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**CONFIDENCE INTELLIGENCE HOLDINGS LIMITED**  
**信懇智能控股有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 1967)**

**(1) CONNECTED TRANSACTION  
IN RELATION TO THE DISPOSAL OF A SUBSIDIARY;  
AND  
(2) TERMINATION OF PROPOSED CHANGE OF COMPANY NAME**

**(1) DISPOSAL**

On 21 August 2023 (after trading hours), the Vendor (an indirect wholly-owned subsidiary of the Company), the Purchaser and the Target Company entered into the Agreement, pursuant to which the Vendor has agreed to sell, and the Purchaser has agreed to acquire the Sale Equity, representing the entire equity interest of the Target Company, at the consideration of RMB1.0. The Target Company owns 60% of the registered capital of Regan Financial Information.

Upon the Completion, (i) the Group will cease to hold any interest in the Target Company and Regan Financial Information; (ii) the Target Company and Regan Financial Information will cease to be subsidiaries of the Group; and (iii) the financial results of the Target Company and Regan Financial Information will no longer be consolidated into the financial statements of the Group.

**LISTING RULES IMPLICATIONS**

Prior to the date of the Agreement, the Target Company is an indirect wholly-owned subsidiary of the Company and directly owns 60% of the registered capital of Regan Financial Information. The Purchaser indirectly owns 40% of the registered capital of Regan Financial Information. Therefore, the Purchaser is a connected person of the Company at the subsidiary level according to Rule 14A.06(9) of the Listing Rules.

The Board has approved the Agreement and the transaction contemplated thereunder, and the independent non-executive Directors have confirmed that the terms of the Agreement are fair and reasonable, and are on normal commercial terms, and in the interests of the Company and the Shareholders as a whole. None of the Directors has any material interest in the Agreement and the transaction contemplated thereunder.

As the highest applicable percentage ratio in respect of the Disposal (as defined under the Listing Rules) exceeds 0.1% but is less than 5%, the Disposal is subject to the reporting and announcement requirements but is exempt from the circular, independent financial advice and the independent Shareholders' approval requirements under Rule 14A.101 of the Listing Rules.

## **(2) TERMINATION OF PROPOSED CHANGE OF COMPANY NAME**

Reference is made to the announcements of the Company dated 8 December 2022, 30 December 2022, 28 February 2023 and 31 May 2023 (collectively the “**Announcements**”) in relation to the Proposed Change of Company Name. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

Due to the recent change in business development strategies, the Board considers that the Proposed Change of Company Name is no longer in line with the future business development of the Group. Accordingly, the Board hereby announces that the Proposed Change of Company Name will not proceed and the general meeting of the Company for approval of the Proposed Change of Company Name will not be convened.

## **(1) THE DISPOSAL**

On 21 August 2023 (after trading hours), the Vendor (an indirect wholly-owned subsidiary of the Company), the Purchaser and the Target Company entered into the Agreement, pursuant to which the Vendor has agreed to sell, and the Purchaser has agreed to acquire, the Sale Equity at the consideration of RMB1.0. Prior to the date of the Agreement, the Target Company directly owns 60% of the registered capital of Regan Financial Information and the Purchaser indirectly owns 40% of the registered capital of Regan Financial Information.

The principal terms of the Agreement are as follows:

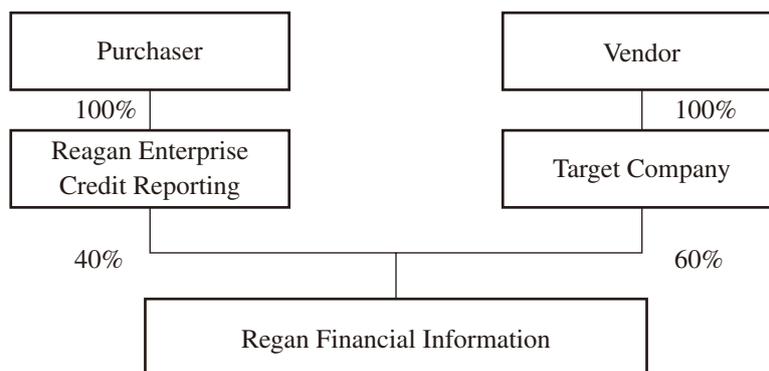
Date: 21 August 2023 (after trading hours)

