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YUE DA INTERNATIONAL HOLDINGS LIMITED

悅達國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 629)

MAJOR TRANSACTIONS – SUPPLEMENTAL FACTORING AGREEMENT, REVERSE FACTORING AGREEMENT AND FACTORING AGREEMENT

JIANGSU XINQINGYANG SUPPLEMENTAL REVERSE FACTORING AGREEMENT, HAIYING TENGFEI REVERSE FACTORING AGREEMENT AND DONGFANG XINRUI FACTORING AGREEMENT

Reference is made to the announcements of the Company dated 27 March 2023 and 20 September 2023 (“**Announcements**”) in relation to the Jiangsu Xinqingyang Reverse Factoring Agreement and Dongfang Construction Reverse Factoring Agreement. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

The Board hereby announces that, after arm’s length negotiations, on 16 November 2023, Yueda Commercial Factoring, an indirectly wholly owned subsidiary of the Company, entered into the Jiangsu Xinqingyang Supplemental Reverse Factoring Agreement to adjust and supplement the revolving credit limit, annual rate of return, expiry date of the factoring facilities and the guarantor thereunder. Except for the amendments and supplements specified in the Jiangsu Xinqingyang Supplemental Reverse Factoring Agreement, other terms of the Jiangsu Xinqingyang Reverse Factoring Agreement remain unchanged.

The Board hereby announces that on 16 November 2023, Yueda Commercial Factoring entered into the Haiying Tengfei Reverse Factoring Agreement and the Dongfang Xinrui Factoring Agreement pursuant to which Yueda Commercial Factoring agreed to provide accounts receivables financing, accounts receivable management services and accounts receivable collection services (the “**Accounts Receivable Services**”) and granted revolving reverse factoring financing credit limits or revolving factoring financing credit limits to Haiying Tengfei and Dongfang Xinrui (the “**Parties**” and “**Party**” means any of them).

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio as calculated under Rule 14.07 of Listing Rules in relation to the Jiangsu Xinqingyang Supplemental Reverse Factoring Agreement is more than 25% but less than 100%, the entering into the Jiangsu Xinqingyang Supplemental Reverse Factoring Agreement constitutes a major transaction for the Company under the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As (i) Dongfang Construction directly wholly owns Dongfang Xinrui; and (ii) the transactions contemplated under the Dongfang Factoring Agreements were completed within a 12-month period, the transaction contemplated under the Dongfang Xinrui Factoring Agreement is required to be aggregated with the transaction under the Dongfang Construction Reverse Factoring Agreement pursuant to Rule 14.22 of the Listing Rules.

As the highest applicable percentage ratio as calculated under Rule 14.07 of Listing Rules in relation to the Dongfang Factoring Agreements is more than 25% but less than 100%, the entering into the Dongfang Factoring Agreements constitutes a major transaction for the Company under the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As the highest applicable percentage ratio as calculated under Rule 14.07 of Listing Rules in relation to the Haiying Tengfei Reverse Factoring Agreement is more than 25% but less than 100%, the entering into the Haiying Tengfei Reverse Factoring Agreement constitutes a major transaction for the Company under the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

WRITTEN SHAREHOLDER'S APPROVAL

Pursuant to Rule 14.44 of the Listing Rules, Shareholders' approval of the Factoring Agreements may be given by way of written Shareholders' approval in lieu of holding a general meeting if (i) no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Factoring Agreements and the transactions contemplated thereunder; and (ii) the written Shareholders' approval has been obtained from a Shareholder or a closely allied group of Shareholders who together hold more than 50% of the issued share capital of the Company giving the right to attend and vote at that general meeting to approve the Factoring Agreements and the transactions contemplated thereunder.

To the best of the Directors' knowledge, information and belief, and after having made all reasonable enquiries, no Shareholder is required to abstain from voting if the Company were to convene a general meeting for approving the Factoring Agreements and the transactions contemplated thereunder. As of the date of the announcement, Yueda Capital (HK) Limited, holding 600,000,000 Shares, representing 51.34% of the issued share capital of the Company, has provided written shareholder's approvals on the Factoring Agreements and the transactions contemplated thereunder. As such, no general meeting will be convened for approving the Factoring Agreements and the transactions contemplated thereunder pursuant to Rule 14.44 of the Listing Rules.

