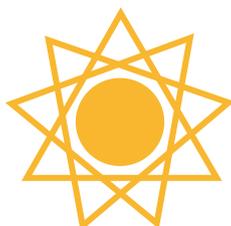


*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

*This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.*



**China International Development Corporation Limited**  
**中聯發展控股集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 264)**

**(1) DISCLOSEABLE TRANSACTION IN RELATION TO  
ACQUISITION OF 20% ISSUED SHARE CAPITAL IN THE TARGET  
COMPANY INVOLVING THE ISSUE OF CONSIDERATION SHARES  
UNDER GENERAL MANDATE;**

**AND**

**(2) PLACING OF NEW SHARES UNDER GENERAL MANDATE**

**(1) THE ACQUISITION**

On 21 August 2025 (after trading hours), the Company (as purchaser) and the Vendor entered into the Sale and Purchase Agreement, pursuant to which the Company has conditionally agreed to acquire and the Vendor has conditionally agreed to sell the Sale Shares, representing 20% of the entire issued share capital of the Target Company. The Consideration (subject to adjustment) payable by the Company for the Sale Shares shall be HK\$100,000,000, which shall be satisfied in the following manner: (a) as to the sum of HK\$40,000,000 to be settled by cash; and (b) as to the sum of HK\$60,000,000 to be settled by way of allotment and issue of 42,253,000 Consideration Shares at the Issue Price of HK\$1.42 per Consideration Share.

The 42,253,000 Consideration Shares represents (i) approximately 9.79% of the existing 431,740,000 Shares in issue as at the date of this announcement; (ii) approximately 8.88% of the total number of issued Shares as enlarged by the allotment and issue of the Placing Shares; and (iii) approximately 8.16% of the total number of issued Shares as enlarged by the allotment and issue of the Placing Shares and the Consideration Shares (assuming that there is no other change to the share capital of the Company from the date of this announcement and up to Completion). The Consideration Shares will be allotted and issued under the General Mandate.

### **Listing Rules Implications**

As one or more of the applicable percentage ratios (as defined in the Listing Rules) for the Acquisition exceed 5% but all of them are less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements but exempt from the Shareholders' approval requirement set out in the Listing Rules.

## **(2) THE PLACING**

On 21 August 2025 (after trading hours), the Placing Agent and the Company entered into the Placing Agreement pursuant to which the Placing Agent has conditionally agreed, as agent of the Company, to procure, on a best effort basis, not less than six Placees who and whose ultimate beneficial owners shall be Independent Third Parties to subscribe for up to 44,000,000 Placing Shares at the Placing Price of HK\$1.42 per Placing Share. The Placing Shares will be allotted and issued under the General Mandate.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Placing, the maximum number of 44,000,000 Placing Shares under the Placing represent (i) approximately 10.19% of the existing 431,740,000 Shares in issue as at the date of this announcement; (ii) approximately 9.25% of the total number of issued Shares as enlarged by the allotment and issue of the Placing Shares; and (iii) approximately 8.49% of the total number of issued Shares as enlarged by the allotment and issue of the Placing Shares and the Consideration Shares.

It is expected that the maximum gross proceeds and net proceeds (after deducting the placing commission, professional fees and all related expenses which were borne by the Company) from the Placing will be approximately HK\$62.5 million and HK\$60.9 million, respectively. The Company intends to apply the net proceeds from the Placing in the following manner: (i) approximately HK\$40.0 million for the settlement of the cash portion of the Consideration under the Sale and Purchase Agreement; and (ii) approximately HK\$20.9 million for enriching the general working capital and strengthening the financial position of the Group.

## **WARNING**

**Since completions of the Placing and the Acquisition are subject to the fulfilment of the respective conditions as set out in the Placing Agreement and the Sale and Purchase Agreement, the Placing and/or the Acquisition may or may not proceed. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the Shares.**

### **(1) THE ACQUISITION**

The Board is pleased to announce that on 21 August 2025 (after trading hours), the Company (as purchaser) and the Vendor entered into the Sale and Purchase Agreement, pursuant to which the Company has conditionally agreed to acquire and the Vendor has conditionally agreed to sell the Sale Shares, representing 20% of the entire issued share capital of the Target Company.

