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JIADING INTERNATIONAL GROUP HOLDINGS LIMITED

嘉鼎國際集團控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 08153)

DISCLOSEABLE TRANSACTION

On 7 July 2023, the Company entered into the Agreement with the Purchaser for the sale of 100% equity interest in the Target at the consideration of HK\$3,650,000 to be paid upon completion.

As the highest percentage ratio under the GEM Listing Rules exceeds 5% but is under 25%, the Disposal constitutes a discloseable transaction and is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

THE AGREEMENT

Date: 7 July 2023

Parties:

1. the Company as vendor;
2. Mr. Wang Mengtao as purchaser.

To the best of the Directors' knowledge, information and belief, and after making all reasonable enquiries, the Purchaser is an Independent Third Party.

Assets to be disposed

The Company shall sell 100% equity interest in the Target.

Consideration

The consideration is HK\$3,650,000 to be paid upon completion.

Basis of consideration

The consideration of HK\$3,650,000 was determined after arm's length negotiations between the Company and the Purchaser with reference to the net assets value of the Target Group as at 31 March 2023 of approximately HK\$3.65 million after taking into account of (i) the net liabilities of the Target Group as at 31 March 2023 of approximately HK\$83.30 million and (ii) the waiver of the amount due from the Target Group to the Company of approximately HK\$86.95 million immediately prior to completion pursuant to the Agreement.

The Directors consider that the consideration is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Conditions precedent

Completion of the Agreement shall be conditional upon:

- (a) all necessary consents and approvals required to be obtained on the part of the Company, the Target and the Purchaser in respect of the Agreement and the transactions contemplated thereunder having been obtained;
- (b) all necessary waiver, consent, approval, licence, authorisation, permission, order and exemption from the relevant governmental or regulatory authorities or other third parties which are necessary in connection with the Agreement and the transactions contemplated thereunder having been obtained; and
- (c) the Company has unconditionally waived all amounts of whatever nature due from the Target Group to the Company.

Completion

Completion shall take place on the date of the Agreement, or such other date as the Vendor and the Purchaser may agree.

After Completion, the Target shall cease to be a subsidiary of the Company and the Company shall not hold any interest in the Target Group.

INFORMATION ON THE TARGET GROUP

The Target is a company incorporated under the laws of the British Virgin Islands and is principally engaged in the investment holding. The Target Group is principally engaged in sales of new energy vehicle in the PRC.

Set out below is the financial information of the Target Group extracted from the unaudited financial statements of the Target Group for the year ended 31 March 2023 and 31 March 2022:

	For the year ended 31 March 2023	For the year ended 31 March 2022
Loss before taxation	54,310,795	33,675,942
Loss after taxation	54,310,795	33,675,942

The net liabilities of the Target Group as at 31 March 2023 was approximately HK\$83.30 million.

REASONS FOR THE DISPOSAL

The Group is principally engaged in advertising, sales of new energy vehicle and sales of new energy battery.

As disclosed in the Company's annual report for the year ended 31 March 2023 and annual report for the year ended 31 March 2022, the sales of new energy vehicle segment did not record any revenue for the last two financial years. The Company has decided to shift its focus in this segment and has announced on 28 December 2022 the acquisition of Hainan Weishi New Energy Technology Company Limited which is principally engaged in the manufacture of alkene carbon composite material batteries and supply of graphene battery fast-charging solutions ("**New Battery Technology Business**"). The Company is determined to further expand and develop its New Battery Technology Business. The Disposal will enable the Group to realign its business strategy in the new energy related business segment and focus its resources in the New Battery Technology Business.

The Directors are of the view that the terms and conditions of the Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

EXPECTED FINANCIAL EFFECT OF THE DISPOSAL

The Group expects to recognise a gain of approximately HK\$1,592 in relation to the Disposal based on (i) the consideration for the Disposal of HK\$3,650,000, less (ii) the unaudited net liabilities of the Target as at 31 March 2023 of HK\$83.30 million and (iii) waiver of the amount due from the Target Group to the Company of approximately HK\$86.95 million. Shareholders should note that the actual financial results in relation to the Disposal shall be subject to review and audit by the Company's auditors.

GEM LISTING RULES IMPLICATIONS

As the highest percentage ratio under the GEM Listing Rules exceeds 5% but is under 25%, the Disposal constitutes a discloseable transaction and is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and phrases have the following meanings:

“Agreement”	the sale and purchase agreement dated 7 July 2023 made between the Company and the Purchaser relating to the sale and purchase of 100% equity interest in the Target
“Board”	the Board of directors of the Company
“business day”	a day (other than a Saturday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“connected persons”	has the meaning ascribed to it under the GEM Listing Rules
“Company”	Jiading International Group Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on GEM
“Completion”	completion of the transactions under the Agreement pursuant to the terms thereof
“Directors”	the directors of the Company
“Disposal”	the disposal of the Target pursuant to the Agreement
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“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”	a third party independent of the Company and its connected persons
“PRC”	The People’s Republic of China
“Purchaser”	Mr. Wang Mengtao

“Share(s)”	ordinary share(s) of HK\$0.004 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it under the GEM Listing Rules
“Target”	Glory Ray Global Limited, a company incorporated in the British Virgin Islands and a direct wholly owned subsidiary of the Company
“Target Group”	the Target and its subsidiaries

By order of the Board
Jiading International Group Holdings Limited
Mou Zhongwei
Chairman

Hong Kong, 7 July 2023

As of the date of this announcement, the executive Directors are Mr. Mou Zhongwei, Ms. Liu Ching Man, Mr. Li Guangying and Ms. Cai Ying; the non-executive Directors are Ms. Wang Dongmei and Ms. Liu Ying; and the independent non-executive Directors are Mr. Luo Ji, Mr. Lui Chi Kin, Ms. Sun Naimeng and Mr. Shin Ho Chuen.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the website of the Exchange at www.hkexnews.hk on the “Latest Listed Company Information” page for at least 7 days from the date of its posting. This announcement will also be published and remains on the website of the Company at www.jiadingint.com.