A circular containing, among other things, details of the Factoring Agreements and other information as required under the Listing Rules, is expected to be despatched to the Shareholders on or before 7 December 2023.

JIANGSU XINQINGYANG SUPPLEMENTAL REVERSE FACTORING AGREEMENT, HAIYING TENGFEI REVERSE FACTORING AGREEMENT AND DONGFANG XINRUI FACTORING AGREEMENT

Reference is made to the Announcements in relation to the Jiangsu Xinqingyang Reverse Factoring Agreement and Dongfang Construction Reverse Factoring Agreement. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

The Board hereby announces that, after arm's length negotiations, on 16 November 2023, Yueda Commercial Factoring, an indirect wholly owned subsidiary of the Company, entered into the Jiangsu Xinqingyang Supplemental Reverse Factoring Agreement to adjust and supplement the revolving credit limit, annual rate of return, expiry date of the factoring facilities and the guarantor thereunder. Except for the amendments and supplements specified in the Jiangsu Xinqingyang Supplemental Reverse Factoring Agreement, other terms of the Jiangsu Xinqingyang Reverse Factoring Agreement remain unchanged.

The Board hereby announces that on 16 November 2023, Yueda Commercial Factoring entered into Haiying Tengfei Reverse Factoring Agreements and Dongfang Xinrui Factoring Agreement, pursuant to which Yueda Commercial Factoring agreed to provide Accounts Receivable Services and granted reverse revolving factoring financing credit limits or revolving factoring financing credit limits to the Parties and the Parties are entitled to apply for accounts receivables transfer and factoring services. If the Party needs financing facility from Yueda Commercial Factoring, it will make an application for factoring services. If the credit assessment is to the satisfaction of Yueda Commercial Factoring, Yueda Commercial Factoring will grant the factoring financing within the reverse revolving factoring financing credit limits or revolving factoring financing credit limits.

The principal terms of the Jiangsu Xinqinyang Reverse Factoring Agreement, Jiangsu Xinqinyang Supplemental Reverse Factoring Agreement, Haiying Reverse Factoring Agreement and Dongfang Xinrui Factoring Agreement are as follows:

A. Jiangsu Xinqinyang Reverse Factoring Agreement and Jiangsu Xinqinyang Supplemental Reverse Factoring Agreement

	Jiangsu Xinqinyang Reverse Factoring Agreement	Jiangsu Xinqinyang Supplemental Reverse Factoring Agreement
Date:	27 March 2023	16 November 2023
Parties:	(1) Jiangsu Xinqinyang (To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Jiangsu Xinqinyang and its ultimate beneficial owner are Independent Third Parties.) (2) Yueda Commercial Factoring	No change
Revolving Credit limit:	RMB30,000,000 (equivalent to approximately HK\$32,655,000)	RMB50,000,000 (equivalent to approximately HK\$54,425,000)
Annual rate of return (composed of interest rate and factoring administration fees):	8%–9.5%	8%–9%
Guarantor:	Yancheng Haiying Holding Group Company Limited (“ Yancheng Haiying ”) (鹽城海瀛控股集團有限公司)	Yancheng Tinghu District Public Assets Investment Management Company Limited (“ Yancheng Tinghu Public Assets ”) (鹽城市亭湖區公有資產投資經營有限公司)
Expiry date of the factoring facilities:	17 November 2023	15 November 2024

The annual rate of return of the Jiangsu Xinqinyang Supplemental Reverse Factoring Agreement is determined by the parties through arm's length negotiation taking into account: (i) the credit rating of Jiangsu Xinqinyang and the counterparty of the relevant transaction provided by Jiangsu Xinqinyang; (ii) the credit period; (iii) the factoring is with recourse; and (iv) the guarantee by Yancheng Tinghu Public Assets.

