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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 DISPOSALS OF PREFERENCE SHARES

THE DISPOSALS

The Board announces that on 12 March 2024, CISI Investment has disposed of the Preference Shares in an aggregate principal amount of US\$7,000,000 (equivalent to approximately HK\$54,950,000) at a total consideration of approximately US\$6,865,100 (equivalent to approximately HK\$53,891,035) on the open market.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Disposals exceeds 5% but is less than 25%, the Disposals constitute a discloseable transaction of the Company and are subject to the reporting and announcement requirements but exempt from the Shareholders' approval requirement under Chapter 14 of the Listing Rules.

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THE DISPOSALS

Details of the disposals of Preference Shares are set out below:

Date	:	12 March 2024
Seller	:	CISI Investment
Issuer	:	Bank of China Limited (“ the Issuer ”)
Aggregate principal amount of the Preference Shares being	:	US\$7,000,000 (equivalent to approximately HK\$54,950,000)

disposed of

Total Consideration : Approximately US\$6,865,100 (equivalent to approximately HK\$53,891,035)

Maturity date of the Preference Shares : Perpetual

Dividend Rate : 3.60% per annum

INFORMATION OF THE COUNTERPARTY

As the Disposals were conducted on the open market, the identity of the purchaser(s) of the Preference Shares cannot be ascertained. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, none of the connected persons of the Company nor their associates has purchased the Preference Shares which were being disposed of by CISI Investment under the Disposals.

INFORMATION OF THE ISSUER

According to the public information available to the Directors, the Issuer is a joint stock limited company incorporated in the PRC, the shares of which are listed on the Shanghai Stock Exchange (Stock code: 601988), and the H shares of which are listed on the Stock Exchange (Stock code: 3988). The Issuer is one of the largest State-owned commercial banks in the PRC, which owns a comprehensive financial service platform. Besides the commercial banking business which includes corporate banking, personal banking and financial market business, the Issuer also operates investment banking business, insurance business, fund management business, direct investment, investment management business, debt-for-equity conversion and related business, and global aircraft leasing business. The Ministry of Finance of the PRC is the largest shareholder of the Issuer.

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.

BASIS OF DETERMINATION OF THE CONSIDERATION

Since the Disposals were conducted on the open market at the prevailing market price, the Directors consider that the Disposals are on normal commercial terms and their terms including the consideration are fair and reasonable.

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 DISPOSALS

The investment strategy of the Group is, among others, to generate stable return to the Group within an acceptable risk level by investing in a broad diversification of portfolio, including but not limited to stocks, bonds, funds, structured products and derivatives in different business sectors to broaden its revenue streams and to seek sustainable business which increase value for its shareholders. In

addition, the Group has sought an opportunity to balance and diversify its investment portfolio when opportunities arose and would, from time to time, realise its investment which to do so will be in the best interests of the Group.

The Disposals were in line with the Group's principal activities on financial products and investments. Having considered the performance of the price of the Preference Shares, the Board is of the opinion that the Disposals represent a good opportunity for the Group to exit the investment in the Preference Shares. Taking into account the financial effect of the Disposals as disclosed in the paragraph headed "**Financial Effect of the Disposals**" below, the Board is of the view that the Disposals are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECT OF THE DISPOSALS

The Group recorded a gain of approximately US\$96,450 (equivalent to approximately HK\$757,133), being the difference between the acquisitions cost of the Preference Shares and the proceeds received from the Disposals. The actual amount of gain or loss as a result of the Disposals to be recorded by the Group will be subject to review and final audit by the auditors of the Company.

INTENDED USE OF PROCEEDS

The Company intends that the proceeds of the Disposals of approximately US\$6,865,100 (equivalent to approximately HK\$53,891,035) will be applied towards the Group's general working capital. The Company may also apply the proceeds for new investment should any suitable investment opportunities arise.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Disposals exceeds 5% but is less than 25%, the Disposals constitute a discloseable transaction of the Company and are 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:

"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"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)
"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

“connected person”	has the meaning ascribed to it under the Listing Rules
“Preference Shares”	the US\$2,820,000,000 3.60% Non-Cumulative Perpetual Offshore Preference Shares issued by Bank of China Limited, information of which are stated in the section headed “INFORMATION OF THE ISSUER” in this announcement
“Director(s)”	the director(s) of the Company
“Disposals”	the disposals of the Preference Shares in an aggregate principal amount of US\$7,000,000 (equivalent to approximately HK\$54,950,000) at a total consideration of approximately US\$6,865,100 (equivalent to approximately HK\$53,891,035) by CISI Investment on the open market on 12 March 2024.
“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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Shareholder(s)”	Registered holder(s) of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

In this announcement, amounts in US\$ are translated into HK\$ on the basis of US\$1.00 = HK\$7.85. The conversion rate is for illustration purposes only and should not be taken as a representation that US\$ could actually be converted into HK\$ at such rate or at all.

By Order of the Board
China Industrial Securities International Financial Group Limited
Xiong Bo
Chairman

Hong Kong, 12 March 2024

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