

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.



信達國際控股有限公司
CINDA INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 111)

MAJOR TRANSACTION – DISPOSAL OF 50% EQUITY INTEREST IN A SUBSIDIARY

References are made to the Announcements.

THE CINDA INTERNATIONAL SHANGHAI DISPOSAL

The Board hereby announces that on 13 November 2024, the Company was notified by the SUAEE that the Purchaser, who had submitted a bid price of RMB16.95 million (equivalent to approximately HK\$18.65 million) in response to a Public Tender Notice for the Cinda International Shanghai Disposal during the bidding invitation period.

Under such circumstances, after trading hours on 15 November 2024, the Company entered into the Cinda International Shanghai Equity Transfer Agreement with the Purchaser, pursuant to which the Company agreed to sell, and the Purchaser agreed to purchase, the Cinda International Shanghai Equity Interest at a consideration of RMB16.95 million (equivalent to approximately HK\$18.65 million).

Upon completion of the Cinda International Shanghai Disposal, Cinda International Shanghai will cease to be a subsidiary of the Company and its financial results will no longer be consolidated in the Group's financial statements.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Cinda International Shanghai Disposal exceeds 25% and all applicable percentage ratios are less than 75%, the Cinda International Shanghai Disposal constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements under the Listing Rules.

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the Cinda International Shanghai Disposal. As such, no Shareholders would be required to abstain from voting at a general meeting of the Company to be convened for the approval of the Cinda International Shanghai Disposal. As at the date of this announcement, Cinda Securities (H.K.) holds 403,960,200 Shares, which represents approximately 63.00% of the total number of issued Shares and the written Shareholder's approval for the Cinda International Shanghai Disposal has been obtained from Cinda Securities (H.K.). Accordingly, pursuant to Rule 14.44 of the Listing Rules, such written Shareholders' approval may be accepted in lieu of holding a general meeting of the Company to approve the terms of, and the Cinda International Shanghai Disposal.

A circular containing, among other things, further details of the Cinda International Shanghai Disposal and other information as required under the Listing Rules, will be despatched to the Shareholders on or before 6 December 2024.

References are made to the Announcements. The Company made an announcement in relation to the disposal of 50% equity interest of Cinda Lingxian on 28 October 2024. Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

THE CINDA INTERNATIONAL SHANGHAI DISPOSAL

The Board hereby announces that on 13 November 2024, the Company was notified by the SUAEE that the Purchaser, who had submitted a bid price of RMB16.95 million (equivalent to approximately HK\$18.65 million) in response to a Public Tender Notice for the Cinda International Shanghai Disposal during the bidding invitation period.

Under such circumstances, after trading hours on 15 November 2024, the Company entered into the Cinda International Shanghai Equity Transfer Agreement with the Purchaser, pursuant to which the Company agreed to sell, and the Purchaser agreed to purchase, the Cinda International Shanghai Equity Interest at a consideration of RMB16.95 million (equivalent to approximately HK\$18.65 million).

Principal terms of the Cinda International Shanghai Equity Transfer Agreement are summarised below:

Date: 15 November 2024 (after trading hours)

Parties: (1) the Company as vendor; and
(2) the Purchaser as purchaser

Subject matter: the Cinda International Shanghai Equity Interest

Consideration: The consideration of the Cinda International Shanghai Disposal is RMB16.95 million (equivalent to approximately HK\$18.65 million), which was determined and equivalent to 50% of the entire equity interest of Cinda International Shanghai as at the Valuation Benchmark Date by the Valuer (being RMB33.90 million (equivalent to approximately HK\$37.29 million) using the income approach, being the tender price of the Public Tender.

Since there has been no significant fluctuations in the financial and operational positions of Cinda International Shanghai since the Valuation Benchmark Date, the Directors therefore consider that the Valuation Report is still appropriate in determining the consideration for the Cinda International Shanghai Disposal.