Jiangsu Xinqinyang is indirectly beneficially owned as to (i) 70% by Yancheng Haiying, which is a directly wholly-owned subsidiary of Yancheng City People's Government (鹽城市人民政府) with independent management and operation, and (ii) 30% by Yancheng City Tinghu District People's Government (鹽城市亭湖區人民政府), with independent management and operation.

Yancheng Tinghu Public Assets is beneficially owned as to 100% by Yancheng City Tinghu District People's Government.

B. Haiying Tengfei Reverse Factoring Agreement

Date	:	16 November 2023
Parties	:	(1) Haiying Tengfei (To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Haiying Tengfei and its ultimate beneficial owner are Independent Third Parties.) (2) Yueda Commercial Factoring
Revolving Credit limit	:	RMB50,000,000 (equivalent to approximately HK\$54,425,000)
Annual rate of return (composed of interest rate and factoring administration fees)	:	8% to 9%
Guarantor	:	Yancheng Haiying
Availability period of the factoring facilities	:	From 16 November 2023 to 15 November 2024

The annual rate of return of the Haiying Tengfei Reverse Factoring Agreement is determined by the parties through arm's length negotiation taking into account: (i) the credit rating of Haiying Tengfei; (ii) the credit period; and (iii) the guarantee by Yancheng Haiying.

Yancheng Haiying directly wholly owns Haiying Tengfei.

Yancheng Haiying is beneficially owned as to 100% by Yancheng People's Government with independent management and operation.

C. Dongfang Xinrui Factoring Agreement

Date	:	16 November 2023
Parties	:	(1) Dongfang Xinrui (To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Dongfang Xinrui and its ultimate beneficial owner (save as YDRE and its ultimate beneficial owner) are Independent Third Parties.) (2) Yueda Commercial Factoring
Revolving Credit limit	:	RMB50,000,000 (equivalent to approximately HK\$54,425,000)
Annual rate of return (composed of interest rate and factoring administration fees)	:	7.8% to 8.2%
Guarantor	:	Yancheng Dongfang Investment and Development Group Company Limited (“ Yancheng Dongfang ID ”) (鹽城東方投資開發集團有限公司)
Availability period of the factoring facilities	:	From 16 November 2023 to 15 November 2024

The annual rate of return of the Dongfang Xinrui Factoring Agreement is determined by the parties through arm’s length negotiation taking into account: (i) the credit rating of Dongfang Xinrui and the counterparty of the relevant transaction provided by Dongfang Xinrui; (ii) the credit period; (iii) the factoring is with recourse; and (iv) the guarantee by Yancheng Dongfang ID.

Dongfang Xinrui is directly owned as to 100% by Dongfang Construction.

Dongfang Construction is held as to approximately 74.99% by Yancheng Dongfang ID, 12.33% by YDRE, 12.18% by ICBC Financial Asset Investment Company Limited (工銀金融資產投資有限公司) and 0.5% by Yancheng Dongfang Property Management Limited (鹽城市東方物業管理有限公司).

Yancheng Dongfang ID is beneficially owned as to 100% by Yancheng City People’s Government with independent management and operation.

INFORMATION ON THE PARTIES TO THE JIANGSU XINQINGYANG SUPPLEMENTAL REVERSE FACTORING AGREEMENT, HAIYING TENGFEI REVERSE FACTORING AGREEMENT AND DONGFANG XINRUI FACTORING AGREEMENT

Yueda Commercial Factoring is a company established in the PRC on 15 August 2017 and is principally engaged in the provision of factoring, accounts receivable management and collection and factoring consultancy services.

Jiangsu Xinqingyang is a company established in the PRC and is principally engaged in the business of engineering project construction.

Haiying Tengfei is a company established in the PRC and is principally engaged in the business of municipal construction engineering.

Dongfang Xinrui is a company established in the PRC and is principally engaged in the business of engineering project construction.

