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**CHINA FINANCIAL INTERNATIONAL INVESTMENTS LIMITED**

**中國金融國際投資有限公司**

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

(Stock Code: 721)

**CONTINUING CONNECTED TRANSACTION IN RELATION TO  
THE RENEWAL OF THE INVESTMENT MANAGEMENT AGREEMENT**

The Board announces that the Existing Investment Management Agreement expired on 28 April 2023 and the Company entered into the New Investment Management Agreement with CFIIM on 28 April 2023 (after trading hours) to renew the appointment of CFIIM as the investment manager of the Company, pursuant to which CFIIM has agreed to provide investment management services to the Company for a further period of three years effective from 29 April 2023 and expiring on 28 April 2026 (both days inclusive). The parties to the New Investment Management Agreement are entitled to terminate the New Investment Management Agreement by one month's notice in writing. The New Investment Management Agreement is unconditional. Pursuant to the New Investment Management Agreement, a management fee is payable monthly in arrears at the rate of 0.75% per annum of the aggregate market value of the portfolio(s) managed by it on the last Business Day of each calendar month.

CFIIM, being the investment manager of the Company, is regarded as a connected person of the Company by virtue of Rule 14A.08 of the Listing Rules. As at the date of this announcement, the Company is holding 29% of the entire issued share capital of CFIIM, hence CFIIM is an associated company of the Company. Accordingly, the services rendered under the New Investment Management Agreement constitute a continuing connected transaction of the Company. However, as (i) the annual management fee payable by the Company is expected to be less than HK\$500,000 per year under the New Investment Management Agreement, and thus the annual consideration will be less than HK\$10,000,000; and (ii) all the percentage ratios are less than 25%, the transaction(s) contemplated under the New Investment Management Agreement is/are only subject to reporting and announcement requirements and is/are exempt from the circular (including independent financial advice) and the independent Shareholders' approval requirements under Rule 14A.76(2) of the Listing Rules.

**THE NEW INVESTMENT MANAGEMENT AGREEMENT**

Date: 28 April 2023

Parties: (1) The Company; and  
(2) CFIIM

**Terms of the New Investment Management Agreement**

Pursuant to the New Investment Management Agreement, CFIIM was appointed as the investment manager of the Company to provide investment management services to the Company for a further period of three years effective from 29 April 2023 and expiring on 28 April 2026 (both days inclusive). The parties to the New Investment Management Agreement are entitled to terminate the Agreement by one month’s notice in writing.

The New Investment Management Agreement is unconditional. The appointment of CFIIM as the investment manager of the Company will be governed by the terms and conditions of the New Investment Management Agreement. Pursuant to the New Investment Management Agreement, a management fee is payable monthly in arrears at the rate of 0.75% per annum of the aggregate market value of the portfolio(s) managed by it on the last Business Day of each calendar month.

**Annual caps**

The maximum annual management fee payable by the Company to CFIIM under the New Investment Management Agreement is proposed to be as follows:

<b>Year</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Proposed annual caps	500,000	500,000	500,000

The management fee is reached after arm’s length negotiations between the Company and CFIIM and determined with reference to the historical management fee and the responsibilities and duties of CFIIM as the investment manager of the Company.

The Directors (including the independent non-executive Directors) consider the New Investment Management Agreement has been entered into on normal commercial terms and in the ordinary and usual course of business of the Company. The Directors consider that the terms of the New Investment Management Agreement are fair and reasonable. The Board confirms that none of the Directors has any material interest in the transaction(s) contemplated under the New Investment Management Agreement.

## **Duties**

CFIIM is responsible for making investment proposals in accordance with the New Investment Management Agreement, the bye-laws of the Company and the investment policies of the Company.

## **REASONS FOR ENTERING INTO THE NEW INVESTMENT MANAGEMENT AGREEMENT**

The Group has been utilising the services of CFIIM since 2011. The Existing Investment Management Agreement entered into between the Company and CFIIM expired on 28 April 2023 and the Company entered into the New Investment Management Agreement with CFIIM on 28 April 2023 (after trading hours) to renew the appointment of CFIIM as the investment manager of the Company, subject to the terms and condition set out therein.

The Directors (including the independent non-executive Directors) consider that the investment experiences of CFIIM and its responsible officers are relevant to the investment strategies of the Company and are of the view that the investment experiences and expertise of CFIIM will be beneficial to the Company and its Shareholders as a whole.

As none of the Directors has a material interest in the New Investment Management Agreement, none of the Directors is required to abstain from voting on the Board resolutions for approving the New Investment Management Agreement.

## **INFORMATION ON THE GROUP**

The Company is an investment company under Chapter 21 of the Listing Rules. The Company and its principal subsidiaries are engaged in investment in listed and unlisted companies.

## **INFORMATION ON CFIIM**

CFIIM is a limited liability company incorporated in Hong Kong on 23 February 2010, a licensed corporation to carry on Type 9 (asset management) regulated activity under the SFO. As at the date of this announcement, CFIIM is owned as to 51% by CFAML, 29% by the Company, 8% by Feng Meiting, 6% by Peng Weidong and 6% by Xie Weiqiang. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, CFAML is ultimately owned by Mr. Dong Ping, Mr. Hui Yung Chris and Mr. Chan Wing Yau George with an effective interest of 45%, 22.5% and 32.5% respectively. Each of CFAML, its ultimate beneficial owners, Feng Meiting, Peng Weidong and Xie Weiqiang is an Independent Third Party.