- Parties:
1. the Vendor;
  2. the Purchaser; and
  3. the Target Company

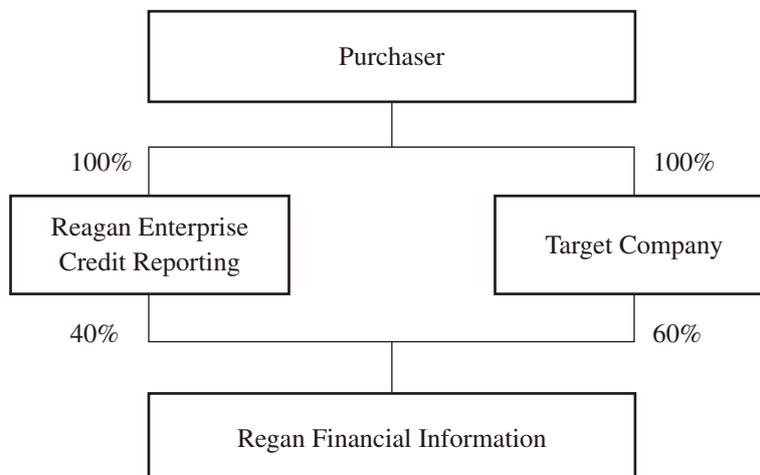
**Asset to be disposed of**

The asset to be disposed of is the Sale Equity, which represents the entire equity interest of the Target Company and is free from any encumbrances.

The following chart sets forth the shareholding and corporate structure of the Target Company prior to the date of the Agreement:



The following chart sets forth the shareholding and corporate structure of the Target Company immediately after the Completion:



## **Consideration**

The amount of the consideration is RMB1.0 which has been settled in cash by the Purchaser to the Vendor on the date of the Agreement. The Consideration was arrived at after arm's length negotiation between the Vendor and the Purchaser with reference to, among other things (i) the unaudited consolidated net liabilities attributable to the owners of the Company of the Target Company and Regan Financial Information amounting to approximately RMB12,463,000 as at 30 June 2023; (ii) the unaudited operating loss of the Target Company and Regan Financial Information for the six months ended 30 June 2023; and (iii) the reasons of the Disposal as set out in the section headed "Reasons for the Disposal" below.

## **Completion**

The Disposal has been completed immediately after executing the Agreement.

After the Completion, all debts, risks and responsibilities (if any) of the Target Company and Regan Financial Information are borne by the Purchaser.

The Vendor and the Purchaser will cooperate to apply for the registration in respect of the transfer of the Sale Equity from the Vendor to the Purchaser as soon as possible after the date of the Agreement.

## **Others**

The Agreement constitutes mutual assent and commitment by all parties to the Agreement, and is irrevocable and irreversible.

## **INFORMATION OF THE RELEVANT PARTIES**

### **Vendor**

The Vendor is a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company. It is principally engaged in investment holding business. The Vendor owns the entire equity interest of the Target Company.

### **Purchaser**

The Purchaser, being a company established in the PRC with limited liability, is an investment holding company. Its subsidiaries are principally engaged in the business of insurance brokerage and asset management. The Purchaser indirectly owns 40% of the registered capital of Regan Financial Information.

## Target Company

The Target Company is a company established in the PRC with limited liability. The Target Company is principally engaged in investment holding business and owns 60% of the registered capital of Regan Financial Information.

## Regan Financial Information

Regan Financial Information, being a company established in the PRC with limited liability, is principally engaged in the development and operation of financial-related application platform “e-Financial Club App” and other financial-related services. The main asset of Regan Financial Information is “e-Financial Club App” which is a software application and can be installed on devices such as mobile phones and tablets. The “e-Financial Club App” is an online platform for registered users to explore and understand various types of insurance products and solutions and fund products with the assistance of qualified financial service agents or insurance agents.

## Financial Information of the Target Company and Regan Financial Information

The table below sets out the major unaudited and consolidated financial information of the Target Company and Regan Financial Information for the year ended 31 December 2022 and the six months ended 30 June 2023 prepared in accordance with the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants:

	<b>Year ended 31 December 2022 RMB'000 (unaudited)</b>	<b>Six months ended 30 June 2023 RMB'000 (unaudited)</b>
Revenue	2,734	1,344
Net profit/(loss) before taxation	1,112	(20,163)
Net profit/(loss) after taxation	2,175	(24,345)

As at 30 June 2023, the unaudited consolidated net liabilities of the Target Company and Regan Financial Information attributable to owners of the Company were approximately RMB12,463,000.

