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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 SUBSCRIPTION OF BONDS

THE SUBSCRIPTION

On 13 June 2024 (after trading hours), CISI Investment, an indirect wholly-owned subsidiary of the Company, has subscribed through the lead manager to the offer of the Bonds by the Issuer, and such order was confirmed and CISI Investment has been allocated with the Bonds in the subscription amount of US\$16,000,000 (equivalent to approximately HK\$125,600,000) on 13 June 2024 (after trading hours), at a consideration of US\$16,000,000 (equivalent to approximately HK\$125,600,000), exclusive of transaction costs.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Subscription exceeds 5% but is less than 25%, the Subscription 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 order to subscribe

Date: 13 June 2024

Parties: 1. CISI Investment as subscriber

2. The lead manager to the offer of the Bonds by the Issuer

To the best of the information, knowledge and belief of the Directors, the lead manager and its respective ultimate beneficial owners are Independent Third Parties.

The Subscription was funded from its internal resources.

Principal terms of the Bonds

Issuer:	Zhongyuan Zhicheng Co., Ltd. (中原志誠有限公司)
Guarantor:	Zhongyuan Yuzi Investment Holding Group Co., Ltd. (中原豫資投資控股集團有限公司)
Guarantee:	The Guarantor will unconditionally and irrevocably guarantee the due payment of all sums expressed to be payable by the Issuer under the Bonds and the trust deed (the “ Guarantee ”). Its obligations in respect of the Bonds and the trust deed will be contained in the deed of guarantee.
Aggregate Principal Amount:	US\$500,000,000
Subscription Amount:	US\$16,000,000 (equivalent to approximately HK\$125,600,000)
Issue Price:	100% of the principal amount of the Bonds
Form and Denomination:	The Bonds will be issued in registered form in the specified denomination of US\$200,000 and integral multiples of US\$1,000 in excess thereof.
Interest:	Fixed rate 5.90% per annum
Issue Date:	20 June 2024
Maturity Date:	20 June 2027
Status of the Bonds:	The Bonds will constitute direct, unconditional, unsubordinated and (subject to the Terms and Conditions) unsecured obligations of the Issuer and shall at all times rank pari passu and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable laws and subject to the Terms and Conditions, at all times rank at least equally with all the Issuer’s other present and future unsecured and unsubordinated obligations.
Status of the Guarantee:	The obligations of the Guarantor under the Guarantee shall, save for such exceptions as may be provided by applicable laws and subject to the Terms and Conditions, at all times rank at least equally with all its other present and future unsecured and unsubordinated

obligations.

Redemption for Relevant Events:	At any time following the occurrence of a change of control or a no registration event, the holder of the Bonds will have the right, at such holder's option, to require the Issuer to redeem all, but not some only, of such holder's Bonds on the put settlement date (as defined in the Terms and Conditions) at 101% (in the case of a redemption for a change of control) or 100% (in the case of a redemption for a no registration event) of their principal amount, together in each case with accrued interest up to (but excluding) the put settlement date, as further described in the Terms and Conditions.
Redemption for Tax Reasons:	The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the bondholders and in writing to the trustee and the principal paying agent, at their principal amount, (together with interest accrued up to but excluding the date fixed for redemption), in the event of certain changes affecting taxes of the British Virgin Islands or the PRC or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including but not limited to any decision by a court of competent jurisdiction), as further described in the Terms and Conditions.
Listing:	Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Bonds by way of debt issues to professional investors only.

INFORMATION OF THE ISSUER AND THE GUARANTOR

According to the offering circular of the Bonds issued by the Issuer, the Issuer is a company incorporated with limited liability in the British Virgin Islands on 3 March 2020. The Issuer is directly and wholly owned by Yuzi International Co., Limited (豫資國際有限公司), which is a Hong Kong incorporated company, of which 100% of the shares are indirectly owned by the Guarantor. As at the date of the offering circular of the Bonds, the Issuer has not engaged, since its incorporation, in any material business activities other than US\$300,000,000 3.20% guaranteed bonds due 2026 issued on 6 July 2021, the proposed issuance of the Bonds and the on-lending of the proceeds thereof to the Guarantor or its subsidiaries, and the authorisation of documents and agreements referred to in the offering circular of the Bonds to which it is or will be a party.

The Guarantor is a company incorporated with limited liability in the PRC. The Guarantor is directly and wholly owned by the State-owned Assets Supervision and Administration Commission of Henan Provincial People's Government (河南省人民政府國有資產監督管理委員會), which is under the direct administration of the Henan Provincial People's Government (河南省人民政府). The key principal businesses of the Guarantor's group mainly include interest income, project financing and management and engineering construction businesses. In addition to its key principal businesses, the Guarantor's group is also engaged in other principal businesses, including sales of commodities, eco-town business and gas, among others.

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.

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 SUBSCRIPTION

The Group subscribed the Bonds for investment purpose. 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 Directors consider that the Subscription provides the Group with an opportunity to balance and diversify its investment portfolio, as well as to generate stable return to the Group within an acceptable risk level. The Subscription is in line with the Group's investment strategy.

The Directors consider the terms of the Subscription and the Terms and Conditions are on normal commercial terms which are fair and reasonable and the Subscription is in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Subscription exceeds 5% but is less than 25%, the Subscription 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:

“Board”	the board of Directors
“Bonds”	US\$500,000,000 5.90% Guaranteed Sustainable Bonds due 2027 issued by the Issuer and unconditionally and irrevocably guaranteed by the Guarantor, information of which are stated in the section headed “INFORMATION OF THE ISSUER AND THE GUARANTOR” 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
“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)

“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Guarantor”	Zhongyuan Yuzi Investment Holding Group Co., Ltd. (中原豫資投資控股集團有限公司), information of which is stated in the section headed “INFORMATION OF THE ISSUER AND THE GUARANTOR” in this announcement
“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
“Issuer”	Zhongyuan Zhicheng Co., Ltd. (中原志誠有限公司), information of which is stated in the section headed “INFORMATION OF THE ISSUER AND THE GUARANTOR” in this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Shareholder(s)”	holder(s) of the issued shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of the Bonds by CISI Investment on 13 June 2024
“Terms and Conditions”	the terms and conditions of the Bonds
“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, 14 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.