REASONS FOR AND BENEFITS OF THE JIANGSU XINQINGYANG SUPPLEMENTAL REVERSE FACTORING AGREEMENT, HAIYING TENGFEI REVERSE FACTORING AGREEMENT AND DONGFANG XINRUI FACTORING AGREEMENT

The Group is principally engaged in factoring related business in the PRC. The Directors consider that the Factoring Agreements were entered into on normal commercial terms and in the ordinary and usual course of business of the Group.

Given that the Factoring Agreements are being conducted in the ordinary and usual course of business of Yueda Commercial Factoring, which will contribute profit to the Company over the financing term, are under normal commercial terms, and are beneficial to the Group in its business expansion and establishment of long term business relationship with Jiangsu Xinqingyang, Haiying Tengfei and Dongfang Xinrui, the Directors are of the view that the terms of and the Factoring Agreements are fair and reasonable and are in the interests of the Company and Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio as calculated under Rule 14.07 of Listing Rules in relation to the Jiangsu Xinqingyang Supplemental Reverse Factoring Agreement is more than 25% but less than 100%, the entering into the Jiangsu Xinqingyang Supplemental Reverse Factoring Agreement constitutes a major transaction for the Company under the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As (i) the Dongfang Construction directly wholly owns Dongfang Xinrui; and (ii) the transactions contemplated under the Dongfang Factoring Agreements were completed within a 12-month period, the transaction contemplated under the Dongfang Xinrui Factoring Agreement is required to be aggregated with the transaction under the Dongfang Construction Reverse Factoring Agreement pursuant to Rule 14.22 of the Listing Rules.

As the highest applicable percentage ratio as calculated under Rule 14.07 of Listing Rules in relation to the Dongfang Factoring Agreements is more than 25% but less than 100%, the entering into the Dongfang Factoring Agreements constitutes a major transaction for the Company under the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As the highest applicable percentage ratio as calculated under Rule 14.07 of Listing Rules in relation to the Haiying Tengfei Reverse Factoring Agreement is more than 25% but less than 100%, the entering into the Haiying Tengfei Reverse Factoring Agreement constitutes a major transaction for the Company under the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

WRITTEN SHAREHOLDER'S APPROVAL

Pursuant to Rule 14.44 of the Listing Rules, Shareholders' approval of the Factoring Agreements may be given by way of written Shareholders' approval in lieu of holding a general meeting if (i) no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Factoring Agreements and the transactions contemplated thereunder; and (ii) the written Shareholders' approval has been obtained from a Shareholder or a closely allied group of Shareholders who together hold more than 50% of the issued share capital of the Company giving the right to attend and vote at that general meeting to approve the Factoring Agreements and the transactions contemplated thereunder.

To the best of the Directors' knowledge, information and belief, and after having made all reasonable enquiries, no Shareholder is required to abstain from voting if the Company were to convene a general meeting for approving the Factoring Agreements and the transactions contemplated thereunder. As of the date of the announcement, Yueda Capital (HK) Limited, holding 600,000,000 Shares, representing 51.34% of the issued share capital of the Company, has provided written shareholder's approvals on the Factoring Agreements and the transactions contemplated thereunder. As such, no general meeting will be convened for approving the Factoring Agreements and the transactions contemplated thereunder pursuant to Rule 14.44 of the Listing Rules.

A circular containing, among other things, details of the Factoring Agreements and other information as required under the Listing Rules, is expected to be despatched to the Shareholders on or before 7 December 2023.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings.