## FINANCIAL EFFECT OF THE DISPOSAL AND USE OF PROCEED

Upon the Completion, (i) the Group will cease to hold any interests in the Target Company and Regan Financial Information; (ii) the Target Company and Regan Financial Information will cease to be subsidiaries of the Group; and (iii) the financial results of the Target Company and Regan Financial Information will no longer be consolidated into the financial statement of the Group.

Based on the unaudited consolidated financial information of the Target Company and Regan Financial Information for the six months ended 30 June 2023, it is estimated that the Group will record a net gain of approximately RMB12.5 million upon the Completion, being the difference between the Consideration and the unaudited consolidated net liabilities of the Target Company and Regan Financial Information attributable to the owner of the Company as at 30 June 2023. The Group intends to utilise the proceed from the Disposal for general working capital purpose.

It should be noted that the aforementioned financial effect is for illustrative purpose only and does not purport to represent how the financial position of the Group will be upon the Completion. The actual gain or loss as a result of the Disposal to be recorded by the Group is subject to the audit to be performed by the Company's auditor.

## **REASONS FOR THE DISPOSAL**

The Group is principally engaged in the provision of (i) electronic manufacturing services; and (ii) financial-related application platform and related maintenance services (“**Financial Application Platform**”).

As part of the Group's strategies to achieve business diversification, the Group commenced strategic cooperation with Regan Group in July 2022. As part of the aforementioned strategic cooperation, the Group started its new venture in the provision of Financial Application Platform in the fourth quarter of 2022 by acquiring 60% of the registered capital of Regan Financial Information at a consideration of approximately RMB7.0 million with an aim to broaden the sources of revenue and diversify business risk.

However, being a new entrant to the fintech and insurance-related market, Regan Financial Information is facing keen competition from large insurance groups with their own online platforms in the PRC and finds it difficult to expand the customer scale, and accordingly the market acceptance and subscription progress of the Financial Application Platform has been slower than expected. The Company has noted that the Company's resources have been heavily strained due to the lengthy time and substantial investment to build up a sizeable and sustainable pool of registered users for the development and operation of financial-related application platform. Due to the above reasons, Regan Financial Information recorded unaudited net loss before taxation of approximately RMB20,128,000 for the six months ended 30 June 2023 and unaudited net liabilities of approximately RMB8,955,000 as at 30 June 2023.

Moreover, it has come to the Company's attention that recently there are certain negative news and legal proceedings targeting Regan Group in the market and Regan Group has been experiencing difficulty in running its business operation. As the business model of Regan Financial Information relies heavily on corporate image and market confidence of Regan Group, the negative news of Regan Group will have a material adverse impact on the business operation and future prospects of Regan Financial Information. On the other hand, the Purchaser, which has investment experience and connections in the fintech and insurance business, is interested to continue the existing business of Regan Financial Information which develops some new features. Due to the early development stage of these new features and the impact brought by the negative news targeting Regan Group, the Board is uncertain about the market responses to these new features and their future profitability. The Board considers that the business prospects of Regan Financial Information are uncertain.

Taking into account the performance of the Financial Application Platform business since its commencement of operations and the recent negative news targeting Regan Group, the Board has made a reassessment of the development potential of Regan Financial Information and decided that the Group should cut its losses by disposing of its equity interest in the Target Company after considering other options, including (i) continuing business operations of Regan Financial Information to be supported by further resources and funds by the Company; and (ii) terminating the business of Regan Financial Information following by winding-up of Regan Financial Information, which could incur additional costs for the Group. The Board is of the view that, after the Disposal, resources and funds of the Group could be re-allocated from its Financial Application Platform business to its other business segments or new opportunities to earn better returns for the Company and the Shareholders.

Due to the different views of the Group and the Purchaser on the outlook of Regan Financial Information, it was mutually agreed between the parties that the Company shall dispose of its equity interest in the Target Company to the Purchaser. Hence, the Disposal will allow the Group to reduce its operating loss incurred by the Target Company and Regan Financial Information and avoid making further capital investment on Regan Financial Information.

Taking into consideration the reasons for the Disposal, the Directors (including the independent non-executive Directors) are of the view that the Disposal, the terms of the Agreement and the transaction contemplated thereunder are on normal commercial terms and fair and reasonable, and are in the interests of the Company and the Shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

Prior to the date of the Agreement, the Target Company, which is an indirect wholly-owned subsidiary of the Company, owns 60% of the registered capital of Regan Financial Information, and the Purchaser indirectly owns 40% of the registered capital of Regan Financial Information. Therefore, the Purchaser is a connected person of the Company at the subsidiary level according to Rule 14A.06(9) of the Listing Rules.