#### **The Sale and Purchase Agreement**

The principal terms of the Sale and Purchase Agreement are as follows:

##### ***Date***

21 August 2025 (after trading hours)

##### ***Parties***

- (i) the Company (as purchaser); and
- (ii) the Vendor

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor and its ultimate beneficial owners are Independent Third Parties.

##### ***Subject matter***

Pursuant to the Sale and Purchase Agreement, the Company has conditionally agreed to acquire and the Vendor has conditionally agreed to sell the Sale Shares, representing 20% of the entire issued share capital of the Target Company.

### ***Consideration***

Consideration payable by the Company for the Sale Shares shall be HK\$100,000,000, which shall be satisfied in the following manner:

- (a) as to the sum of HK\$40,000,000 to be settled by cash payable by the Company to the Vendor (or as it may direct) on the Completion Date or within 2 days after the Placing is completed in entirety in accordance with the terms of the Placing Agreement, whichever is the earlier; and
- (b) as to the sum of HK\$60,000,000 to be settled by way of allotment and issue of the Consideration Shares by the Company to the Vendor (or as it may direct) on the Completion Date.

The Company will settle the cash portion of the Consideration with the net proceeds from the Placing.

The Consideration was determined after arm's length negotiations between the Company and the Vendor with reference to, among others, (i) the growth prospects of the Target Group; (ii) the reasons for and benefits of the Acquisition as stated under the section headed "Reasons for and benefits of the Acquisition" below in this announcement; and (iii) the appraised value of 20% of the entire issued share capital of the Target Company as at 18 August 2025 (the "**Valuation Date**") of approximately HK\$100 million, as appraised by the Valuer using the market approach, by making reference to comparable companies as available in the market (the "**Valuation**").

### ***Consideration adjustment mechanism***

The Vendor shall procure that an unaudited consolidated management statement of the Target Company (the "**Relevant Management Account**") for the period from 1 July 2025 to 31 December 2026 ("**Relevant Period**") shall be prepared and be delivered to the Company within three (3) months after the expiry of the Relevant Period. The Target Group's revenue for the Relevant Period based on the Relevant Management Account shall be assured by an auditor based on agreed-upon procedure (or other agreed forms of assurance).

In the event that the revenue of the Target Group for the Relevant Period based on the Relevant Management Account is less than US\$3,900,000 (the amount of such shortfall in revenue shall hereinafter be referred to as the “**Shortfall**”), the Consideration payable by the Company for the Sale Shares shall be adjusted downwards and the Vendor shall refund to the Company a sum as calculated in accordance with the following formula (“**Refund**”) (unless otherwise mutually agreed between the Vendor and the Company):

$$A = B \times (C/US\$3,900,000)$$

where

- A is the amount of the Refund to be paid by the Vendor to the Company
- B is the total amount of the Consideration
- C is the actual amount of the Shortfall based on the Relevant Management Account,

whereupon the Vendor shall make payment of the Refund to the Company within 90 days after the delivery of the Relevant Management Account.

For the avoidance of doubt, no upward adjustment of the Consideration payable by the Company for the Sale Shares will be made if the revenue of the Target Group for the Relevant Period based on the Relevant Management Account is more than or equal to US\$3,900,000.

### ***Consideration Shares***

The 42,253,000 Consideration Shares represents (i) approximately 9.79% of the existing 431,740,000 Shares in issue as at the date of this announcement; (ii) approximately 8.88% of the total number of issued Shares as enlarged by the allotment and issue of the Placing Shares; and (iii) approximately 8.16% of the total number of issued Shares as enlarged by the allotment and issue of the Placing Shares and the Consideration Shares (assuming that there is no other change to the share capital of the Company from the date of this announcement and up to Completion). The aggregate nominal value of the Consideration Shares will be approximately HK\$422,530.

The Consideration Shares will be issued at the Issue Price of HK\$1.42 per Consideration Share, which represents:

- (i) a premium of approximately 17.36% over the closing price of HK\$1.21 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (ii) a premium of approximately 5.19% over the average closing price of approximately HK\$1.35 per Share for the last five consecutive trading days immediately prior to the date of the Sale and Purchase Agreement.

The Issue Price was arrived at after arm's length negotiations between the parties to the Sale and Purchase Agreement after taking into account, among others, the prevailing market price of the Shares.

The Consideration Shares are to be issued by the Company under the General Mandate. The Consideration Shares, when allotted and issued, will rank *pari passu* in all respects with all the Shares in issue.

