

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 5 June 2024, CISI Investment has disposed of the Bonds in the principal amount of CNY50,000,000 (equivalent to approximately HK\$53,885,000) at a consideration of CNY49,637,500 (equivalent to approximately HK\$53,494,334) 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.

The Board announces that on 5 June 2024, CISI Investment has disposed of the Bonds in the principal amount of CNY50,000,000 (equivalent to approximately HK\$53,885,000) at a consideration of CNY49,637,500 (equivalent to approximately HK\$53,494,334) on the open market.

THE DISPOSAL

Details of the disposal of bonds are set out below:

Date	:	5 June 2024
Seller	:	CISI Investment
Issuer	:	Shanghai Investment Co., Limited (晟海投資有限公司)
Keepwell Provider	:	Qingdao Military-Civilian Integration Development Group Co., Ltd. (青島軍民融合發展集團有限公司) (the "Keepwell Provider"), a company incorporated with

limited liability in the PRC

- Keepwell Deed : The Keepwell Deed entered into by the Issuer, the Keepwell Provider and the trustee as further described in the Terms and Conditions.
- Standby Letter of Credit : The Bonds will have the benefit of the Standby Letter of Credit issued in favour of the trustee, on behalf of itself and the holders of the Bonds, by Nanyang Commercial Bank (China), Limited Qingdao Branch (南洋商業銀行(中國)有限公司青島分行) (the “**LC Bank**”). Nanyang Commercial Bank (China) Co., Ltd. is a wholly foreign-owned commercial bank wholly owned by China Cinda Asset Management Co., Ltd. through its wholly-owned subsidiary, Nanyang Commercial Bank Limited. 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 by such method of communication as otherwise permitted under the Standby Letter of Credit) sent by or on behalf of the trustee to the LC Bank in accordance with the Standby Letter of Credit.
- Principal amount of the Bonds being disposed of : CNY50,000,000 (equivalent to approximately HK\$53,885,000)
- Consideration : CNY49,637,500 (equivalent to approximately HK\$53,494,334)
- Maturity Date of the Bonds : 29 May 2027
- Interest of the Bonds : Fixed rate 4.50% 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 limited by shares incorporated under the BVI Business Companies Act, 2004 (as amended) of the British Virgin Islands. The Issuer is an indirect wholly-owned subsidiary of the Keepwell Provider. The Issuer was established pursuant to the objects and powers as set out in its memorandum of association. As at the date of this announcement, the Issuer does not carry and has not carried on any business other than entering into arrangements for the issue of CNY300,000,000 4.5% credit enhanced bonds due 2027 on 10 January 2024 and the Bonds. The Keepwell Provider is a company incorporated with limited liability in the PRC. The Keepwell Provider’s Group has developed a diversified business portfolio covering engineering and construction, trading, shipbuilding and other businesses such as real estate

development, other manufacturing, financial services as well as property leasing businesses. The Keepwell Provider is wholly-owned by Qingdao Economic-Technological Development Area Investment Holding Group Co., Ltd (青島經濟技術開發區投資控股集團有限公司) which in turn is owned as to 51% by Qingdao West Coast New Area Ronghe Holding Group Co., Ltd. (青島西海岸新區融合控股集團有限公司). Qingdao West Coast New Area Ronghe Holding Group Co., Ltd. (青島西海岸新區融合控股集團有限公司) is wholly-owned by Qingdao West Coast New Area State-owned Assets Administration Bureau (青島西海岸新區國有資產管理局).

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 CNY362,500 (equivalent to approximately HK\$390,666), 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 CNY49,637,500 (equivalent to approximately HK\$53,494,334) 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”	CNY335,000,000 4.50% credit enhanced bonds due 2027 issued by the Issuer with the benefit of a Keepwell Deed provided by Qingdao Military-Civilian Integration Development Group Co., Ltd. (青島軍民融合發展集團有限公司) and with the benefit of an irrevocable Standby Letter of Credit issued by Nanyang Commercial Bank (China), Limited Qingdao Branch (南洋商業銀行(中國)有限公司青島分行), information of the Issuer 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
“CNY”	CNY, the lawful currency of the PRC
“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)
“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 CNY50,000,000 (equivalent to approximately HK\$53,885,000) at a consideration of CNY49,637,500 (equivalent to approximately HK\$53,494,334) by CISI Investment on the open market on 5 June 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
“Terms and Conditions”	the terms and conditions of the Bonds
“%”	per cent.

In this announcement, amounts in CNY are translated into HK\$ on the basis of CNY1.00 = HK\$1.0777. The conversion rate is for illustration purposes only and should not be taken as a representation that CNY 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, 6 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.