Payment: As at the date of this announcement, the Purchaser has deposited an amount of RMB4.0 million (equivalent to approximately HK\$4.4 million) as security deposit (the “**Security Deposit**”) to the SUAEE, which shall be returned in full to the Purchaser by the SUAEE after the SUAEE issuing a equity transfer certificate. The payment of the Security Deposit was just a formality procedure required for the bid. On the Payment Date, the Purchaser shall deposit an amount in HK\$ equivalent to 50% of the consideration for the Cinda International Shanghai Disposal (being RMB8.475 million (equivalent to approximately HK\$9.323 million)) (the “**Initial Consideration Payment**”) to the designated bank account held by the Company as set out in the Cinda International Shanghai Equity Transfer Agreement.

The remaining consideration of the Cinda International Shanghai Disposal (being RMB8.475 million (equivalent to approximately HK\$9.323 million)) (the “**Remaining Consideration**”) will be paid by the Purchaser to the Company’s designated bank account within 12 months from the date of the Cinda International Shanghai Equity Transfer Agreement. The Company will charge an interest rate of 6% per annum on the Remaining Consideration (the “**Interests**”), which shall be payable together with the amount of the Remaining Consideration in HK\$.

To safeguard the interests of the Company, CPI Equity Management will provide the Guarantee in favour of the Company to guarantee all payment obligations of the Purchaser for the Remaining Consideration, the Interests and relevant costs and expenses (if any) under the Cinda International Shanghai Equity Transfer Agreement.

Completion:

The Purchaser and the Company shall complete all requisite approval and filing in respect of the transfer of the Cinda International Shanghai Equity Interest.

Completion of the transfer of the rights of the Cinda International Shanghai Equity Interest shall take place within 15 business days after the date of the Initial Consideration Payment.

Completion of the relevant registration for the transfer of the Cinda International Shanghai Equity Interest shall take place before 31 December 2024 after the relevant equity transfer certificate has been issued by the SUAEE.

Liquidated damages:

If the Purchaser fails to pay the consideration within the time limit as set out in the Cinda International Shanghai Equity Transfer Agreement, the Purchaser shall pay to the Company the liquidated damages at the rate of 1% of the overdue amount of the consideration per day. If the consideration has become overdue for more than 15 days, the Company is entitled to terminate the Cinda International Shanghai Equity Transfer Agreement unilaterally and demand the Purchaser to compensate for losses.

If the Company fails to cooperate with the Purchaser in completing the transfer of the rights of the Cinda International Shanghai Equity Interest within the time limit as set out in the Cinda International Shanghai Equity Transfer Agreement, the Company shall pay to the Purchaser the liquidated damages at a rate of 1% of the consideration per day. If completion of the transfer of the rights of the Cinda International Shanghai Equity Interest does not take place for more than 15 days after the time limit as set out in the Cinda International Shanghai Equity Transfer Agreement, the Purchaser is entitled to terminate the Cinda International Shanghai Equity Transfer Agreement unilaterally and demand the Company to compensate for losses.

Termination:

Save for the aforesaid right of unilateral termination of the Cinda International Shanghai Equity Transfer Agreement, either the Purchaser or the Company may terminate the Cinda International Shanghai Equity Transfer Agreement by mutual agreement.

Corporate governance:

Upon completion of the Cinda International Shanghai Disposal, the board of directors of Cinda International Shanghai comprises three members, with one director to be nominated by the Company and two directors to be nominated by the Purchaser.

All project investment decisions of Cinda International Shanghai shall be approved by its board of directors.

The Company will be involved in the daily operation and management of Cinda International Shanghai. The Company will be registered as the actual controller of Cinda International Shanghai with the Asset Management Association of China.

APPRAISED VALUE AND VALUATION REPORT

The consideration of the Cinda International Shanghai Disposal was determined and equivalent to 50% of the appraised value of the entire equity interest of Cinda International Shanghai as at the Valuation Benchmark Date by the Valuer.

