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DOYEN INTERNATIONAL HOLDINGS LIMITED

東銀國際控股有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 668)

DISCLOSEABLE TRANSACTION IN RELATION TO FACTORING AGREEMENT

THE FACTORING AGREEMENT

The Board announces that on 19 December 2023, Dongrui, a direct wholly-owned subsidiary of the JV Company, a sino-foreign joint venture enterprise established under the laws of the PRC owned as to, through East Profit Investments, 77.58% by the Company as at the date of this announcement, and Chongqing Maotong entered into the Factoring Agreement, pursuant to which Dongrui agreed to provide financing being secured by accounts receivable assigned to Chongqing Maotong from the factoring customers of Chongqing Maotong for a period of 1 year from the date of signing of the Factoring Agreement with the factoring principal amount of RMB20,000,000.00 (equivalent to approximately HK\$21.8 million).

IMPLICATIONS UNDER THE LISTING RULES

Given that the relevant percentage ratios (as defined under the Listing Rules) pursuant to the Factoring Agreement exceed(s) 5% but is/are less than 25%, the transactions contemplated thereunder constitutes a discloseable transaction of the Company. The transactions contemplated under the 2023 Factoring Agreement 1, the 2023 Factoring Agreement 2 and the Factoring Agreement in aggregate will constitute, pursuant to Rule 14.07 of the Listing Rules, a notifiable transaction of the Company, as one of the applicable percentage ratios (defined under the Listing Rules) exceed(s) 5% but is/are less than 25%, the transactions contemplated under the 2023 Factoring Agreement 1, the 2023 Factoring Agreement 2 and the Factoring Agreement constitutes discloseable transaction of the Company and is thus subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

Reference is made to the announcements of the Company dated (i) 15 September 2023 in relation to the discloseable transaction regarding the 2023 Factoring Agreement 1, pursuant to which Dongrui agreed to provide financing being secured by accounts receivable assigned to Chongqing Maotong from the factoring customers of Chongqing Maotong for a period of 1 year from the date of signing of the 2023 Factoring Agreement 1; and (ii) 17 October 2023 in relation to the discloseable transaction regarding the 2023 Factoring Agreement 2, pursuant to which Dongrui agreed to provide financing being secured by accounts receivable assigned to Chongqing Maotong from the factoring customers of Chongqing Maotong for a period of 1 year from the date of signing of the 2023 Factoring Agreement 2.

The Board announces that on 19 December 2023, Dongrui, a direct wholly-owned subsidiary of the JV Company, a sino-foreign joint venture enterprise established under the laws of the PRC owned as to, through East Profit Investments, 77.58% by the Company as at the date of this announcement, and Chongqing Maotong entered into the Factoring Agreement, pursuant to which Dongrui agreed to provide financing being secured by accounts receivable assigned to Chongqing Maotong from the factoring customers of Chongqing Maotong for a period of 1 year from the date of signing of the Factoring Agreement with the factoring principal amount of RMB20,000,000.00 (equivalent to approximately HK\$21.8 million).

To the best knowledge and belief of the Directors, Chongqing Maotong and its ultimate beneficial owners are independent third parties of the Company. The ultimate beneficial owners of Chongqing Maotong are Ms. Huang Mingfeng, Ms. Jiang Haifu and Ms. Liao Lijuan.

THE FACTORING AGREEMENT WITH CHONGQING MAOTONG

The principal terms of the Factoring Agreement are set out as follows:

Date of agreement:	19 December 2023
Parties:	Dongrui Chongqing Maotong
Financing term:	From the date of this agreement to 18 December 2024
Transfer of accounts receivable:	Subject to the terms and conditions of the Factoring Agreement, the creditor's rights and relevant rights of the Accounts Receivable shall be transferred to Dongrui, with the transfer amount of the Accounts Receivable of RMB22,200,000.00 (equivalent to approximately HK\$24.2 million).
Consideration:	Dongrui has agreed to pay Chongqing Maotong a consideration of RMB20,000,000.00 (equivalent to approximately HK\$21.8 million) for the transfer of all the Accounts Receivable upon the execution of the Factoring Agreement.

