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復興亞洲絲路集團有限公司
RENAISSANCE ASIA SILK ROAD GROUP LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock code: 274)

**DISCLOSEABLE TRANSACTION
IN RELATION TO THE ACQUISITION OF
THE ENTIRE EQUITY INTEREST IN THE TARGET COMPANY**

THE ACQUISITION

The Board is pleased to announce that on 5 January 2024 (after trading hours), the Purchasers, the wholly owned subsidiaries of the Group, and the Vendors, the Independent Third Parties, entered into the Share Transfer Agreement, pursuant to which the Vendors conditionally agreed to sell 100% equity interest of the Target Company and Purchasers conditionally agreed to purchase 100% equity interest of the Target Company at the total Consideration of US\$1,966,666 (equivalent to approximately HK\$15,339,996).

IMPLICATIONS OF THE LISTING RULES

As one or more applicable percentage ratios (as defined under the Listing Rules) in respect of the transactions contemplated under the Share Transfer Agreement exceeded 5% but all of them were less than 25%, the transactions contemplated under the Share Transfer Agreement constituted a discloseable transaction of the Company and were therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

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THE SHARE TRANSFER AGREEMENT

The principal terms of the Share Transfer Agreement are summarised as follows:

Date : 5 January 2024

Parties : Purchaser A and Purchaser B (as Purchasers); and
Vendor A and Vendor B (as Vendors)

Renaissance Silk Road (Tianjin) Business Management Company Limited* (復興絲路(天津)商業管理有限公司) (the “**Purchaser A**”), a company established in the PRC with limited liability and a wholly owned subsidiary of the Company. The Purchaser A is primarily engaged in investment holding, trading and management services.

Renaissance Silk Road International Limited (復興絲路國際有限公司) (the “**Purchaser B**”), a company incorporated in the Hong Kong with limited liability and a wholly owned subsidiary of the Company. The Purchaser B is primarily engaged in investment holding.

Shanggu Investment Holding Group Company Limited* (上古投資控股集團有限公司) (the “**Vendor A**”), a company established in the PRC with limited liability, is primarily engaged in investment holding.

Based on the information available to the Company, the ultimate beneficial owners of the Vendor A are Mr. Wang Peiyao* (王沛堯先生), Mr. Cai Junhua* (蔡俊華先生), Mr. Li Zhongqing* (李忠青先生) and Ms. Wang Yajuan* (王雅娟女士), being directly holding 75.0%, 10.0%, 7.5% and 7.5% interest in the Vendor A as at date of this announcement.

Reconstruction International Industrial Group Limited (復興國際實業集團有限公司) (the “**Vendor B**”), a company incorporated in Hong Kong with limited liability, is primarily engaged in investment holding and trading.

Based on the information available to the Company, the ultimate beneficial owners of the Vendor B are Mr. Wang Peiyao* (王沛堯先生) and Ms. Wang Yajuan* (王雅娟女士), being directly holding 50.0%, and 50.0% interest in the Vendor B as at date of this announcement.

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Vendors and their respective ultimate beneficial owners are Independent Third Parties.

Subject matter

Pursuant to the Share Transfer Agreement, the Purchasers have conditionally agreed to purchase, and the Vendors have conditionally agreed to sell the Sale Shares, representing 100% of the total issued share capital of the Target Company as at the date of this announcement.

Basis of determination of the Consideration

The Consideration payable by the Purchasers to the Vendors for the sale and purchase of the Sale Shares shall be US\$1,966,666 (equivalent to approximately HK\$15,339,996).

The Consideration was determined between the Purchasers and the Vendors after arm's length negotiations taking into account, among other things, (i) the business growth and prospects of the Target Company; and (ii) the unaudited net asset value of the Target Company as at 30 September 2023.

