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CHINA FINANCE INVESTMENT HOLDINGS LIMITED

中國金控投資集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 875)

VOLUNTARY ANNOUNCEMENT

This announcement is made by China Finance Investment Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis. The purpose of this announcement is to keep the shareholders (the “**Shareholders**”) of the Company and potential investors informed of the latest business developments of the Group.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that, Guangdong Cypress Jade Agricultural Group Company Limited* (廣東從玉農業集團有限公司), a subsidiary of the Company, transferred 49% equity interest in Guangdong Cypress Jade Import and Export Trading Company Limited* (廣東從玉進出口貿易有限公司) (“**Guangdong Cypress Import and Export**”) to Guangzhou Conghua Grain Development Group Limited* (廣州從化糧食發展集團有限公司) (“**Guangzhou Conghua Grain Development**”) on 16 November 2023 (the “**Mixed Ownership Reform**”). The Mixed Ownership Reform is to effectively implement the principles outlined in the “**1+3+5+N**” industrial policy system document of Conghua District and the guiding ideology of the Measures for Promoting the Development of Commercial and Trade Service Industry in Conghua District of Guangzhou City issued by the Science and Technology, Industry, Commerce and Information Technology Bureau of Conghua District of Guangzhou City (Conghua Science, Technology, Industry, Commerce and Information Rules No. 5 (2023)), and considering the future development path of the Group. The consideration for the Mixed Ownership Reform is RMB4.9 million which is determined by the corresponding equity interest percentage held by Guangzhou Conghua Grain Development in the registered share capital of Guangdong Cypress Import and Export. Following the completion of the Mixed Ownership Reform, the registered share capital of Guangdong Cypress Import and Export is held by the Group and Guangzhou Conghua Grain Development as to 51% and 49%, respectively.

Information of Guangzhou Conghua Grain Development

Guangzhou Conghua Grain Development is a state-owned enterprise established in the PRC which is wholly-owned by State-owned Assets Supervision and Administration Bureau of Conghua District Government of Guangzhou City* (廣州市從化區政府國有資產監督管理局) of the PRC. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, Guangzhou Conghua Grain Development and its ultimate beneficial owner are third parties independent of the Company and its connected persons (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) before the Mixed Ownership Reform.

Information of the Group and Guangdong Cypress Import and Export

The Group is principally engaged in growing of agricultural produce; trading of agricultural and meat produce, seafood and prepared food in the PRC (“**Agricultural and Meat Business**”). The Group is qualified to export fresh vegetables to Hong Kong and it is one of the “Vegetable Basket” project enterprises in the Guangdong-Hong Kong-Macao Greater Bay Area, one of the key national leading enterprises in agricultural industrialisation and one of the top 100 enterprises in the supply chain of agricultural products and ingredients in the PRC.

Guangdong Cypress Import and Export is an indirect subsidiary of the Company primarily focused on wholesale and sales of bulk agricultural products.

Reasons for and Benefits of the Mixed Ownership Reform

The business strategy of the Company is to explore potential business and investment opportunities from time to time in order to increase the share value of the Company. Guangzhou Conghua Grain Development is principally engaged in processing of food and agricultural products, sales of grain, food (only prepared food), feed ingredients, unprocessed nuts and dried fruits. The Mixed Ownership Reform would enable the Group to collaborate with such state-owned enterprise to broaden the Group’s sales channel and diversify the Group’s business offerings under its Agricultural and Meat Business, increase the Group’s profitability and bring more considerable returns to the Shareholders. It is expected that Guangdong Cypress Import and Export would reach an annual sales volume of approximately RMB6 billion for the year ending 31 December 2023. The Board considers that the participation of Guangzhou Conghua Grain Development in the Mixed Ownership Reform would send a positive signal to external investors that Guangzhou Conghua Grain Development is optimistic about the prospect of the Group thus increase their confidence towards the future development of the Group. The Directors (including the independent non-executive Directors) consider that the Mixed Ownership Reform is conducted in the ordinary and usual course of business of the Company, the terms of the Mixed Ownership Reform are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

Listing Rules Implications

As a result of the Mixed Ownership Reform, the Group's equity interest in Guangdong Cypress Import and Export decreased from 100% to 51%. In view of the above, the Mixed Ownership Reform constituted a disposal in the equity interest in Guangdong Cypress Import and Export by the Group under Chapter 14 of the Listing Rules. As all the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules in respect of the Mixed Ownership Reform are below 5%, the Mixed Ownership Reform contemplated is exempt from the requirements under Chapter 14 of the Listing Rules. In the case of any further contribution to the registered share capital in Guangdong Cypress Import and Export, the Company will observe the requirements under Chapter 14 of the Listing Rules and issue further announcement or to seek approval from the Shareholders as and when appropriate.

The actual sales volume of Guangdong Cypress Import and Export for the year ending 31 December 2023 may be different to those stated in this announcement as a result of any unexpected changes in the market environment and other conditions. No forecast or prediction of the profits of the Group has been made with regard to the matter as mentioned in this announcement.

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

By order of the Board
China Finance Investment Holdings Limited
Lin Yuhao
Chairman and Chief Executive Officer

Hong Kong, 21 November 2023

As at the date of this announcement, the Board comprises five Directors, including one executive Director, namely Mr. Lin Yuhao, one non-executive Director, namely Ms. Han Xiuhong and three independent non-executive Directors, namely Mr. Li Shaohua, Ms. Zhu Rouxiang and Ms. Li Yang.

* *For identification purpose only*