after the time limit as set out in the Equity Transfer Agreement, the Purchaser is entitled to terminate the Equity Transfer Agreement and demand the Company to compensate for losses.

**Termination of the  
Equity Transfer  
Agreement:**

If the matters as set out in the section headed under “The Equity Transfer Agreement – Matters to be completed prior to the Payment Date” have not been fully completed (or waived by the Purchaser, as the case may be) within one hundred and twenty (120) days (or such grace period as the Company and the Purchaser agree unanimously) from the date of signing of the Equity Transfer Agreement, both the Company and the Purchaser may, upon negotiation, mutually agree to terminate the Equity Transfer Agreement without incurring any liabilities.

If there is any occurrence of any event of default under the Equity Transfer Agreement and such default is not remedied by the defaulting party sufficiently, or is continuing, within fifteen (15) Business Days after receipt of a written notice from the non-defaulting party requiring the defaulting party to remedy such default, the non-defaulting party is entitled to cancel or terminate the Equity Transfer Agreement by serving a written notice to the defaulting party.

If the Equity Transfer Agreement is early cancelled or terminated, or for whatever reason the Purchaser fails to become the holder of the Equity Interest after payment of the Consideration by the Purchaser, or the Purchaser fails to be registered as the owner of the Equity Interest with, among others, any relevant regulatory bodies and industry self-regulatory organisations, the Company shall, within ten (10) Business Days after the termination of the Equity Transfer Agreement, take any actions as required under the PRC laws or requested by the relevant government bodies or the Purchaser, to return the full amount of the Consideration paid by the Purchaser to the Purchaser’s designated bank account.

If completion of the Disposal does not take place due to the reason other than the cause of the Purchaser, the Purchaser shall not be liable for any default in the Equity Transfer Agreement, whereupon the Company shall, within two (2) Business Days after receipt of the Security Deposit from the Shanghai United Assets and Equity Exchange, return an amount equivalent to the Security Deposit to the Purchaser.

## INFORMATION ON THE GROUP AND JXGM

The Group is principally engaged in the provision of corporate finance advisory services, asset management, securities brokering, commodities and futures brokering.

JXGM is a sino-foreign joint venture company established in the PRC with limited liability. It is principally engaged in the business of private equity investment and fund management. As at the date of this announcement, JXGM is directly owned by (i) the Company as to 35%; (ii) 杭州漢石投資管理服務有限公司 (Hangzhou Sino-Rock Investment Management Services Co., Ltd.\*) (“**HZ Sino-Rock**”) as to 40%; and (iii) 眾滙同鑫 (廈門) 投資管理有限公司 (Zhonghui Tongxin (Xiamen) Investment Management Co., Ltd.\*) as to 25%. HZ Sino-Rock is a wholly-owned subsidiary of Sino-Rock Investment Management Company Limited which is an associate of the Company.

## INFORMATION ON THE PURCHASER

The Purchaser is a company established in the PRC with limited liability and its scope of business includes, among others, investment activities (by its own funds), social and economic consulting services, information consulting services, non-residential real estate leasing, residential property leasing and sales of groceries.

As at the date of this announcement, the Purchaser is directly owned by two individuals who are residents in the PRC, namely (i) Liu Xiangfei (劉湘飛) as to 80%; and (ii) Liu Yan (劉雁) as to 20%. Liu Xiangfei (劉湘飛) and Liu Yan (劉雁) are married couple.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, each of the Purchaser and its ultimate beneficial owners is an Independent Third Party.

## FINANCIAL INFORMATION ON JXGM

Set out below is the audited financial information of JXGM extracted from its audited accounts prepared in accordance with the generally accepted accounting principles of the PRC for each of the two years ended 31 December 2020 and 2021:

|                       | For the year ended |         |
|-----------------------|--------------------|---------|
|                       | 31 December        |         |
|                       | 2021               | 2020    |
|                       | RMB'000            | RMB'000 |
| Net profit before tax | 11,930             | 4,984   |
| Net profit after tax  | 8,918              | 3,727   |

The unaudited net asset value of JXGM as at 31 July 2022 was approximately RMB36.51 million (equivalent to approximately HK\$43.08 million).

## **FINANCIAL EFFECTS OF THE DISPOSAL**

With reference to the carrying value of JXGM of approximately RMB36.51 million (equivalent to approximately HK\$43.08 million) as at 31 July 2022, it is expected that the Group would, in accordance with Hong Kong Accounting Standards, record an unaudited pre-tax gain of approximately RMB0.77 million (equivalent to approximately HK\$0.91 million) upon completion of the Disposal. In any event, the actual gain or loss as a result of the Disposal to be recorded by the Group is to be determined as at completion of the Disposal and subject to audit and/or review by the Company's auditors.

The gross proceeds from the Disposal will be RMB13.545 million (equivalent to approximately HK\$15.98 million) and the net proceeds from the Disposal (after deducting the relevant expenses in relation to the Disposal) will be approximately RMB13.25 million (equivalent to approximately HK\$15.64 million). The Group intends to apply the net proceeds from the Disposal for general working capital purpose or any potential investments of the Group in the future.

Upon completion of the Disposal, the Company will cease to have any interest in JXGM, while JXGM will no longer be a joint venture of the Company. The financial results of JXGM will cease to be recognised in the accounts of the Group.