An application will be made to the Stock Exchange by the Company for the listing of, and permission to deal in, the Consideration Shares.

### ***Conditions Precedent***

Completion shall be subject to and conditional upon the satisfaction or the waiver (if applicable) of the following Conditions Precedent:

- (a) the Stock Exchange having granted the approval (either unconditionally or subject only to conditions to which neither the Company nor the Vendor shall reasonable object) for the listing of and permission to deal in the Consideration Shares and the Placing Shares;
- (b) the due and proper completion of the Placing in entirety in accordance with the Placing Agreement;
- (c) the Vendor's warranties shall remain true and accurate and not misleading in any material respect as given as of the date of the Sale and Purchase Agreement and at all times up to and including the Completion Date;
- (d) the Company's warranties shall remain true and accurate and not misleading in any material respect as given as of the date of the Sale and Purchase Agreement and at all times up to and including the Completion Date;
- (e) all other applicable laws, rules and regulations including but not limited to the Listing Rules for the transactions contemplated under the Sale and Purchase Agreement shall have been complied with by the Vendor and the Company; and
- (f) all other requisite consents required to be obtained by the Vendor and the Company in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder as well as the Placing shall have been obtained.

None of the Conditions Precedent can be waived. In the event that any of the Conditions Precedent are deemed not to have been fulfilled or are not fulfilled or waived (if applicable), in each case, at or before 1:00 p.m. on the Long Stop Date, the Sale and Purchase Agreement and everything contained in it shall terminate and be null and void and of no further effect and no party to the Sale and Purchase Agreement shall have any liability to any other parties, save in respect of any prior breaches of the Sale and Purchase Agreement.

### ***Completion***

Completion shall take place at the office of the solicitors of the Vendor not later than 4:00 p.m. on the Completion Date, or at such other place and time as shall be mutually agreed in writing by the Company and the Vendor, after the Conditions Precedent have been fulfilled in accordance with the Sale and Purchase Agreement.

### ***Tag along right***

The Vendor unconditionally and irrevocably undertakes to the Company that after Completion:

- (a) In the event that the Vendor proposes to transfer, in one or more transactions, any of its interests in the Target Company to a third party or third parties (“**Prospective Purchaser**”), the Company shall have the right (the “**Tag Along Right**”) to sell to the Prospective Purchaser, as a condition of such sale by the Vendor, all or part of the Sale Shares then held by the Company (“**Remaining Shares**”) (on a pro rata basis to be determined by the method set out below) on the same terms and conditions as the proposed sale by the Vendor.
- (b) The number of shares of the Target Company to be sold by the Company under the Tag Along Right shall be equal to the number of shares of the Target Company proposed to be disposed of, transferred or sold by the Vendor to the Prospective Purchaser multiplied by the ratio of shareholdings of the Vendor and the Company in the Target Company immediately prior to such proposed sale. The consideration payable for the Remaining Shares to be sold by the Company under the Tag Along Right shall be equal to the same price per share of the Target Company under the proposed sale by the Vendor.

### ***Board representation in the Target Company***

The Vendor shall procure that a board meeting of the Target Company to be held to, among other matters, approve the appointment of such person as the Company shall nominate and notify the Vendor and the Target Company in writing of such nomination as one of the directors of the Target Company with effect from the Completion Date.

## Information on the Target Group

The Target Group is principally engaged in the provision of (i) blockchain-based technology infrastructure platform for real-world asset (“**RWA**”) tokenization, (ii) institutional-grade trading and liquidity solutions bridging traditional finance and decentralized Web3 markets, and (iii) compliance-focused ecosystem services for capital market participants. The Target Group is dedicated to building the infrastructure that bridges traditional finance and the Web3 ecosystem, positioning itself as a pioneer in shaping the digital capital markets landscape.

The Target Company is a company incorporated in the BVI with limited liability and is an investment holding company. NVTHK is the main operating entity of the Target Group and is a Hong Kong-based fintech company. Hangzhou Keshan operates as the technology support team of the Target Group. The Target Company is ultimately and beneficially owned as to 80% by Mr. Zhao Jiangong (“**Mr. Zhao**”) and 20% by Ms. Lu Rong (“**Ms. Lu**”). Mr. Zhao is the founder and chief executive officer of the Target Group, and Ms. Lu is the chairwoman of the Target Group. Mr. Zhao, Ms. Lu and the core team of the Target Group possess extensive experience in both the local and international capital markets and the blockchain industry.