- Interest rate:** 11.00% per annum
- Type of factoring:** The factoring is with recourse. Dongrui may demand Chongqing Maotong to repurchase all the outstanding Accounts Receivable upon the end of the term, including but not limited to the principal amount of the outstanding Accounts Receivable, interest and other related expenses incurred by the outstanding accounts receivable.
- Repayment upon repurchase:** Upon the exercise of repurchase right by Dongrui, Chongqing Maotong shall repay principal with interest and other related expenses to be paid in a lump sum upon the end of the term.

INFORMATION OF THE PARTIES

The Company is principally engaged in investment holding. Its subsidiaries are principally engaged in investment property holding in the PRC, provision of financing to customers in the PRC and investment holding.

The JV Company is established in the PRC with limited liability, a non-wholly owned subsidiary of the Company, of which 77.58% equity interest is owned by the Company. It is mainly engaged in the business of provision of finance lease.

Dongrui is an indirect non-wholly owned subsidiary of the Company established in the PRC with limited liability. It is principally engaged in importing and exporting factoring business, domestic and offshore factoring business and consulting service related to commercial factoring.

Chongqing Maotong is established in the PRC with limited liability. It is principally engaged in construction related business, municipal public work design and construction, electrical device installation, design and construction; and fire equipment engineering design and construction.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, Chongqing Maotong and its ultimate beneficial owner(s) are Independent Third Parties not connected with the Company and connected persons of the Company. The ultimate beneficial owners of Chongqing Maotong are Ms. Huang Mingfeng, Ms. Jiang Haifu and Ms. Liao Lijuan.

To the best knowledge of the Directors, Chongqing Maotong and its respective ultimate beneficial owner(s) do not have any other past or present relationships, whether formal or informal, business or otherwise, implied or explicit, with the Company's existing customers.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

Dongrui's principal activity is importing and exporting factoring business, domestic and offshore factoring business and consulting service related to commercial factoring.

Chongqing Maotong has repaid all the outstanding principal and interest of the Previous Factoring Loan. Details in relation to the Previous Factoring Loan has been published by an announcement of the Company on 15 September 2023. The terms of the Factoring Agreement are agreed after arm's length negotiations between the parties on normal commercial terms. The Directors consider that the entering into of the Factoring Agreement is in the ordinary and usual course of business of Dongrui and will generate revenue and cash flow stream from the factoring interest. The provision of factoring principal amount to Chongqing Maotong under the Factoring Agreement will be financed by the internal resources of the Group.

Given the Factoring Agreement was entered into in the ordinary and usual course of business of the Company on normal commercial terms, the Directors are of the view that the terms of the Factoring Agreement are fair and reasonable and are in the interest of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

Given that the relevant percentage ratios (as defined under the Listing Rules) pursuant to the Factoring Agreement exceed(s) 5% but is/are less than 25%, the transactions contemplated thereunder constitutes a discloseable transaction of the Company. The transactions contemplated under the 2023 Factoring Agreement 1, the 2023 Factoring Agreement 2 and the Factoring Agreement in aggregate will constitute, pursuant to Rule 14.07 of the Listing Rules, a notifiable transaction of the Company, as one of the applicable percentage ratios (defined under the Listing Rules) exceed(s) 5% but is/are less than 25%, the transactions contemplated under the 2023 Factoring Agreement 1, the 2023 Factoring Agreement 2 and the Factoring Agreement constitutes discloseable transaction of the Company and is thus subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

- “2023 Accounts Receivable 1” the accounts receivable of Chongqing Maotong as referred to in the underlying transaction documents entered into between Chongqing Maotong and its factoring customers pursuant to the 2023 Factoring Agreement 1
- “2023 Accounts Receivable 2” the accounts receivable of Chongqing Maotong as referred to in the underlying transaction documents entered into between Chongqing Maotong and its factoring customers pursuant to the 2023 Factoring Agreement 2

