

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.



Oshidori International Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock code: 622)

DISCLOSABLE TRANSACTION IN RELATION TO THE ACQUISITION OF SHARES IN SHENGJING BANK

THE ACQUISITION

On 18 October 2021, the Company, through its wholly-owned subsidiary, acquired a total of 100,000,000 Shengjing H Shares (representing approximately 4.27% of the issued Shengjing H Shares as at the date of this announcement) in the open market at the aggregate consideration of HK\$700 million (before transaction costs) (equivalent to the price of HK\$7 per Shengjing H Share). Prior to the Acquisition, the Group held 193,034,000 Shengjing H Shares which represents 8.25% of the issued Shengjing H Shares. Upon completion of the Acquisition, the Group would hold an aggregate of 293,034,000 Shengjing H Shares, which represents 12.52% of the issued Shengjing H Shares.

LISTING RULES IMPLICATIONS

As certain applicable percentage ratios (as defined under the Listing Rules) in respect to the Acquisition exceed 5% but all of them are less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is therefore subject to relevant reporting and announcement requirements under Chapter 14 of the Listing Rules.

THE ACQUISITION

On 18 October 2021, the Company through its wholly-owned subsidiary, acquired a total of 100,000,000 Shengjing H Shares (representing approximately 4.27% of the issued Shengjing H Shares as at the date of this announcement) in the open market at the aggregate consideration of HK\$700 million (before transaction costs) (equivalent to the price of HK\$7 per Shengjing H Share). Prior to the Acquisition, the Group held 193,034,000 Shengjing H Shares which represents approximately 8.25% of the issued Shengjing H Shares. Upon completion of the Acquisition, the Group would hold an aggregate of 293,034,000 Shengjing H Shares, which represents approximately 12.52% of the issued Shengjing H Shares.

Since the Acquisition was made through the open market, the Company is not aware of the Sellers' identities. To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, each of the Sellers and their ultimate beneficial owners are Independent Third Parties.

The aggregate consideration from the Acquisition amounts to HK\$700 million (before transaction costs), which is payable in cash upon settlement on 20 October 2021. The consideration for the Acquisition represents the prevailing market price of Shengjing Bank at the time of the Acquisition.

INFORMATION ABOUT SHENGJING BANK

Shengjing Bank is a commercial bank established in the PRC and principally engages in banking business, retail banking and funding business. The Shengjing H Shares are listed on the main board of the Stock Exchange.

According to the published financial statements of Shengjing Bank, the audited consolidated financial information of Shengjing Bank for the two years ended 31 December 2019 and 2020 are as follows:

	For the year ended	
	31 December	
	2020	2019
	(audited)	(audited)
	RMB'000	RMB'000
Net profit before taxation	591,364	6,142,702
Net profit after income tax expense	1,231,941	5,438,061

As disclosed in the interim report of Shengjing Bank for the six months ended 30 June 2021, the unaudited consolidated net assets value of Shengjing Bank as at 30 June 2021 was RMB81,087,377,000.

INFORMATION ABOUT THE GROUP AND COMPANY

The Group principally engages in investment holdings, tactical and/or strategic investments, and the provision of financial services including the Securities and Futures Commission regulated activities, namely Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 9 (asset management); and provision of credit and lending services regulated under the Money Lenders Ordinance.

REASONS FOR AND BENEFITS OF THE ACQUISITION

Shengjing Bank has been the Group's significant investment since 2017. The Company believes that Shengjing Bank has good prospects from a long term perspective and considers that the Acquisition represents an attractive opportunity to consolidate its tactical and/or strategic investments segment.

On 29 September 2021, China Evergrande Group (stock code: 3333) ("Evergrande") announced the disposal of its shareholding of approximately 19.93% of non-publicly traded domestic shares in Shengjing Bank to Shenyang Shengjing Finance Investment Group Co., Ltd. ("Shenyang").

The issued share capital of Shenyang was RMB150 billion as at 2 September 2021. Shenyang is a state-owned enterprise, which is held as to approximately 58.33% by the State-owned Assets Supervision and Administration Commission of the Shenyang Municipal People's Government, as to approximately 30.38% by the Finance Bureau of Shenyang, as to approximately 6.25% by Shenyang Urban Construction Investment Group Co., Ltd. and as to approximately 5.04% by the Liaoning Province Finance Department.

The Board expected that Evergrande would eventually offload its entire stake in Shengjing Bank, and saw a silver lining in the Acquisition as an opportunity to co-invest with Shenyang Government as a tactical investment with the aim of providing an attractive return to the Company and the Shareholders as a whole.

The prospects of Shengjing Bank should further improve, as the proceeds from Evergrande's equity sale of Shengjing Bank were being used to settle Evergrande's debt owed to Shengjing Bank. On 29 September 2021, Shengjing Bank announced that the state-owned shareholder would allow the bank to "*persist in its positioning as a urban commercial bank, serve the real economy, serve small and medium-sized enterprises, and serve urban and rural residents, to comprehensively boost Liaoning Province, and fulfil the role of the main financial force in the region.*"

The Acquisition enables the Group to increase its shareholding in Shengjing Bank. Upon completion of the Acquisition, the Group would become a substantial shareholder of Shengjing Bank and would hold a total of 293,034,000 Shengjing H Shares which represents approximately 12.52% of the issued Shengjing H Shares. Therefore, the Board considered that the Acquisition is fair and reasonable and the Acquisition would be in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As certain applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition exceed 5% but all of them are less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is therefore subject to the relevant reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions shall have the following meanings when used herein:

“Acquisition”	the acquisition by the Group of 100,000,000 Shengjing H Shares in the open market for a cash consideration of HK\$700 million (before transaction costs) on 18 October 2021
“Board”	board of Directors
“Company”	Oshidori International Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 622)
“Director(s)”	directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of PRC
“HK\$”	Hong Kong dollars, the lawful current of Hong Kong
“Independent Third Party”	the third party independent from the Company and its connected person (as defined in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on Stock Exchange
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful current of PRC
“Seller(s)”	the counterparties to the Acquisition

“Share(s)”	share(s) of par value of HK\$0.05 each in the issued share capital of the Company
“Shareholder(s)”	holders of the Share(s)
“Shengjing Bank”	盛京銀行股份有限公司(Shengjing Bank Co. Ltd.), a commercial bank established in the PRC, its H shares are listed on the main board of the Stock Exchange (stock code: 2066)
“Shengjing H Share(s)”	overseas listed shares of RMB1.00 each in the issued share capital of Shengjing Bank which are listed on the main board of the Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By Order of the Board
Oshidori International Holdings Limited
Wong Wan Men
Executive Director

Hong Kong, 20 October 2021

As at the date of this announcement, the Board comprises the following Directors:

<i>Executive Directors:</i>	<i>Non-Executive Directors:</i>	<i>Independent Non-Executive Directors:</i>
Ms. Wong Wan Men	Mr. Alejandro Yemenidjian	Hon. Chan Hak Kan, <i>S.B.S., J.P.</i>
Mr. Wong Yat Fai	(<i>Non-Executive Chairman</i>)	Mr. Cheung Wing Ping
	Hon. Joseph Edward Schmitz	Mr. Hung Cho Sing, <i>B.B.S.</i>
	Mr. Sam Hing Cheong	Dr. Lo Wing Yan William, <i>J.P.</i>