The Valuer appraised the value of the entire shareholders' equity interest of Cinda International Shanghai on the Valuation Benchmark Date by implementing valuation procedures such as inventory verification, onsite investigation, market research and verification, and evaluation and estimation and by using the asset-based approach and income approach.

(I) Valuation Conclusions of Asset-based Approach

Using the asset-based approach, the Valuer concluded that the valuation conclusions of the appraised entity as at the Valuation Benchmark Date were as follows:

The book value of total assets was RMB337,906,100, the appraised value was RMB338,032,200, and the appraised value appreciation was RMB126,100, with an appreciation rate of 0.04%.

The book value of liabilities was RMB307,640,700, and the appraised value was RMB307,640,700, and there was no change in value appreciation or depreciation.

The book value of net assets was RMB30,265,400, the appraised value was RMB30,391,500, and the appraised value appreciation was RMB126,100, with an appreciation rate of 0.42%.

(II) Valuation Conclusions of Income Approach

Using the income approach, the Valuer concluded that the valuation conclusions of the appraised entity as at the Valuation Benchmark Date were as follows:

The book value of the entire shareholders' equity interest was RMB30,265,400, the appraised value was RMB33,900,000, and the appraised value appreciation was RMB3,634,600, with an appreciation rate of 12.01%.

(III) Difference Analysis of Valuation Results

The value of the entire shareholders' equity interest calculated by income approach in the Valuation is RMB33,900,000, which is RMB3,508,500 or 11.54% higher than the value of the entire shareholders' equity interest calculated by the asset-based approach of RMB30,391,500. The main reasons for the difference between the two valuation approaches are:

1. The asset-based approach valuation is based on the replacement cost of the asset, reflecting the socially necessary labor consumed in the asset input (acquisition and construction cost), such acquisition and construction cost will usually change with the changes in the national economy; and
2. The income approach valuation is based on the expected return of the asset, reflecting the size of the asset's operating ability (profitability), such profitability will usually be affected by various conditions such as macroeconomy, government control and effective use of assets.

In summary, there are differences between the two valuation approaches.

(IV) Selection of Valuation Results

The Valuer takes the view that the appraised entity is a private equity fund management company, and the appraised entity still has several investment projects and managed funds, and the income brought by these investment projects and managed funds to the appraised entity cannot be reflected by the asset-based approach, while the income approach can reflect the income brought by these investment projects and managed funds to the appraised entity, and the income approach can better reflect the profitability of the appraised entity.

Therefore, relatively speaking, the valuation results of the income approach are more reliable, so the valuation results of the income approach are used as the final valuation conclusions in the Valuation.

Through the above analysis, the Valuer concluded that the value of the entire shareholders' equity interest of Cinda International Shanghai as at the Valuation Benchmark Date is RMB33,900,000.

The Valuer selected the valuation results of the income approach as the final valuation conclusions in the Valuation taking into account the relatively stable correspondence between operation and income, and future returns and risks of Cinda International Shanghai that can be projected and quantifiable. The Directors have reviewed the Valuation Report and consider the key assumptions and inputs adopted in the income approach to be fair and reasonable, taking into account the following factors:

- (a) Revenue projections: The revenue projections used in the valuation are based on the historical financial performance of Cinda International Shanghai, as well as the expected growth in the service fees to be received from the provision of investment management business to limited partnership funds. The Directors believe these projections are reasonable and achievable, considering Cinda International Shanghai's market position, its estimated service fee level, and business pipeline.
- (b) Cost structure: The Valuer has made appropriate assumptions regarding Cinda International Shanghai's cost structure, including operating expenses, administrative expenses, working capital and other relevant costs. The Directors have reviewed these assumptions and consider them to be in line with Cinda International Shanghai's historical cost structure and expected future cost trends.

In view of the above, the Directors consider that the assumptions and inputs as adopted by the Valuer are fair and reasonable and consider that there is unlikely to have any material change in the assumptions and inputs which are likely to materially affect the valuation of the Cinda International Shanghai Equity Interest.