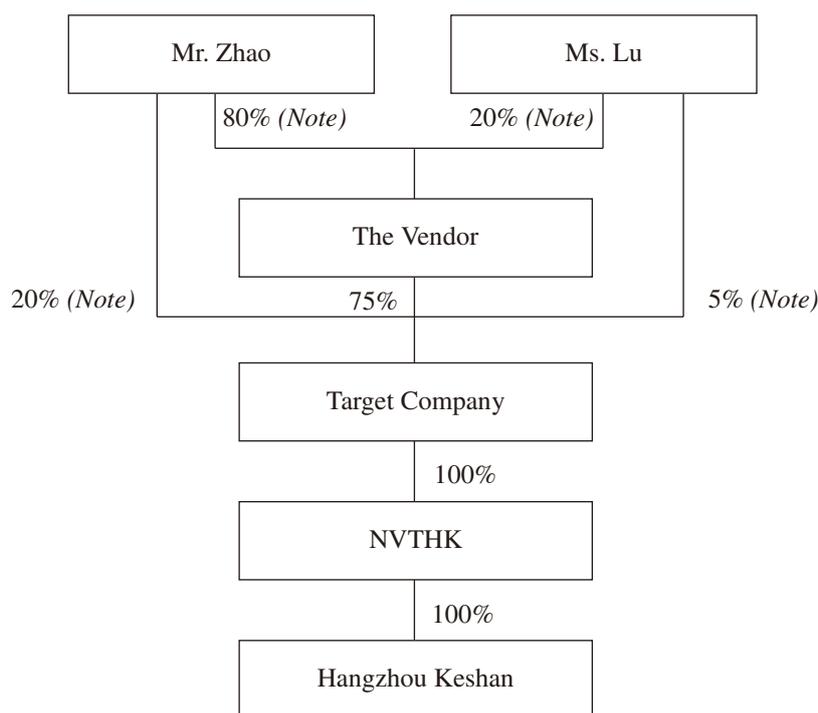
The Target Group is equipped with its proprietary RWA platform with infrastructure that enables and facilitates over-the-counter trading, on-chain settlement and custody support, and its blockchain-based technology system that provides intermediaries the tools to access the tokenized ecosystem. As an infrastructure provider, the Target Group primarily generates its revenue from (i) platform subscription and SaaS solution fees for tokenization, virtual assets brokerage and digital wallet; (ii) platform fees based on percentage of primary RWA issuance and percentage of secondary trading; and (iii) advisory and co-ordination income from financial institutions and corporates on application of stablecoin and RWA projects. The targeted clients of the Target Group are mainly brokers, asset managers and corporations. As at the date of this announcement, the Target Group has completed a number of projects and is in discussion for over 30 prospective projects in its pipelines.

As a pioneering RWA tokenization infrastructure provider, the Target Group has been involved in several industry-defining deals, which include:

- Hong Kong’s first tokenized security issuance under local law in partnership with GF Securities (Hong Kong) in 2024, to which the Target Group provided RWA tokenization system and related solution services;