The senior management of CFIIM consists of the following experienced fund managers who possess over 20 years of fund industry experience.

## **Chan Wing Yau George**

Mr. Chan is a responsible officer and a director of CFIIM. Mr. Chan is responsible for establishing the corporate development and managing all sorts of company administration. He has over 30 years of experience in the fund management industry and has held senior positions at a number of renowned financial institutions including but not limited to director of Jardine Fleming Management Limited, executive director of HSBC Asset Management Hong Kong Limited, director of Peregrine Asset Management (HK) Limited, director, General Manager and Chief Investment Officer of Dao Heng Fund Management Limited and senior director of Principal Asset Management Company (Asia) Limited.

Mr. Chan has also made great contribution to the financial sector and the pension fund market. Over the years, he has actively participated in various financial related public services, including but not limited to Member of the Sir Robert Black Trust Fund Committee, Chairman of the Ocean Park Investment Committee, member of Executive Committee of the Hong Kong Investment Funds Association and the Chairman of the China Sub-committee, Committee member of the Hong Kong Trade Development Council Financial Services Advisory Committee, Finance Committee member of the Board of Management of the Chinese Permanent Cemeteries, Member of Investment Advisory Committee of Sir Maclehoose Trust Fund and Compliance Officer of the Hong Kong Institute of Financial Analysis and Professional Commentators Ltd.

## **Ip Ka Tsun Anthony**

Mr. Ip is a responsible officer of CFIIM, who is responsible for managing the investment portfolio and index futures hedge. Since 1998, he has been investing in growth stocks listed in the PRC and Hong Kong. Mr. Ip has more than 10 years of experience in investing in the PRC and Hong Kong securities and futures market.

His strength lies on using the earnings growth model in stock selection to form the core of the long-term investment portfolio. In 2003, Mr. Ip founded the ANPA Investment Management Limited. Since then, he has been actively managing Hong Kong and PRC equity portfolio and using derivatives for hedging to balance the risk of the portfolio. Mr. Ip is a Fellow Member of the Association of Chartered Certified Accountants (FCCA), and received an MBA degree from the Chinese University of Hong Kong and a Bachelor of Arts (First Class Honour) in Accountancy from the Hong Kong Polytechnic University.

The Directors are of the opinion that with the profound experiences of both Mr. Chan and Mr. Ip, CFIIM will be the appropriate investment manager to manage the Company's assets in these specialised stock markets.

## CONTINUING CONNECTED TRANSACTIONS

CFIIM, being the investment manager of the Company, is regarded as a connected person of the Company by virtue of Rule 14A.08 of the Listing Rules. As at the date of this announcement, the Company is holding 29% of the entire issued share capital of CFIIM, hence CFIIM is an associated company of the Company. Accordingly, the services rendered under the New Investment Management Agreement constitute a continuing connected transaction of the Company. However, as (i) the annual management fee payable by the Company is expected to be less than HK\$500,000 per year under the New Investment Management Agreement, and thus the annual consideration will be less than HK\$10,000,000; and (ii) all the percentage ratios are less than 25%, the transaction(s) contemplated under the New Investment Management Agreement is/are only subject to reporting and announcement requirements and is/are exempt from the circular (including independent financial advice) and the independent Shareholders' approval requirements under Rule 14A.76(2) of the Listing Rules.

## DEFINITIONS

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

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	means any day(s) (except Saturdays, Sundays or public holidays) on which banks and regulated stock exchanges and markets in Hong Kong are open for business
“CFAML”	Capital Focus Asset Management Limited, the holding company of CFIIM
“CFIIM”	China Financial International Investments & Managements Limited, a company incorporated in Hong Kong with limited liability, a corporation licensed to carry on Type 9 (asset management) regulated activity under the SFO
“Company”	China Financial International Investments Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the issued Shares of which are listed on the Stock Exchange (Stock Code: 721)

“connected person”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Existing Investment Management Agreement”	the investment management agreement dated 27 April 2020 entered into between the Company and CFIIM expires on 28 April 2023
“Group”	the Company and all its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of the Company and connected persons of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Chan”	Mr. Chan Wing Yau George, a responsible officer and a director of CFIIM
“Mr. Ip”	Mr. Ip Ka Tsun Anthony, a responsible officer of CFIIM
“New Investment Management Agreement”	the investment management agreement dated 28 April 2023 entered into between the Company and CFIIM
“PRC”	the People’s Republic of China which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“SFC”	Securities and Futures Commission
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	the holder(s) of the Share(s)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong  
“%” per cent.

By order of the Board  
**China Financial International Investments Limited**  
**Du Lin Dong**  
*Chairman and Chief Executive Officer*

Hong Kong, 28 April 2023

*As at the date of this announcement, the executive Director is Mr. Du Lin Dong, the non-executive Director is Ms. Chen Xi, and the independent non-executive Directors are Mr. Zhang Jing, Mr. Wong Lok Man and Mr. Zeng Xianggao.*