PROFIT FORECAST REQUIREMENTS UNDER THE LISTING RULES

The consideration of the Cinda International Shanghai Disposal was determined with reference to 50% of the appraised asset value of the entire equity interest of Cinda International Shanghai as at the Valuation Benchmark Date as appraised by the Valuer (the “**Valuation**”). On 15 July 2024, the Valuer issued the “Asset Valuation Report on the Proposed Transfer of Equity Interest in Cinda International (Shanghai) Investment Consultant Limited* held by Cinda International Holdings Limited” (《信達國際控股有限公司擬轉讓所持有的信達國際(上海)投資諮詢有限公司股權項目資產評估報告》), the conclusion of which was that the appraised asset value of the entire equity interest of Cinda International Shanghai as at the Valuation Benchmark Date amounted to RMB33.90 million. The Valuation was, in principle, conducted by adopting the asset-based approach and income approach. Having taken into account the applicability of the appraisal methodology and the purpose of such appraisal, the Valuer chose the income approach as its final valuation. Since the asset-based approach and the income approach were adopted for the Valuation, the Valuation constitutes a profit forecast under Rule 14.61 of the Listing Rules. This announcement is made by the Company to disclose further details of the profit forecast in relation to the Valuation in compliance with Rule 14.60A of the Listing Rules.

According to the Valuation Report prepared by the Valuer, details of the principal assumptions (including commercial assumptions) on which the profit forecast in relation to the asset value of the entire equity interest of Cinda International Shanghai is based, are set out as follows:

1. General assumptions of the profit forecast in relation to the Valuation

(I) General Assumptions

1. Transaction assumption

The transaction assumption assumes that all assets to be valued have been already in the process of being traded, and the appraisers value them based on simulated markets such as the trading conditions of the assets to be valued. The transaction assumption is one of the most basic assumptions for asset valuation to be carried out.

2. Open market assumption

The open market assumption assumes that, for an asset traded or intended to be traded in the market, both parties involved in trading have equal status, and have the opportunity and time to obtain sufficient market information, in order to make rational judgment about the function, use, and trading price of the asset. The open market assumption is based on the fact that an asset can be bought and sold publicly in the market.

3. Going concern assumption

The going concern assumption is a valuation assumption in which the assumption is made by taking the overall assets of an enterprise as the valuation subject. That is, as an operating entity, the enterprise will operate on going concern basis in the external environment in accordance with the operation objectives. The operator of the enterprise is responsible for and capable of taking responsibility. The enterprise operates legally and is able to make appropriate profits to maintain its ability of going concern. For all kinds of operating assets of the enterprise, they can be used continuously according to the current uses and use modes, scales, frequencies, environment, etc., or can be used on the basis of changes.

(II) Special Assumptions

1. The Valuation assumes that the external economic environment as at the Valuation Benchmark Date remains unchanged and the country's current macroeconomic situation does not undergo major changes;
2. There is no major change in the socio-economic environment in which the enterprise is located and the policies implemented such as taxes and tax rates;
3. The operation and office premise of the appraised entity is leased from Shanghai Xingwaitan Development and Construction Co., Ltd.* (上海星外灘開發建設有限公司), and the Valuation assumes that the appraised entity can continue to lease similar premise at a reasonable market price in future operation duration;
4. The future management team of the enterprise shall perform its duties and continue to maintain the existing operation and management model;
5. The Valuation is based only on the existing operating capacity as at the Valuation Benchmark Date, it does not consider the expansion of operating capacity that may occur in the future due to management, business strategy and additional investment, etc., nor does it consider the possible subsequent changes in production and operation;
6. The assets in the Valuation are based on the actual stock as at the Valuation Benchmark Date, and the current market prices of the assets are based on the domestic effective prices as at the Valuation Benchmark Date;
7. It is assumed that there will be no significant changes in the main business, product structure, revenue and cost composition, sales strategy and cost control of the valuation subject in the future projection periods;
8. In the future projection periods, the costs of the valuation subject for each period will not change significantly on the current basis, but will continue to change in recent years and change synchronously with the change in operation scale;