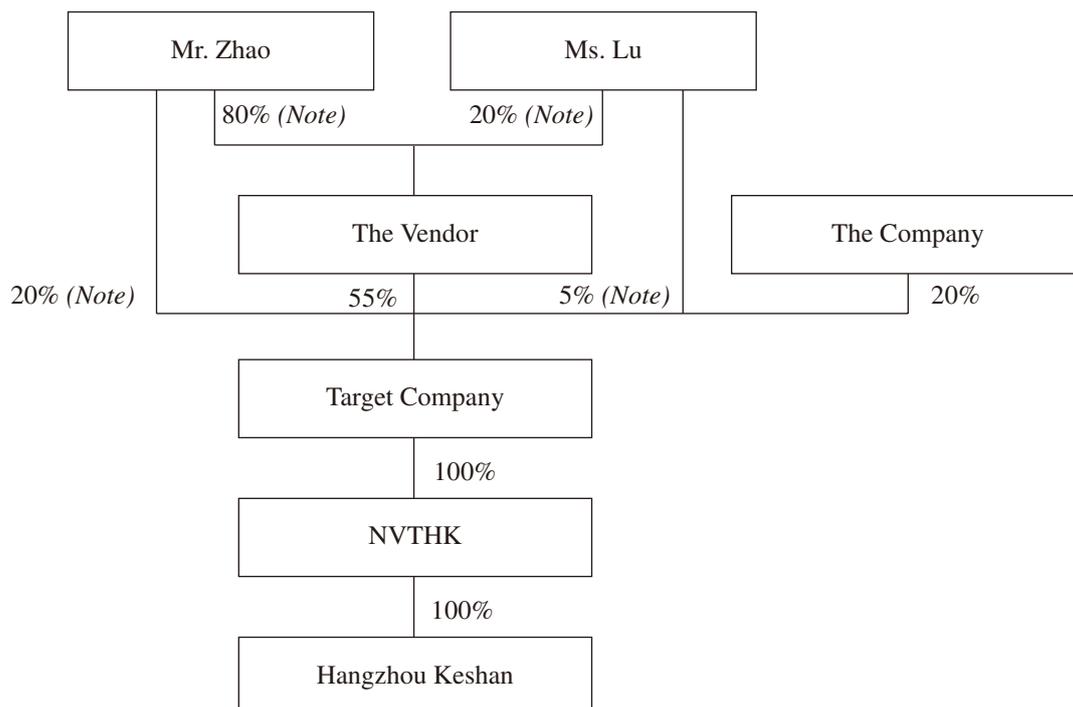
- the successful issuance of Short-Term Asset-Backed Liquidity Note Token (“STBL”) arranged by Cinda International Asset Management Limited in December 2024, in which the Target Group acted as the on-chain operator to deliver seamless operational services for the STBL and provided technical solutions for the blockchain-based issuance of the STBL. The issuance of the STBL was within the framework of Project Ensemble Sandbox launched by the Hong Kong Monetary Authority in August 2024 which is designed to facilitate interbank settlement using experimental tokenized money, focusing on transactions involving tokenized assets;
- the successful issuance of a RWA tokenized Limited Partnership Fund by Golden Continent Asset Management Co., Limited in August 2025; and
- the proposed issuance of a tokenized high-yield corporate bond led by a leading Chinese brokerage company, which is expected to be completed in the third quarter of 2025.

Below is the group structure of the Target Company as at the date of the Sale and Purchase Agreement:



*Note:* Representing ultimate beneficial interests

Below is the group structure of the Target Company upon Completion:



*Note:* Representing ultimate beneficial interests

The unaudited consolidated financial information of the Target Company for the years ended 31 December 2023 and 2024, and the six months ended 30 June 2025 is set out below:

	Year ended 31 December		Six months ended
	2023	2024	30 June 2025
	(unaudited)	(unaudited)	(unaudited)
	HK\$'000	HK\$'000	HK\$'000
Revenue	–	2,460	1,105
Loss before taxation	(15)	(11,903)	(6,868)
Loss after taxation	(15)	(11,903)	(6,868)

The unaudited consolidated total assets and net liabilities of the Target Group as at 30 June 2025 were approximately HK\$7.38 million and HK\$11.08 million, respectively.

Upon Completion, the Target Company will become an associated company of the Company and will be accounted for using the equity method in the consolidated financial statements of the Company.

## **The Valuation**

Pursuant to the valuation report prepared by the Valuer, the Valuation is based on investment value basis and investment value is defined as “the value of an asset to a particular owner or prospective owner for individual investment or operational objectives”. Such definition is in line with the requirements of International Valuation Standards (“IVS”).

### ***Valuation approach***

There are three generally accepted valuation approaches as sourced from IVS, namely the cost approach, the income approach and the market approach. In the Valuation, the cost approach is not considered applicable as it fails to capture the earnings potential of the Target Group. The income approach is also not adopted as various projected inputs, including but not limited to product pricing, contract terms and operating costs, have to be made, which cannot be easily justified or ascertained by the Target Group.

The market approach is adopted for the Valuation. The revenue growth estimated by the Target Group reflects strong commercial validation of the Target Group’s RWA tokenization platform. This growth profile aligns with publicly-traded peers in the Web3 infrastructure sector, enabling meaningful comparative analysis. Besides, the Target Group operates at the intersection of traditional finance and Web3 as a pioneering role in emerging market. Its positioning as a bridge for capital markets creates direct comparability with listed entities facilitating asset tokenization. Therefore, the identification of directly comparable listed entities with overlapping business models provides a robust basis for applying trading multiples. Therefore, the Valuer considered that market approach is the most appropriate approach for the Valuation.

