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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 BONDS**

### **THE DISPOSAL**

The Board announces that on 31 May 2024, CISI Investment has disposed of the Bonds in the principal amount of US\$10,000,000 (equivalent to approximately HK\$78,500,000) at a consideration of approximately US\$9,934,250 (equivalent to approximately HK\$77,983,863) 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 bonds are set out below:

Date	:	31 May 2024
Seller	:	CISI Investment
Issuer	:	Nanchang Jinkai Group Co., Ltd. (南昌金開集團有限公司)
Letter of Credit Bank	:	Bank of Jiujiang Co., Ltd. (九江銀行股份有限公司) (the "LC Bank").

- Standby Letter of Credit : The Bonds will have the benefit of an irrevocable Standby Letter of Credit (the “**Standby Letter of Credit**”) issued in favour of the trustee, on behalf of itself and the holders of the Bonds, by the LC Bank. The Standby Letter of Credit shall be drawable by the trustee as beneficiary under the Standby Letter of Credit on behalf of itself and the holders of the Bonds upon the presentation of a demand by authenticated SWIFT (or otherwise as permitted under the Standby Letter of Credit) sent by the trustee as designated in accordance with the Standby Letter of Credit.
- Principal amount of the Bonds : US\$10,000,000 (equivalent to approximately being disposed of HK\$78,500,000)
- Consideration : Approximately US\$9,934,250 (equivalent to approximately HK\$77,983,863)
- Maturity Date of the Bonds : 4 May 2027
- Interest of the Bonds : Fixed rate 7.00% per annum

## **INFORMATION OF THE COUNTERPARTY**

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

## **INFORMATION OF THE ISSUER**

According to the offering circular of the Bonds, The Issuer is a company incorporated with limited liability in the PRC. The Issuer was established in September 2015 and was formerly known as Nanchang Jinkai Urban Construction Co., Ltd.(南昌金開城市建設有限公司) upon its establishment. The Issuer subsequently changed its name to Nanchang Jinkai Urban Construction Group Co., Ltd.(南昌金開城市建設集團有限公司) in November 2015. In December 2015, the Issuer further changed to its current name, Nanchang Jinkai Group Co., Ltd.(南昌金開集團有限公司). The Issuer’s group is primarily engaged in the businesses of urban construction (including infrastructure construction, social housing construction and the management and maintenance of municipal infrastructure), property leasing, trading, right of use, design and other businesses. The Management Committee of Nanchang Economic and Technological Development Zone(南昌經濟技術開發區管理委員會) and Jiangxi Provincial Department of Finance(江西省財政廳) together indirectly hold 100% of the equity interest in the Issuer, and the Management Committee of Nanchang Economic and Technological Development Zone (南昌經濟技術開發區管理委員會) is the ultimate controller 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 Bonds, the Board is of the opinion that the Disposal represents a good opportunity for the Group to exit the investment in the Bonds. 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\$65,750 (equivalent to approximately HK\$516,138), being the difference between the subscription cost of the Bonds 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\$9,934,250 (equivalent to approximately HK\$77,983,863) 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
“Bonds”	US\$186,000,000 7.00% Credit Enhanced Bonds due 2027 issued by the Issuer with the benefit of an irrevocable Standby Letter of Credit issued by Bank of Jiujiang Co., Ltd., information of the Issuer is stated in the section headed “INFORMATION OF THE ISSUER” in this announcement
“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 Bonds in the principal amount of US\$10,000,000 (equivalent to approximately HK\$78,500,000) at a consideration of approximately US\$9,934,250 (equivalent to approximately HK\$77,983,863) by CISI Investment on the open market on 31 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
“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, 3 June 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.*