9. In view of the frequent changes in the company's monetary funds or bank deposits in the course of production and operation, and the idle funds have been considered as surplus assets, the interest income generated by deposits is not considered in the Valuation;
10. It is assumed that the cash inflow of the enterprise after the Valuation Benchmark Date is the average inflow and the cash outflow is the average outflow;
11. The Valuation assumes that the basic information and financial information provided by the entrusting party and the appraised entity are true, accurate and complete;
12. The valuation scope is only based on the valuation declaration form provided by the entrusting party and the appraised entity, and does not take into account the contingent assets and contingent liabilities that may exist outside the list provided by the entrusting party and the appraised entity;
13. There are no other force majeure factors and unforeseeable factors that have a material adverse impact on the enterprise;
14. The values of the parameters measured in the Valuation do not take into account the impact of inflation.

When the above conditions change, the valuation results are generally invalidated.

BDO Limited, the auditor of the Company, has reviewed the arithmetic accuracy of the calculations of the income approach adopted by the Valuer in respect of the Valuation (which does not involve the adoption of accounting policies and the reasonableness of the assumptions).

The Board confirmed that the profit forecast of the entire equity interest of Cinda International Shanghai in the Valuation was made after due and careful enquiry by the Board, and is fair and reasonable.

The letters issued by BDO Limited and the Board are set out in Appendix I and Appendix II to this announcement, respectively.

2. Experts

The qualifications of the experts who have made representations or provided opinions in this announcement are as follows:

Name	Qualification	Date of representation or opinion
China United Assets Appraisal Group Co., Ltd.* (中聯資產評估集團有限公司)	Certified Assets Valuer	15 July 2024
BDO Limited	Certified Public Accountants	15 November 2024

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the date of this announcement, each of the experts, being an Independent Third Party, had no direct or indirect shareholdings in any member of the Group, and had no direct or indirect rights (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

Each of the experts has given and has not withdrawn its written consent to the publication of this announcement with the inclusion herein of its letter, representations and/or opinions and references to its name in the context.

INFORMATION ON THE COMPANY AND THE GROUP

The principal business activity of the Company is investment holding. The Group is principally engaged in the provision of asset management services, corporate finance advisory services, securities brokering services, commodities and futures brokering services, and fixed income investment business.

INFORMATION ON THE PURCHASER AND CPI EQUITY MANAGEMENT

CPI Equity Management is principally engaged in investment holding.

The Purchaser is principally engaged in the provision of consultancy services and investment holding. As at the date of this announcement, the Purchaser is directly wholly-owned by CPI Equity Management, which is in turn wholly-owned by CPI Investment Holdings Limited, a company which is owned as to 40% and 60% by the Company and Plunkett Capital Holdings Limited (“**Plunkett Capital**”), respectively. Plunkett Capital is owned as to 85.43% by Mr. Liu, an individual who resides in Hong Kong.

As at the date of this announcement, to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, save for the aforesaid shareholding interest of the Company in the Purchaser, the Purchaser, CPI Equity Management and their ultimate beneficial owners are Independent Third Parties.

INFORMATION ON CINDA INTERNATIONAL SHANGHAI

Cinda International Shanghai is principally engaged in initiating the establishment of various partnership enterprises and managing their investment business in the PRC.

The audited financial information of Cinda International Shanghai prepared in accordance with the generally accepted accounting principles of the PRC for each of the two financial years ended 31 December 2022 and 2023 respectively is set out below:

	For the year ended	
	31 December	
	2022	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	(audited)	(audited)
Net profit before taxation	30,105	34,453
Net profit after taxation	22,579	25,813

Based on the audited financial accounts of Cinda International Shanghai, the net asset value of Cinda International Shanghai as at 31 May 2024 was approximately RMB30.27 million.