### ***Valuation methodology and analyses***

The Valuer considers that the use of the guideline publicly-traded comparable methods under the market approach is appropriate for the Valuation since the method reflects the going concern of the Target Group and provides direct market reference on the value of a group of comparable companies in the market.

### ***Market multiples***

For valuation purpose, commonly used market multiples include price-to-earnings (P/E) ratio, price-to-sales (P/S) ratio, enterprise value-to-earnings before interest, taxes, depreciation and amortization (EV/EBITDA) ratio, enterprise value-to-earnings before interest and taxes (EV/EBIT) ratio and enterprise value-to-sales (EV/Sales) ratio, etc.

The Valuer has considered the profitability of both the Target Group and comparable companies, and found out that the Target Group is loss making, ruling out the applicability of P/E. As the Target Group is currently asset light without significant leverage, EV-based multiples are not necessary. Thus, the P/S ratio is adopted in the Valuation. P/S ratio is a widely adopted pricing multiple in valuation. It is a ratio for valuing a company that measures its current market capitalization relative to its sales and business scale. It relates the value of a company's equity to its sales, an important driver of shareholder value. Given the Target Group's estimated revenue growth in the next year, the Valuer specifically apply the price-to-1-year forward sales ratio to capture the Target Group's anticipated revenue scale acceleration for future growth visibility.

### *Comparable companies*

By adopting market approach, the Valuer has selected the comparable public companies with major reference to the following selection criteria and based on Wind Financial database screening: (i) companies must derive primary revenue from similar business operations to the Target Group; (ii) companies must be publicly listed on major exchanges; and (iii) all information must be sourced from credible providers.

Details of the comparable companies as sourced by the Valuer from Wind Financial are set out as follows:

<b>Comparable companies</b>	<b>Business description</b>	<b>Ticker/ stock code</b>	<b>Listing location</b>	<b>Forward P/S ratio (times)</b>
Coinbase Global, Inc. ("Coinbase")	Coinbase engages in the provision of a trusted platform that serves as a compliant on-ramp to the on-chain economy and enables users to engage in a wide variety of activities with their crypto assets in both proprietary and third-party product experiences enabled by access to decentralized applications.	COIN.US	The United States	11.13

<b>Comparable companies</b>	<b>Business description</b>	<b>Ticker/ stock code</b>	<b>Listing location</b>	<b>Forward P/S ratio (times)</b>
Circle Internet Group, Inc. (“ <b>Circle</b> ”)	Circle is a financial technology company that enables businesses of all sizes to harness the power of digital currencies and public blockchains for payments, commerce and financial applications worldwide.	CRCL.US	The United States	14.79
OSL Group Limited (“ <b>OSL</b> ”)	OSL operates in the digital asset industry. It provides solutions for institutions, professional, and retail investors. OSL offers a comprehensive suite of services, including brokerage, custody, exchange, and SaaS.	863.HK	Hong Kong	18.94

### ***View of the Board on the Valuation***

The Directors consider that the key assumptions, the quantitative inputs, methodology and valuation analyses adopted in the Valuation are fair and reasonable.

### **Information on the Parties to the Sale and Purchase Agreement**

#### ***The Company and the Group***

The Company, through its subsidiaries, is principally engaged in (a) manufacturing and distribution of leather products; (b) retail of fashion apparel, footwear and leather accessories; (c) the industrial hemp planting and production of hemp fabric products; and (d) provision of automobile services.

## ***The Vendor***

The Vendor is a company incorporated in the BVI with limited liability and owns 75% of the issued share capital of the Target Company as at the date of the Sale and Purchase Agreement. The Vendor is ultimately and beneficially owned as to 80% by Mr. Zhao and 20% by Ms. Lu. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor and its ultimate beneficial owners are Independent Third Parties.

## **Reasons for and Benefits of the Acquisition**

The Board is always committed to seeking opportunities for new business and value creation, as well as for timely expansion of the Company's scope of operation and investments. As disclosed in the annual report of the Company for the year ended 31 December 2024, the Group is actively exploring innovations and new business opportunities to enhance product development and diversify revenue streams.