## **REASONS FOR AND BENEFITS OF THE DISPOSAL**

To conform to the request from the China Securities Regulatory Commission and for the strategic development of the Group, and as an opportunity to realize the value of investment in JXGM by the Company, it is intended that the Equity Interest shall be disposed of and the Company will cease to have any interest in the business operated by JXGM. The net proceeds to be received from the Disposal upon its completion is expected to increase the cashflow of the Company and therefore provide flexibility to the Company in identifying and participating in other investment should any suitable opportunity arise.

Having taken into account the above reasons for the Disposal and the fact that the Disposal would be conducted through the Listing for Sale Procedure and by way of bidding, the Directors consider that the terms of the Equity Transfer Agreement (including but not limited to the Consideration) and the transactions contemplated thereunder (including the Disposal) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## LISTING RULES IMPLICATIONS

As certain applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal exceed 5% but all of them are less than 25%, the Disposal constitutes a discloseable transaction of the Company, and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

**Completion of the Disposal is subject to the completion of the matters as set out in the section headed under “The Equity Transfer Agreement – Matters to be completed prior to the Payment Date”. As such, the Disposal may or may not proceed. Shareholders and potential investors shall exercise caution when dealing in the securities of the Company.**

## DEFINITIONS

In this announcement, unless otherwise indicated in the context, the following terms shall have the meanings set out below:

|                       |  |
|-----------------------|--|
| “Board”               | the board of Directors   |
| “Business Day(s)”     | day(s) (other than a Saturday, Sunday or statutory holiday) in the PRC   |
| “Company”             | Cinda International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 111) |
| “connected person(s)” | has the meaning as ascribed to it under the Listing Rules  |
| “Consideration”       | RMB13.545 million (equivalent to approximately HK\$15.98 million), being the consideration for the transfer of the Equity Interest pursuant to the Equity Transfer Agreement             |
| “Director(s)”         | director(s) of the Company   |
| “Disposal”            | the disposal of the Equity Interest by the Company to the Purchaser pursuant to the Equity Transfer Agreement  |
| “Equity Interest”     | 35% of the equity interests in JXGM directly held by the Company as at the date of this announcement   |



|                                |   |
|--------------------------------|---|
| “Equity Transfer Agreement”    | the equity transfer agreement (上海市產權交易合同) dated 26 August 2022 entered into between the Company and the Purchaser in relation to the Disposal (as amended and supplemented by the supplemental agreement (產權交易合同之補充合同) entered into between the same parties on the same day) |
| “Group”                        | the Company and its subsidiaries  |
| “HK\$”                         | Hong Kong dollars, the lawful currency of Hong Kong   |
| “Hong Kong”                    | the Hong Kong Special Administrative Region of the PRC  |
| “Independent Third Party(ies)” | persons(s) or company(ies) which is/are third party(ies) independent of and not connected with the Company and its connected person(s)  |
| “Independent Valuer”           | China United Assets Appraisal Group Co., Ltd. (中聯資產評估集團有限公司)  |
| “JXGM”                         | 建信國貿(廈門)私募基金管理有限公司 (JianXinGuoMao (Xiamen) Private Equity Fund Management Limited*), a company established in the PRC with limited liability  |
| “Listing for Sale Procedure”   | the listing procedure conducted at the Shanghai United Assets and Equity Exchange for invitation of purchase offer to acquire the Equity Interest from the Company  |
| “Listing Rules”                | the Rules Governing the Listing of Securities on the Stock Exchange   |
| “Payment Date”                 | the date on which the remaining Consideration (excluding the Security Deposit) of RMB10.545 million (equivalent to approximately HK\$12.44 million) has been deposited into the designated bank account of the Shanghai United Assets and Equity Exchange by the Purchaser    |
| “Purchaser”                    | 湖南耘州投資有限公司(Hunan Yunzhou Investment Co., Ltd.*), a company established in the PRC with limited liability  |

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| “PRC”  | the People’s Republic of China which shall, for the purpose of this announcement, exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan |
| “Reference Date”                             | 31 December 2021   |
| “RMB”  | Renminbi, the lawful currency of the PRC   |
| “Shanghai United Assets and Equity Exchange” | the Shanghai United Assets and Equity Exchange (上海聯合產權交易所), an exchange approved to transact state-owned equity in the PRC   |
| “Share(s)”                                   | ordinary share(s) of par value of HK\$0.1 each in the issued share capital of the Company  |
| “Shareholder(s)”                             | holder(s) of the Share(s)  |
| “Stock Exchange”                             | The Stock Exchange of Hong Kong Limited  |
| “Valuation Report”                           | the valuation report in respect of the valuation of 35% of the equity interests in JXGM as at the Reference Date issued by the Independent Valuer                  |
| “%”  | per cent.  |

By Order of the Board  
**Cinda International Holdings Limited**  
**Lau Mun Chung**  
*Executive Director*

Hong Kong, 26 August 2022

\* *English name of the entity is the transliteration of its Chinese name and is for identification purposes only.*

*In this announcement, amounts in RMB are translated into HK\$ on the basis of RMB1.00 = HK\$1.18. The conversion rate is for illustration purposes only and should not be taken as a representation that RMB could actually be converted into HK\$ at such rate or at all.*

As at the date hereof, the Board comprises:

*Executive Directors:* Ms. Zhu Ruimin (Chairman)  
Mr. Zhang Yi (Chief Executive Officer)  
Mr. Lau Mun Chung (Deputy Chief Executive Officer)

*Non-executive Director:* Mr. Chow Kwok Wai

*Independent non-executive Directors:* Mr. Hung Muk Ming  
Mr. Xia Zhidong  
Mr. Liu Xiaofeng

*Website:* <http://www.cinda.com.hk>