FINANCIAL EFFECTS OF THE CINDA INTERNATIONAL SHANGHAI DISPOSAL

With reference to the carrying value of Cinda International Shanghai of approximately RMB33.44 million (equivalent to approximately HK\$36.78 million) as at 30 September 2024, it is expected that upon completion of the Cinda International Shanghai Disposal, the Group would, in accordance with Hong Kong Accounting Standards, record an unaudited pre-tax loss of approximately RMB0.89 million (equivalent to approximately HK\$0.98 million), which is calculated by reference to the consideration for the Cinda International Shanghai Disposal (i.e. RMB16.95 million), minus (i) 50% of the unaudited net asset value of Cinda International Shanghai as at 30 September 2024 (i.e. RMB16.72 million); and (ii) the related transaction costs, taxes and expenses for the Cinda International Shanghai Disposal of approximately RMB1.12 million. In any event, the actual gain or loss as a result of the Cinda International Shanghai Disposal to be recorded by the Group is to be determined as at completion of the Cinda International Shanghai Disposal and subject to audit and/or review by the Company's auditors.

The gross proceeds from the Cinda International Shanghai Disposal will be RMB16.95 million (equivalent to approximately HK\$18.65 million) and the net proceeds from the Cinda International Shanghai Disposal (after deducting the relevant expenses in relation to the Cinda International Shanghai Disposal) will be approximately RMB15.83 million (equivalent to approximately HK\$17.41 million). The Group intends to apply the net proceeds from the Cinda International Shanghai Disposal for general working capital purposes.

Given no bidder for the Public Tender Notice for the remaining 50% of the equity interest of Cinda International Shanghai, the Company will continue to hold such remaining equity interest.

Upon completion of the Cinda International Shanghai Disposal, Cinda International Shanghai will cease to be a subsidiary of the Company and its financial results will no longer be consolidated in the Group's financial statements.

REASONS FOR AND BENEFITS OF THE CINDA INTERNATIONAL SHANGHAI DISPOSAL

In order to achieve resource optimization and streamline the Group's structure, it is intended that the Cinda International Shanghai Equity Interest shall be disposed of. The Cinda International Shanghai Disposal will benefit the Group to relocate resources to other existing or market-oriented businesses. The Board is of the view that the Cinda International Shanghai Disposal will provide the Group with a solid foundation to achieve overall stable operations and promote sustainable development of the Group.

Having taken into account the above factors and the fact that the Cinda International Shanghai Disposal be conducted through the Public Tender and by way of bidding, the Directors (including the independent non-executive Directors) consider that despite the expected loss on the Cinda International Shanghai Disposal, the terms of Cinda International Shanghai Equity Transfer Agreement (including but not limited to the consideration for the Cinda International Shanghai Disposal) have been made on normal commercial terms and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole. None of the Directors have material interest in the Cinda International Shanghai Disposal and needs to abstain from voting on the relevant Board resolutions.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Cinda International Shanghai Disposal exceeds 25% and all applicable percentage ratios are less than 75%, the Cinda International Shanghai Disposal constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements under the Listing Rules.

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the Cinda International Shanghai Disposal. As such, no Shareholders would be required to abstain from voting at a general meeting of the Company to be convened for the approval of the Cinda International Shanghai Disposal. As at the date of this announcement, Cinda Securities (H.K.) holds 403,960,200 Shares, which represents approximately 63.00% of the total number of issued Shares and the written Shareholder's approval for the Cinda International Shanghai Disposal has been obtained from Cinda Securities (H.K.). Accordingly, pursuant to Rule 14.44 of the Listing Rules, such written Shareholders' approval may be accepted in lieu of holding a general meeting of the Company to approve the terms of, and the Cinda International Shanghai Disposal.

