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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 DISPOSAL OF NOTES

THE DISPOSAL

The Board announces that on 17 May 2024, CISI Investment has disposed of the Notes in the principal amount of US\$10,000,000 (equivalent to approximately HK\$78,500,000) at a consideration of approximately US\$9,988,540 (equivalent to approximately HK\$78,410,039) 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 Disposal exceeds 5% but is less than 25%, the Disposal 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.

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THE DISPOSAL

Details of the Disposal of Notes are set out below:

Date	:	17 May 2024
Seller	:	CISI Investment
Issuer	:	Industrial and Commercial Bank of China Limited, Hong Kong Branch (“ the Issuer ”)
Principal amount of the Notes being disposed of	:	US\$10,000,000 (equivalent to approximately HK\$78,500,000)

Consideration	:	Approximately US\$9,988,540 (equivalent to approximately HK\$78,410,039)
Maturity Date of the Notes	:	23 May 2027
Interest of the Notes	:	Floating rate, SOFR + 48 basis points

INFORMATION OF THE COUNTERPARTY

As the Disposal was conducted on the open market, the identity of the purchaser(s) of the Notes 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 Notes which were being disposed of by CISI Investment under the Disposal.

INFORMATION OF THE ISSUER

According to the public information available to the Directors, Industrial and Commercial Bank of China Limited (the “**ICBC Bank**”) commenced operations in Hong Kong in 1995 through its branch set-up in Hong Kong (the “**Hong Kong Branch**”). The ICBC Bank was registered in Hong Kong on 18 July 1996. The Hong Kong Branch is a fully licensed bank in Hong Kong and currently focuses on the development of its wholesale banking business. A broad range of financial services are offered by the Hong Kong Branch to serve clients’ specific needs, including trade finance, corporate finance, treasury products, foreign exchange and derivative products, capital markets services, risk management as well as asset and liability management consultancy services, lending services, deposits and remittances and issuance of certificates of deposit. The ICBC Bank was established in the PRC on 1 January 1984 and was restructured to become a joint-stock limited company on 28 October 2005. On 27 October 2006, the ICBC Bank was successfully listed on both Shanghai Stock Exchange (Stock Code: 601398) and the Stock Exchange (Stock Code: 1398). The ICBC Bank’s principal businesses include corporate banking, personal banking, asset management services and treasury operations. The largest single shareholder of the ICBC Bank is Central Huijin Investment Ltd.* (中央匯金投資有限責任公司), a wholly state-owned company ultimately owned by the PRC Government. Central Huijin Investment Ltd.* (中央匯金投資有限責任公司) held approximately 34.79% shares 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 Disposal was conducted on the open market at the prevailing market price, the Directors consider that the Disposal is on normal commercial terms and its 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 DISPOSAL

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 Disposal was in line with the Group's principal activities on financial products and investments. Having consider the performance of the price of the Notes, the Board is of the opinion that the Disposal represents a good opportunity for the Group to exit the investment in the Notes. Taking into account the financial effect of the Disposal as disclosed in the paragraph headed "**Financial Effect of the Disposal**" below, the Board is of the view that the Disposal is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECT OF THE DISPOSAL

The Group recorded a loss of approximately US\$11,460 (equivalent to approximately HK\$89,961), being the difference between the subscription cost of the Notes and the proceeds received from the Disposal. The actual amount of gain or loss as a result of the Disposal 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 Disposal of approximately US\$9,988,540 (equivalent to approximately HK\$78,410,039) 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 Disposal exceeds 5% but is less than 25%, the Disposal 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:

"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
“Director(s)”	the director(s) of the Company
“Disposal”	the Disposal of the Notes in the principal amount of US\$10,000,000 (equivalent to approximately HK\$78,500,000) at a consideration of approximately US\$9,988,540 (equivalent to approximately HK\$78,410,039) by CISI Investment on the open market on 17 May 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
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Notes”	Floating Rate Notes due in the aggregate principal amount of US\$1,000,000,000 due 2027 issued by the Issuer, information of which is stated in the section headed “INFORMATION OF THE ISSUER” in this announcement
“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, 17 May 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.

** For identification purpose only*