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China Industrial Securities International Financial Group Limited

興證國際金融集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6058)

DISCLOSEABLE TRANSACTION IN RELATION TO SUBSCRIPTION OF BONDS

THE SUBSCRIPTION

On 27 December 2023 (after trading hours), CISI Investment, an indirect wholly-owned subsidiary of the Company, entered into the Subscription Agreement with the Issuer, pursuant to which, CISI Investment has subscribed to the offer of the Bonds by the Issuer in the total subscription amount of HK\$100,000,000, at a consideration of HK\$100,000,000, exclusive of transaction costs.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Subscription exceeds 5% but is less than 25%, the Subscription constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements but exempt from the Shareholders' approval requirement under Chapter 14 of the Listing Rules.

THE SUBSCRIPTION

The Board announces that on 27 December 2023 (after trading hours), CISI Investment, an indirect wholly-owned subsidiary of the Company, entered into the Subscription Agreement with the Issuer, pursuant to which, CISI Investment has subscribed to the offer of the Bonds by the Issuer in the total subscription amount of HK\$100,000,000, at a consideration of HK\$100,000,000, exclusive of transaction costs.

The Subscription was funded from its internal resources.

Principal terms of the Bonds

Date of the Subscription Agreement: 27 December 2023

Agreement:

Issuer:	Zhongtai Financial International Limited
Aggregate principal amount:	HK\$285,000,000
Total subscription amount by CISI Investment:	HK\$100,000,000
Issue price:	100% of the principal amount of the Bonds
Issue date:	28 December 2023
Maturity date:	26 December 2024
Form and denomination:	The Bonds are issued in the specified denomination of HK\$200,000 and integral multiples of HK\$1,000 in excess thereof.
Status of the Bonds:	The Bonds (when issued) will constitute direct, unconditional, unsubordinated and (subject to the Terms and Conditions) unsecured obligations of the Issuer and will at all times rank <i>pari passu</i> and without any preference among themselves and at least equally with all other present and future unsecured and unsubordinated obligations of the Issuer save for such exceptions as may be provided by applicable law and subject to Terms and Conditions.
Interest:	The Bonds shall bear interest on their outstanding principal amount from and including the issue date at the rate of the higher of (a) 6.7% or (b) one-month HK\$ HIBOR plus margin of 1.9% per annum, which is payable on each interest payment date based on the interest rate quoted on the corresponding interest determination date.
Redemption for Tax Reasons:	The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the bondholders in accordance with the Terms and Conditions, at their principal amount, together with interest accrued to (but excluding) the date fixed for redemption, if the Issuer (i) has or will become obliged to pay additional tax amounts as provided or referred to in the Terms and Conditions as a result of any change in, or amendment to, the laws or regulations of a relevant jurisdiction, or any change in the application or official interpretation of such laws or regulations (including but not limited to any decision by a court of competent jurisdiction), which change or amendment becomes effective on or after the 28 December 2023; and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional tax amounts were a payment in respect of the Bonds then due.

Redemption upon occurrence of a Change of Control:	At any time following the occurrence of a Change of Control (as defined in the Terms and Conditions), the holder of each bond will have the right, at such holder's option, to require the Issuer to redeem all, or some only (subject to the proviso as defined in the Terms and Conditions), of such holder's Bonds on the put date at 101% of their principal amount, together with interest accrued to (but excluding) the put date.
Redemption at the option of the Issuer	Regardless of that otherwise provided herein, at any time falling within the period beginning on and including the first day of the seventh month after the issue date and ending on and excluding the maturity date, the Issuer may at its option redeem the Bonds, in whole or partial, on giving not less than 30 business days' (which notice shall be irrevocable and shall specify the date fixed for redemption and the method by which payment shall be made to the bondholders) to the bondholders at a redemption price equal to 100% of the principal amount of the Bonds, together with any accrued and unpaid interest, if any, up to (but excluding) the date fixed for redemption.
Redemption at the option of the Bondholder	Regardless of that otherwise provided herein, at any time falling within the period beginning on and including the first day of the seventh month after the issue date and ending on and excluding the maturity date, the bondholders may at their option redeem the Bonds, in whole or partial, on giving not less than 10 business days' notice (which notice shall be irrevocable and shall specify the date fixed for redemption and the method by which payment shall be made to the bondholders) to the Issuer at a redemption price equal to 100% of the principal amount of the Bonds, together with any accrued and unpaid interest, if any, up to (but excluding) the date fixed for redemption.

INFORMATION OF THE ISSUER

According to the public information available to the Directors, the Issuer is a limited liability company incorporated in Hong Kong, which offers a wide range of financial services and products in Hong Kong. The Issuer operates and manages its business principally in seven segments, namely (i) securities and futures brokerage, (ii) investment banking, (iii) asset management, (iv) fixed income, currency and commodity, (v) insurance brokerage, (vi) finance lease and (vii) investment.

As at the date of this announcement, to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Issuer and its respective ultimate beneficial owners are Independent Third Parties.

INFORMATION OF THE GROUP

The Group is principally engaged in the provision of brokerage services, margin financing services, corporate finance services, asset management services and financial products and investments.

REASONS AND BENEFITS FOR THE SUBSCRIPTION

The Group subscribed the Bonds for investment purpose. The Directors consider that the Subscription provides the Group with an opportunity to balance and diversify its investment portfolio, as well as to generate stable return to the Group. The Subscription is in line with the Group's investment strategy.

The Directors consider the terms of the Subscription and the Terms and Conditions are on normal commercial terms which are fair and reasonable and the Subscription is in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Subscription exceeds 5% but is less than 25%, the Subscription constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements but exempt from the Shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Bonds”	HK\$285,000,000 Floating Rate Bonds due December 2024 issued by the Issuer, information of which is stated in the section headed “INFORMATION OF THE ISSUER” in this announcement
“CISI Investment”	CISI Investment Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company. Its principal business is investment
“Company”	China Industrial Securities International Financial Group Limited, a company incorporated in the Cayman Islands with limited liability, whose issued shares are listed on the Main Board of the Stock Exchange (stock code: 6058)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HIBOR”	in relation to the Bonds, (a) the applicable screen rate; or (b) if no screen rate, is available for HK\$ for the interest period of the Bonds, the reference bank rate, as of 11.00 a.m. on the interest determination date (as defined in the Subscription Agreement) for HK\$ and for a period comparable to the interest period of the Bonds and, if any such

rate is below zero, will be deemed to be zero.

“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)”	third party(ies) independent of and not connected with the Company and its connected persons
“Issuer”	Zhongtai Financial International Limited, information of which is stated in the section headed “INFORMATION OF THE ISSUER” in this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Shareholder(s)”	holder(s) of the issued shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of the Bonds by CISI Investment on 27 December 2023
“Subscription Agreement”	the subscription agreement dated 27 December 2023 entered into between the subscribers and the Issuer
“Terms and Conditions”	the terms and conditions of the Bonds
“%”	per cent.

By Order of the Board
China Industrial Securities International Financial Group Limited
Hu Pingsheng
Chairman

Hong Kong, 28 December 2023

As at the date of this announcement, the Board comprises one non-executive Director, namely Mr. Hu Pingsheng (Chairman), two executive Directors, namely Mr. Cai Junzheng and Ms. Zhang Chunjuan, and three independent non-executive Directors, namely Ms. Hong Ying, Mr. Tian Li and Mr. Qin Shuo.