“Board”	the board of Directors of the Company
“Company”	Yue Da International Holdings Limited, a company incorporated with limited liability in the Cayman Islands, whose Shares are listed on the of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Dongfang Construction”	Yancheng Dongfang Construction Investment Company Limited (鹽城東方建設投資股份有限公司), a company established in the PRC, which is principally engaged in the business of various engineering construction
“Dongfang Construction Reverse Factoring Agreement”	the reverse factoring agreement dated 20 September 2023 entered into between Yueda Commercial Factoring and Dongfang Construction, the details of which have been disclosed in the announcement of the Company dated 20 September 2023
“Dongfang Factoring Agreements”	collectively, Dongfang Construction Reverse Factoring Agreement and Dongfang Xinrui Factoring Agreement
“Dongfang Xinrui”	Yancheng Dongfang Xinrui Engineering Construction Company Limited (鹽城市東方新銳工程建設有限公司), a company established in the PRC, which is principally engaged in the business of engineering project construction
“Dongfang Xinrui Factoring Agreement”	the factoring agreement dated 16 November 2023 entered into between Yueda Commercial Factoring and Dongfang Xinrui
“Factoring Agreements”	collectively, Jiangsu Xinqingyang Factoring Agreements, Haiying Tengfei Reverse Factoring Agreement and Dongfang Factoring Agreements
“Group”	the Company and its subsidiaries
“Haiying Tengfei”	Jiangsu Haiying Tengfei Municipal Construction Engineering Company Limited (江蘇海瀛騰飛市政建設工程有限公司), a company established in the PRC, which is principally engaged in the business of municipal construction engineering

“Haiying Tengfei Reverse Factoring Agreement”	the reverse factoring agreement dated 16 November 2023 entered into between Yueda Commercial Factoring and Haiying Tengfei
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	the independent third party(ies) who is/are, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, independent of and not connected with the Company and the connected person(s) (as defined in the Listing Rules) of the Company
“Jiangsu Xinqinyang”	Jiangsu Xinqinyang Industrial Investment Company Limited (江蘇新青洋實業投資有限公司), a company established in the PRC, which is principally engaged in the business of engineering project construction
“Jiangsu Xinqinyang Factoring Agreements”	collectively, Jiangsu Xinqinyang Reverse Factoring Agreement and Jiangsu Xinqinyang Supplemental Reverse Factoring Agreement
“Jiangsu Xinqinyang Reverse Factoring Agreement”	the reverse factoring agreement dated 27 March 2023 entered into between Yueda Commercial Factoring and Jiangsu Xinqinyang, the details of which have been disclosed in the announcement of the Company dated 27 March 2023
“Jiangsu Xinqinyang Supplemental Reverse Factoring Agreement”	the supplemental reverse factoring agreement dated 16 November 2023 entered into between Yueda Commercial Factoring and Jiangsu Xinqinyang
“Listing Rules”	the Rules Governing the Listing of Securities on Main Board of The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China, for the purpose of this announcement only, excludes Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	the holders of Shares
“Shares”	ordinary share(s) having a par value of HK\$0.1 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“YDRE”	Yueda Real Estate Group Company Limited (悦達地產集團有限公司), which is held as to approximately 66.36% by Yue Da Group (H.K.) Co., Limited, a directly wholly-owned subsidiary of Jiangsu Yue Da Group Company Limited (江蘇悦達集團有限公司), the controlling shareholder of the Company
“Yueda Commercial Factoring”	Yueda (Shenzhen) Commercial Factoring Co., Ltd., a company established in the PRC and a subsidiary of the Group, which principal business is, among other things, commercial factoring
“%”	per cent

By order of the Board
Yue Da International Holdings Limited
Pan Mingfeng
Executive Director

Hong Kong, 16 November 2023

As at the date of this announcement, the Board comprises the following members: (a) as non-executive Directors, Mr. Liu Debing, Mr. Li Biao, Mr. Hu Huaimin and Mr. Yu Guangshan; (b) as executive Directors, Mr. Pan Mingfeng and Mr. Wu Shengquan; and (c) as independent non-executive Directors, Dr. Liu Yongping, Mr. Cheung Ting Kee and Ms. Zhang Yan.

Unless otherwise stated, translation of RMB into HK\$ is based on the approximate exchange rate of RMB1.00 to HK\$1.0885 for information purpose only. Such translation should not be construed as a representation that the relevant amounts have been, could have been, or could be converted at that or any other rate or at all.

If there is any inconsistency in this announcement between the Chinese and English versions, the English version shall prevail.