Hong Kong is making significant strides in the Web3 and digital asset field. In addition to the Digital Asset Development Policy Declaration 2.0 released by the Hong Kong government stressing its commitment to position the city as a trusted and innovative global hub for digital assets, the recent enactment of the Stablecoins Ordinance which has taken effect since 1 August 2025 to introduce a licensing regime for regulated stablecoin activities in Hong Kong, aiming to bolster market confidence and align with global standards. In view of the favorable environment in Hong Kong for the sustainable development of the Web3 and fintech industries, the Group is optimistic on the potential of RWA tokenization related businesses. According to a report published by Boston Consulting Group in April 2025, tokenization of real-world assets is projected to grow from around US\$0.6 trillion in 2025 to US\$18.9 trillion by 2033 in the midpoint scenario, representing a compound annual growth rate of approximately 53%.

Having considered (i) the positive future prospects of the RWA tokenization related businesses; (ii) the established team and platform infrastructure of the Target Group; and (iii) the track records, project pipelines and growth potential of the Target Group, the Directors are of the view that the Acquisition provides an immediate springboard for the Company to tap into the RWA market at scale, without the delays and risks of building from scratch. The Acquisition is also consistent with the Company's commitments to exploring innovations and new business opportunities to diversify income streams.

Further, the Company and the Target Group will explore into strategic collaboration areas, including:

- RWA tokenization in leather production & supply chain: Leveraging the Target Group's technology, the Company will explore the tokenization of tangible and intangible assets in the leather production ecosystem, such as cash flows, receivables, inventory, and intellectual properties, thereby unlocking working capitals, introducing new investment channels, automating settlements and expanding global liquidity access. This will modernize the Group's core business model and set a new industry benchmark for efficiency and transparency; and
- Expansion into new RWA verticals: In partnership with the Target Group, the Company will explore RWA solutions for other traditional industries, applying its sector expertise and the Target Group's platform capabilities to capture untapped opportunities across multiple asset classes.

Having considered the foregoing, the Directors take the view that the Acquisition represents a transformational leap for the Company to future growth, business diversification and Shareholders' value creation. The Directors also consider that the terms of the Sale and Purchase Agreement are fair and reasonable, and the Acquisition is on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

### **Listing Rules Implications**

As one or more of the applicable percentage ratios (as defined in the Listing Rules) for the Acquisition exceed 5% but all of them are less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements but exempt from the Shareholders' approval requirement set out in the Listing Rules.

## **(2) THE PLACING**

On 21 August 2025 (after trading hours), the Placing Agent and the Company entered into the Placing Agreement pursuant to which the Placing Agent has conditionally agreed, as agent of the Company, to procure, on a best effort basis, not less than six Placees who and whose ultimate beneficial owners shall be Independent Third Parties to subscribe for up to 44,000,000 Placing Shares at the Placing Price of HK\$1.42 per Placing Share.

## **The Placing Agreement**

The principal terms of the Placing Agreement are set out below.

### ***Date***

21 August 2025 (after trading hours)

### ***Parties***

- (i) the Company; and
- (ii) the Placing Agent

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

Pursuant to the terms of the Placing Agreement, the Placing Agent has conditionally agreed, as agent of the Company, to procure, on a best effort basis, not less than six Placees who and whose ultimate beneficial owners shall be Independent Third Parties to subscribe for up to 44,000,000 Placing Shares at the Placing Price of HK\$1.42 per Placing Share. The terms of the Placing Agreement were arrived at after arm's length negotiations between the Company and the Placing Agent under normal commercial terms and with reference to the prevailing market conditions. The Directors are of the view that the terms of the Placing Agreement are fair and reasonable based on current market conditions.

### ***Placing commission***

The Placing Agent will charge the Company a placing commission equivalent to 2.5% of the aggregate Placing Price for the Placing Shares successfully placed by the Placing Agent.

The placing commission was determined after arm's length negotiations between the Company and the Placing Agent. The Directors consider that the placing commission in respect of the Placing is fair and reasonable based on the current market condition.

### ***Placees***

The Placing Agent will, on a best effort basis, place the Placing Shares to not less than six Placees, who and whose ultimate beneficial owner(s) (if applicable) shall be Independent Third Parties during the Placing Period. It is expected that none of the Placees nor their associates will become a substantial shareholder (as defined under the Listing Rules) of the Company as a result of the Placing.