“2023 Factoring Agreement 1”	a non-revolving factoring financial agreement, entered into between Dongrui and Chongqing Maotong on 15 September 2023, pursuant to which Dongrui agreed to accept the transfer of all the 2023 Accounts Receivable 1 for a consideration of RMB8,500,000.00 (equivalent to approximately HK\$9.3 million) to be paid upon 14 September 2024
“2023 Factoring Agreement 2”	a non-revolving factoring financial agreement, entered into between Dongrui and Chongqing Maotong on 17 October 2023, pursuant to which Dongrui agreed to accept the transfer of all the 2023 Accounts Receivable 2 for a consideration of RMB40,000,000.00 (equivalent to approximately HK\$43.6 million) to be paid upon 16 October 2024
“Accounts Receivable”	the accounts receivable of Chongqing Maotong as referred to in the underlying transaction documents entered into between Chongqing Maotong and its factoring customers pursuant to the Factoring Agreement
“Board”	the board of Directors of the Company
“Chongqing Maotong”	重慶茂同裝飾工程有限公司 (Chongqing Maotong Decoration Engineering Company Limited*), a limited liability company established in the PRC, which is principally engaged in construction related business, municipal public work design and construction, electrical device installation, design and construction; and fire equipment engineering design and construction
“Company”	Doyen International Holdings Limited (Stock code: 668), a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Dongrui”	東銳商業保理(上海)有限公司 (Dongrui Factoring (Shanghai) Limited*) is a wholly owned subsidiary of the JV Company established in the PRC with limited liability. It is principally engaged in PRC and offshore factoring service
“East Profit Investments”	East Profit Global Investments Limited, a company incorporated in the British Virgin Islands with limited liability, an indirect wholly owned subsidiary of the Company

“Factoring Agreement”	a non-revolving factoring financial agreement, entered into between Dongrui and Chongqing Maotong on 19 December 2023, pursuant to which Dongrui agreed to accept the transfer of all the Accounts Receivable for a consideration of RMB20,000,000.00 (equivalent to approximately HK\$21.8 million) to be paid upon 18 December 2024
“Group”	the Company and its subsidiaries as at the date of this announcement
“HK\$”	the Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any person or company who is not a connected person (as defined under the Listing Rules) of the Company, and is independent of and not connected with the Company and its connected persons (as defined under the Listing Rules)
“JV Company”	東葵融資租賃(上海)有限公司 (Dongkui Financial Leasing (Shanghai) Co. Limited*), the JV Company is established in the PRC with limited liability, a non-wholly owned subsidiary of the Company, of which 77.58% equity interest is owned by the Company. It is mainly engaged in the business of provision of financial lease
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, and for the purpose of this announcement only, excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Previous Factoring Loan”	the factoring loan provided by Dongrui to Chongqing Maotong pursuant to the factoring agreement with the factoring principal amount of RMB6,000,000.00 (equivalent to approximately HK\$6.5 million) entered into between Dongrui and Chongqing Maotong on 19 December 2022
“RMB”	Renminbi, the lawful currency of the PRC
“Shares”	the 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

On behalf of the Board
Doyen International Holdings Limited
Cho Chun Wai
Company Secretary

Hong Kong, 19 December 2023

As at the date of this announcement, the Board comprises Mr. Lo Siu Yu (Chairman), Mr. Tai Xing (Chief Executive Officer), and Mr. Cho Chun Wai as executive Directors; Mr. Pan Chuan and Ms. Sun Lin as non-executive Directors; and Mr. Chan Ying Kay, Mr. Leung Kin Hong and Mr. Wang Jin Ling as independent non-executive Directors.

For illustrative purpose of this announcement and unless otherwise specified, conversion of RMB into HK\$ is based on the exchange rate of RMB1.00 = HK\$1.09.

* *For identification purposes only*