Payment terms and completion

The Consideration is US\$1,966,666 which shall be settled in the following manner:

- (a) US\$48,735 (“**Consideration A**”), being approximately 2.5% of the Consideration, will be settled in cash by the Purchasers to the Vendor A;
- (b) US\$925,426 (“**Consideration B**”), being approximately 47.0% of the Consideration, will be settled in cash by the Purchasers to the Vendor B; and
- (c) US\$992,505 (“**Consideration C**”), being approximately 50.5% of the Consideration, will be settled by repayment the loan (the “**Loan**”) of US\$992,505 that has been advanced by the Target Company to the Vendors by the Purchasers on behalf of the Vendors. Upon the repayment, the Vendors will be deemed to have discharged its payment obligation.

The Consideration of US\$1,966,666 shall be paid by the Purchasers in the following manners:

- (a) 10% of Consideration A and Consideration B shall be paid to the Vendors within 60 Business Days from the date of Share Transfer Agreement;
- (b) 90% of Consideration A and Consideration B shall be paid to the Vendors within 5 Business Days after the following conditions (the “**Conditions**”) being satisfied, (i) the Vendors having issued the share certificate and new shareholder register of the Target Company to Purchasers for the Target Company in accordance with the Share Transfer Agreement; (ii) the Vendors having completed the change of registration filing; and (iii) the Vendors having delivered to the Purchaser all documents, including the relevant licenses, seal impression, contracts and agreements, financial documents and account books and other items and documents relevant to the Target Company; and
- (c) the entire of the Consideration C shall be settled by way of repayment the Loan by the Purchasers on behalf of the Vendors on date of Share Transfer Agreement.

Completion shall take place on the date after all the aforesaid Conditions have been fulfilled.

Upon Completion, the Target Company will become a wholly owned subsidiary of the Company. The results and assets and liabilities of the Target Company will be consolidated with, and accounted for as subsidiaries, in the Company's consolidated financial statements.

INFORMATION OF THE TARGET COMPANY

The Target Company is a company established in the PRC with limited liability and is wholly owned by Vendor A and Vendor B as at the date of this announcement.

As at date of this announcement, Vendor A is owned as to 75%, 10%, 7.5% and 7.5% by Mr. Wang Peiyao* (王沛堯先生), Mr. Cai Junhua* (蔡俊華先生), Mr. Li Zhongqing* (李忠青先生) and Ms. Wang Yajuan* (王雅娟女士), respectively.

As at date of this announcement, Vendor B is held by Asia Infinty Holdings Co., Ltd (“Asia Infinty”) (亞洲無限控股有限公司), being directly holding 100% of its share. The ultimate beneficial owners of Asia Infinty are Mr. Wang Peiyao* (王沛堯先生) and Ms. Wang Yajuan* (王雅娟女士), being holding 50% and 50% interest in Asia Infinty, respectively.

The Target Company is a high-quality enterprise established for more than ten years focusing on finance leasing, transfers or acquisitions of subject assets of finance leases.

Set out below is the financial information of the Target Company for the two years ended 31 December 2022 and for the nine months ended 30 September 2023 based on its unaudited management accounts:

	For the year		For the
	ended 31 December		nine months
	2021	2022	ended
	(Unaudited)	(Unaudited)	30 September
	(RMB)	(RMB)	2023
			(Unaudited)
			(RMB)
Net loss before tax	8,611	–	486
Net loss after tax	8,611	–	486

The net asset value of the Target Company as at 30 September 2023 based on its unaudited management accounts were approximately RMB14,116,205 (equivalent to approximately HK\$15,386,663).

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Company is an investment holding company. The Group is principally engaged in (i) gold mining, exploration and trading of gold products in the PRC; and (ii) trading of non-ferrous metal and wholesale and trading of frozen meat and soya bean oil in the PRC.

The Group is seeking different opportunities and exploring possible investment targets to expand the business of the Group and diversify its business mix in order to maximise the return to the Shareholders.

