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Sino Splendid Holdings Limited

中國華泰瑞銀控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8006)

DISCLOSEABLE TRANSACTION DISPOSAL OF LISTED SECURITIES

The Board announces that on 26 October 2021, the Group disposed an aggregate of 120,000 China Merchants Bank Co., Ltd. Shares (Shanghai A Shares) on the open market at an aggregate consideration of approximately HK\$8,098,000 (excluding stamp duty and related expenses).

As certain applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the Disposal exceed 5% but less than 25%, the Disposal constitute a disclosable transaction on the part of the Company under Chapter 19 of the GEM Listing Rules.

THE DISPOSAL

On 26 October 2021, the Group disposed an aggregate of 120,000 China Merchants Bank Co., Ltd. Shares (Shanghai A Shares) on the open market at an aggregate consideration of approximately HK\$8,098,000 (excluding stamp duty and related expenses), which is receivable in cash on settlement.

As the Disposal was conducted in the open market, the identities of the counterparties of the Disposed Shares cannot be ascertained. To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, the counterparties and the ultimate beneficial owner(s) of the counterparties of the Disposed Shares are third parties independent of the Company and its connected persons.

Immediately upon settlement of the China Merchants Bank Co., Ltd. Shares, the Group will not hold any China Merchants Bank Co., Ltd. Shares.

INFORMATION ON CHINA MERCHANTS BANK CO., LTD

China Merchants Bank Co., Ltd. engages in the provision of corporate and personal banking services. It focuses on individual and corporate businesses, credit card, and small and medium enterprises. It operates through the following business segments: Wholesale Finance, Retail Finance, and Other Businesses. The company was founded on 31 March 1987 and is headquartered in Shenzhen, China.

Set out below is a summary of certain audited consolidated financial information of China Merchants Bank Co., Ltd. for the two financial years ended 31 December 2020 and 2019 respectively as extracted from the annual report of China Merchants Bank Co., Ltd. for the year ended 31 December 2020 (the “2020 Annual Report of China Merchants Bank Co., Ltd.”):

	Year ended	
	31 December 2020	31 December 2019
	<i>RMB'Million</i>	<i>RMB'Million</i>
Revenue	290,482	269,703
EBITDA (earnings before interest expenses and other finance costs, taxation, depreciation and amortization)	2,205	1,565
Profit before income tax	122,440	117,132
Profit attributable to owners of China Merchants Bank Co., Ltd.	<u>97,342</u>	<u>92,867</u>

Based on the 2020 Annual Report of China Merchants Bank Co., Ltd., the company has an audited net asset value of approximately RMB730,354 million as at 31 December 2020 and approximately RMB617,707 million as at 31 December 2019.

REASONS FOR AND BENEFITS FOR THE DISPOSAL

The principal activity of the Company is investment holding. The subsidiaries of the Company are principally engaged in (i) travel media operations with provision of advertising services through the internet and travel magazines, event organizing services and magazine publication; (ii) provision of contents and advertising services in a well-known financial magazine; (iii) investment in securities; (iv) money lending and (v) virtual reality business.

The Disposed Shares were acquired by the Group on 22 October 2021 (as disclosed in the announcement of the Company dated 22 October 2021). As a result of the Disposal, the Board considers the Group will realize a book gain of approximately HK\$137,000, being the difference between the consideration received from the Disposal and the aforesaid acquisition cost of China Merchants Bank Co., Ltd. Shares (after deducting stamp duty and related expenses), will enhance the liquidity of the Company. The Group intends to use the proceeds of the Disposal for any further attractive investments when the opportunity arises or for general working capital.

As the Disposal was made in the open market at prevailing market price, the Directors are of the view that the terms of the Disposal are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FINANCIAL INFORMATION OF THE GROUP

Based on the audited accounts of the Company, the Group's total equity was approximately HK\$156,610,000 as at 31 December 2020. Total assets amounted to approximately HK\$202,950,000 as at 31 December 2020, of which approximately HK\$52,100,000 was bank balances and cash and approximately HK\$47,500,000 was equity investments at fair value through profit or loss.

IMPLICATIONS UNDER THE LISTING RULES

As certain applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the Disposal exceed 5% but less than 25%, the Disposal constitute a disclosable transaction on the part of the Company under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“China Merchants Bank Co., Ltd.”	China Merchants Bank Co., Ltd., a limited company incorporated in the People's Republic of China with limited liability whose issued shares are listed on the Shanghai Stock Exchange (stock code: 600036.SH)
“China Merchants Bank Co., Ltd. Group”	China Merchants Bank Co., Ltd. and its subsidiaries
“China Merchants Bank Co., Ltd. Shares”	ordinary shares in the share capital of China Merchants Bank Co., Ltd.
“Company”	Sino Splendid Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM of the Stock Exchange
“Director(s)”	director(s) of the Company
“Disposal”	disposal of the Disposed Shares by the Group as disclosed in this announcement
“Disposed Shares”	an aggregate of 120,000 China Merchants Bank Co., Ltd. Shares disposed by the Group
“GEM Listing Rules”	The Rules Governing the Listing of Securities on GEM of the Stock Exchange

“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons and is not acting in concert (as defined in the Codes on Takeovers and Mergers and Share Buy-backs) with any of the connected persons of the Company or any of their respective associates (as defined under the GEM Listing Rules)
“RMB”	Renminbi, the lawful currency of of the People’s Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By Order of the Board
Sino Splendid Holdings Limited
Chow Chi Wa
Executive Director

Hong Kong, 26 October 2021

As at the date of this announcement, the Board comprises Mr. Chow Chi Wa, Mr. Wang Tao and Mr. Yang Xingan as executive Directors; Ms. Yang Shuyan, Ms. Wang Qingling and Ms. Lee Yim Wah as independent non-executive Directors.

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 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 GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the website of the Company at www.sinosplendid.com.