A circular containing, among other things, further details of the Cinda International Shanghai Disposal and other information as required under the Listing Rules, will be despatched to the Shareholders on or before 6 December 2024.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Announcements”	the announcements dated 7 June 2024, 21 August 2024 and 20 September 2024 made by the Company in relation to the Potential Disposals
“associate(s)”	has the meanings ascribed to it under the Listing Rules
“Cinda International Shanghai Disposal”	the disposal of the Cinda International Shanghai Equity Interest
“Cinda International Shanghai Equity Interest”	50% of the equity interest of Cinda International Shanghai

“Cinda International Shanghai Equity Transfer Agreement”	the agreements dated 15 November 2024 entered into between the Company and the Purchaser in relation to the Cinda International Shanghai Disposal
“Cinda Securities (H.K.)”	Cinda Securities (H.K.) Holdings Limited, a company incorporated in Hong Kong with limited liability and a direct controlling shareholder of the Company
“connected person(s)”	has the meanings ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meanings ascribed to it under the Listing Rules
“CPI Equity Management”	CPI Equity Management Limited, a company incorporated in the Cayman Islands with limited liability
“Guarantee”	the letter of guarantee dated 15 November 2024 executed by CPI Equity Management in favour of the Company
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons
“Payment Date”	the date falling within five (5) business days after the date of the Cinda International Shanghai Equity Transfer Agreement
“Purchaser”	CPI (China) Management Limited, a company incorporated in Hong Kong with limited liability
“Share(s)”	ordinary share(s) with par value of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Valuation Benchmark Date”	31 May 2024
“Valuation Report”	the valuation report of the entire equity interest of Cinda International Shanghai as of the Valuation Benchmark Date prepared by the Valuer

“Valuer”

China United Assets Appraisal Group Co., Ltd.* (中聯資產評估集團有限公司), an independent professional valuer

By Order of the Board
Cinda International Holdings Limited
Zhang Xunyuan
Executive Director and Chief Executive Officer

Hong Kong, 15 November 2024

In this announcement, amounts denominated in RMB are translated into HK\$ on the basis of RMB1.00 = HK\$1.10. The conversion rate is for illustration purposes only and should not be taken as a representation that RMB have been, could have been or could actually be converted into HK\$ at such rate or at all.

As at the date hereof, the Board comprises:

<i>Non-executive Director:</i>	Mr. Zhang Yi	<i>(Chairman)</i>
<i>Executive Directors:</i>	Mr. Zhang Xunyuan	<i>(Chief Executive Officer)</i>
	Ms. Yan Qizhong	<i>(Chief Financial Officer)</i>
<i>Independent Non-executive Directors:</i>	Mr. Zheng Minggao	
	Ms. Hu Lielei	
	Mr. Zhao Guangming	

Website: <http://www.cinda.com.hk>

** English name of the entity is the translation of its Chinese name for reference only*

APPENDIX I – LETTER FROM BDO LIMITED

The following is the text of the letter dated 15 November 2024 from BDO Limited, Certified Public Accountants, which was prepared for inclusion into this announcement.



Tel : +852 2218 8288
Fax: +852 2815 2239
www.bdo.com.hk

25th Floor Wing On Centre
111 Connaught Road Central
Hong Kong

INDEPENDENT ASSURANCE REPORT ON THE CALCULATIONS OF THE DISCOUNTED FUTURE CASH FLOWS IN CONNECTION WITH THE VALUATION OF THE TARGET COMPANY

To the Board of Directors of Cinda International Holdings Limited

We refer to the discounted future cash flows on which the valuation (“**Valuation**”) dated 15 July 2024 prepared by China United Assets Appraisal Group Co., Ltd. with respect to the valuation of the fair value of the entire equity interest in Cinda International (Shanghai) Investment Consultant Limited (信達國際(上海)投資諮詢有限公司) (the “**Target Company**”) as at 31 May 2024 is based. The summary of the Valuation is set out in the announcement of Cinda International Holdings Limited (the “**Company**”) dated 15 November 2024 (the “**Announcement**”) in connection with disposal of 50% equity interest of the Target Company. The Valuation is prepared based in part on discounted future cash flows and is regarded as a profit forecast under paragraph 14.61 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Main Board Listing Rules**”).