The Target Company is principally engaged in provision of finance lease services in the PRC. The Directors considered the finance lease business become more important in the PRC to serve as a solution to the funding challenges and finance lease have gained popularity among PRC's economy. By separating the ownership rights and usage rights of the leased assets, finance lease provides an alternative financing channel to traditional, technology and new economy companies which are short of funds but are in urgent need of related materials and equipment. Furthermore, the Target Company has experience in provision of finance lease services to its clients in relation to the machine and equipment in mining industry. Having considered one of the principal activities of the Group is gold mining and exploration in the PRC which involves the use of different material equipment, the Directors considered that the Acquisition provides the Group with an opportunity to gain access to the finance lease business in the PRC, can generate diversified income for the Group, and develop new revenue streams, eventually can enhance Shareholders' value as well.

LISTING RULES IMPLICATIONS

As one or more applicable percentage ratios (as defined under the Listing Rules) in respect of the transactions contemplated under the Agreement exceeded 5% but all of them were less than 25%, the transactions contemplated under the Agreement constituted a discloseable transaction of the Company and were therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Acquisition”	the acquisition of the Sale Shares by the Purchasers pursuant to the terms and conditions of the Share Transfer Agreement
“Board”	the board of Directors
“Business Day(s)”	a day on which banks are open in the PRC, other than Saturday, Sunday or public holiday in the PRC
“Company”	Renaissance Asia Silk Road Group Limited (stock code: 274), a company incorporated in the Cayman Islands with limited liability and its issued Shares are listed on the Stock Exchange

“Completion”	completion of the Acquisition in accordance with the terms of the Share Transfer Agreement
“Consideration”	the consideration of the Sale Shares of US\$1,966,666 (equivalent to approximately HK\$15,339,996) pursuant to the Share Transfer Agreement
“Director(s)”	the director(s) of the Company from time to time
“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)”	third party(ies) independent of the Company and its connected persons (as defined under the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this announcement only, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Purchaser A”	Renaissance Silk Road (Tianjin) Business Management Company Limited* (復興絲路(天津)商業管理有限公司), a company established in the PRC with limited liability and a wholly owned subsidiary of the Company
“Purchaser B”	Renaissance Silk Road International Limited (復興絲路國際有限公司), a company incorporated in the Hong Kong with limited liability and a wholly owned subsidiary of the Company
“Purchasers”	collectively, Purchaser A and Purchaser B, and where the context requires, any one of them
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Shares”	100% equity interest in the Target Company
“Shareholder(s)”	holder(s) of the Share(s)
“Share Transfer Agreement”	the conditional share transfer agreement dated 5 January 2024 and entered into between the Purchasers and the Vendors in relation to the sale and purchase of the Sale Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Target Company”	Renaissance (Tianjin) Financial Leasing Company Limited* (復興(天津)融資租賃股份有限公司), a company established in the PRC with limited liability and is owned as to 55%, and 45% by Vendor A and Vendor B, respectively, as at the date of this announcement
“Vendor A”	Shanggu Investment Holding Group Company Limited* (上古投資控股集團有限公司), a company established in the PRC with limited liability
“Vendor B”	Reconstruction International Industrial Group Limited (復興國際實業集團有限公司), a company incorporated in Hong Kong with limited liability
“Vendors”	collectively, Vendor A and Vendor B, and where the context requires, any one of them
“%”	per cent.

* For identification purposes only

By Order of the Board
Renaissance Asia Silk Road Group Limited
Qiu Zhenyi
Chairman of the Board

Hong Kong, 5 January 2024

As at the date of this announcement, the Board comprises the following Directors:

<i>Executive Directors:</i>	<i>Non-executive Directors:</i>	<i>Independent non-executive Directors:</i>
Mr. Qiu Zhenyi (<i>Chairman of the Board</i>)	Ms. Ng Ching Mr. Xu Huiqiang	Dr. Liu Ka Ying Rebecca Mr. Chen Jian Mr. Tse Sze Pan
Mr. Pan Feng Mr. Xie Qiangmin		