The Board has approved the Agreement and the transaction contemplated thereunder, and the independent non-executive Directors have confirmed that the terms of the Agreement are fair and reasonable, and are on normal commercial terms, and in the interests of the Company and the Shareholders as a whole. None of the Directors has any material interest in the Agreement and the transaction contemplated thereunder.

As the highest applicable percentage ratio in respect of the Disposal (as defined under the Listing Rules) exceeds 0.1% but is less than 5%, the Disposal is subject to the reporting and announcement requirements but are exempt from the circular, independent financial advice and the independent Shareholders' approval requirements under Rule 14A.101 of the Listing Rules.

## **(2) TERMINATION OF PROPOSED CHANGE OF COMPANY NAME**

Due to the recent change in development strategies as mentioned in the section headed “Reasons for the Disposal” and focusing on provision of electronic manufacturing services, the Board considers that the Proposed Change of Company Name is no longer in line with the future business development of the Group. Accordingly, the Board hereby announces that the Proposed Change of Company Name will not proceed and the general meeting of the Company for approval of the Proposed Change of Company Name will not be convened.

### **DEFINITIONS**

Terms or expressions used in this announcement shall, unless the context otherwise requires, have the meanings ascribed to them below:

“Agreement”	the sale and purchase agreement dated 21 August 2023 entered into among the Vendor, the Purchaser and the Target Company in relation to the sale and purchase of the Sale Equity
“Board”	the board of Directors
“business day(s)”	a day (excluding Saturday, Sunday, public holiday and any day on which “extreme conditions” caused by super typhoons is announced by the government of Hong Kong or a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for business throughout their normal business hours
“Company”	Confidence Intelligence Holdings Limited (信懇智能控股有限公司), a company incorporated in the Cayman Islands with limited liability and its issued shares are listed on the Main Board of the Stock Exchange (stock code: 1967)
“Completion”	completion of the Disposal
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Consideration”	the consideration of RMB1.0 payable by the Purchaser for the acquisition of the Sale Equity pursuant to the Agreement
“Director(s)”	director(s) of the Company

“Disposal”	the disposal of the Sale Equity by the Vendor to the Purchaser pursuant to the Agreement
“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
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“PRC”	The People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	Regan Shiye Group Co., Ltd.* (雷根實業集團有限公司), a company established in the PRC with limited liability, being owned as to approximately 97.9% by Regan Big Data Technology Co., Ltd.* (雷根大數據科技有限公司), which is an indirect wholly-owned subsidiary of Regan Holding, and approximately 2.1% by i-Golden Data Asia Limited
“Reagan Enterprise Credit Reporting”	Shanghai Regan Enterprise Credit Reporting Co., Ltd.* (上海雷根企業信用征信有限公司), a company established in the PRC with limited liability, and a direct wholly-owned subsidiary of the Purchaser
“Regan Financial Information”	Shanghai Regan Financial Information Service Co., Ltd.* (上海雷根金融信息服務有限公司), a company established in the PRC with limited liability, being owned as to 60% by the Target Company and 40% by Reagan Enterprise Credit Reporting prior to the date of the Agreement
“Regan Group”	Regan Holding and its subsidiaries from time to time
“Regan Holding”	Regan Group Holding Limited (雷根集團控股有限公司), a company incorporated in the Cayman Islands with limited liability
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Equity”	100% of the equity interest in the Target Company
“Shareholder(s)”	holder(s) of the Share(s)

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Shanghai Wanhai Jinyuan Enterprise Management Limited* (上海萬海金源企業管理有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Vendor”	Wanhai Big Data Technology (Shanghai) Limited* (萬海大數據科技(上海)有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“%”	per cent.

By order of the Board  
**Confidence Intelligence Holdings Limited**  
**Li Hao**  
*Chairman*

Hong Kong, 21 August 2023

*As at the date of this announcement, the executive Directors are Mr. Li Hao, Mr. Zhang Bizhong, Mr. Xu Shizhen, Ms. Li Biqiong and Mr. Hao Xiangjun, the non-executive Director is Mr. Yuan Shuntang, and the independent non-executive Directors are Mr. Wong Chun Sek Edmund, Ms. Mu Lingxia and Mr. Huang Jianfei.*

\* For identification purpose only