Directors’ Responsibility for the Discounted Future Cash Flows

The directors of the Company (the “**Directors**”) are solely responsible for the preparation of the discounted future cash flows including the bases and assumptions as set out in the Announcement. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation of the discounted future cash flows for the Valuation and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management (HKSQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibility

It is our responsibility to report, as required by paragraph 14.60A(2) of the Listing Rules, to express an opinion on the calculations of the discounted future estimated cash flows, and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person in respect of, arising out of or in connection with our work.

We conducted our work in accordance with the terms of our engagement and Hong Kong Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the HKICPA.

This standard involved performing procedures to obtain sufficient appropriate evidence as to whether the discounted future estimated cash flows, so far as the calculations are concerned, have been properly compiled, in all material respects, in accordance with the bases and assumptions as set out in the Announcement. The extent of procedures selected depends on the reporting accountant's judgement and our assessment of the engagement risk. Within the scope of our work, we, amongst others, reviewed the arithmetical calculations and the compilation of the discounted future estimated cash flows in accordance with the bases and assumptions.

Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Accordingly, we do not express an audit opinion.

Opinion

In our opinion, so far as the calculations is concerned, the discounted future cash flows have been properly compiled, in all material respects, in accordance with the bases and assumptions adopted by the Directors as set out in the Announcement.

Other Matters

Without modifying our opinion, we draw your attention that we are not reporting on the appropriateness and validity of the bases and assumptions on which the discounted future cash flows are based and our work does not constitute any valuation of the Target Company or an expression of an audit or review opinion on the Valuation.

The discounted future estimated cash flows do not involve the adoption of accounting policies. The discounted future cash flows depend on future events and on a number of assumptions which cannot be confirmed and verified in the same way as past results and not all of which may remain valid throughout the period.

Further, since the discounted future cash flows relates to the future, actual results are likely to be different from the discounted future cash flows because events and circumstances frequently do not occur as expected, and the differences may be material.

BDO Limited
Certified Public Accountants
Hong Kong, 15 November 2024

APPENDIX II – LETTER FROM THE BOARD

The following is the text of the letter dated 15 November 2024 from the Board, which was prepared for inclusion in this announcement.

15 November 2024

Dear Sir/Madam,

Re: Profit Forecast – Confirmation Letter pursuant to the Requirements of Rule 14.60A(3) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”)

Reference is made to the announcement of Cinda International Holdings Limited (the “**Company**”) dated 15 November 2024 in which it is stated that the valuation of the asset value of the entire equity interest of Cinda International (Shanghai) Investment Consultant Limited* (信達國際(上海)投資諮詢有限公司)(“**Cinda International Shanghai**”) as at 31 May 2024 (the “**Valuation**”) was conducted by China United Assets Appraisal Group Co., Ltd.* (中聯資產評估集團有限公司) (the “**Valuer**”) by adopting the asset-based approach and the income approach, which therefore constitutes a profit forecast (the “**Profit Forecast**”) pursuant to Rule 14.61 of the Listing Rules.

The board of directors (the “**Board**”) of the Company has reviewed the bases and assumptions of the Profit Forecast and discussed the same with the Valuer. The Board has also considered the letter dated 15 November 2024 from the Company’s auditor, BDO Limited, in relation to whether the Profit Forecast, so far as the calculations are concerned, has been properly compiled in all material respects in accordance with the assumptions used in the Valuation. Based on the foregoing, pursuant to the requirements of Rule 14.60A(3) of the Listing Rules, the Board confirms that the Profit Forecast has been made after due and careful enquiry.

Yours faithfully,
For and on behalf of the Board
Cinda International Holdings Limited
Mr. Zhang Xunyuan
Executive Director and Chief Executive Officer

* *English name of the entity is the translation of its Chinese name for reference only*