### ***Number of Placing Shares***

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Placing, the maximum number of 44,000,000 Placing Shares under the Placing represent (i) approximately 10.19% of the existing 431,740,000 Shares in issue as at the date of this announcement; (ii) approximately 9.25% of the total number of issued Shares as enlarged by the allotment and issue of the Placing Shares; and (iii) approximately 8.49% of the total number of issued Shares as enlarged by the allotment and issue of the Placing Shares and the Consideration Shares. The aggregate nominal value of the maximum number of Placing Shares under the Placing will be approximately HK\$440,000.

### ***Ranking of Placing Shares***

The Placing Shares under the Placing will rank, upon allotment and issue, *pari passu* in all respects with the existing Shares in issue upon issuance.

### ***Placing Price***

The Placing Price of HK\$1.42 per Placing Share represents

- (i) a premium of approximately 17.36% over the closing price of HK\$1.21 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (ii) a premium of approximately 5.19% over the average closing price of approximately HK\$1.35 per Share for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

The Placing Price of the Placing was determined with reference to the prevailing market prices of the Shares and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the terms of the Placing are on normal commercial terms and are fair and reasonable based on the current market conditions. Hence, the Placing is in the interests of the Company and the Shareholders as a whole.

Subject to completion of the Placing, it is expected that the maximum gross proceeds and net proceeds (after deducting the placing commission, professional fees and all related expenses which were borne by the Company) from the Placing will be approximately HK\$62.5 million and HK\$60.9 million, respectively. On such basis, the net issue price will be approximately HK\$1.38 per Placing Share.

### ***Placing Period***

The Placing Period shall commence upon the execution of the Placing Agreement and shall expire at 5:00 p.m. on 4 September 2025, or on such later date as the Company and the Placing Agent may agree in writing. Should there be any extension of the Placing Period, the Company would re-comply with the requirements of the Listing Rules in respect of the Placing.

### ***General Mandate to issue the Placing Shares***

The Placing Shares will be allotted and issued under the General Mandate. The maximum number of Shares that can be issued under the General Mandate is 86,348,000 Shares. Excluding the 42,253,000 Consideration Shares which are expected to be allotted and issued pursuant to the Sale and Purchase Agreement subject to the terms and conditions thereof, the remaining number of Shares that can be issued under the General Mandate is 44,095,000 Shares. Therefore, the issue of the maximum of 44,000,000 Placing Shares under the General Mandate is not subject to further Shareholders' approval.

### ***Application for listing of the Placing Shares***

An application will be made by the Company to the Stock Exchange for the grant of the listing of, and permission to deal in, the Placing Shares.

### ***Conditions of the Placing Agreement***

Completion of the Placing is conditional upon fulfilment of the following conditions on or before the Closing Date:

- (a) the Company having complied with, and procured for the compliance with, all Law as well as all conditions (if any) imposed by the Stock Exchange or by any other competent Authority for issuance and allotment of the Placing Shares as well as the listing of and permission to deal in the Placing Shares and ensure the continued compliance thereof;
- (b) the Listing Committee of the Stock Exchange having granted approval for the listing of, and permission to deal in, the Placing Shares, and such approval not having been revoked, suspended, withdrawn or cancelled, or threatened with any revocation, suspension, withdrawal or cancellation at any time prior to the Closing Date; and
- (c) the Company's representations and warranties made pursuant to the Placing Agreement being true and accurate in all material respects and not misleading up to completion of the Placing.

The conditions contained in above paragraphs (a) to (b) above cannot be waived by the Company nor the Placing Agent. The Placing Agent (but not the Company) may at any time unilaterally waive the condition contained in paragraph (c) above. As soon as practicable after the execution of the Placing Agreement and in any event, by the Closing Date, the Company shall use its best endeavour to procure the satisfaction of the above conditions as set out in paragraphs (a) to (b) as well as paragraph (c) (in case the condition as set out in paragraph (c) has not been waived by the Placing Agent in accordance with the foregoing provisions).

If any one or more of the conditions above shall not have been satisfied or fulfilled by the Closing Date or any of the events set forth in paragraphs (a) to (e) of the section headed "Termination" below shall have occurred, all obligations and responsibilities of the Placing Agent and those of the Company under the Placing Agreement shall cease and determine forthwith and neither the Placing Agent nor the Company shall have any claim whatsoever against each other in relation thereto, save (i) for any antecedent breach of the Placing Agreement and without prejudice to the accrued rights and liabilities of each of the Placing Agent and those of the Company; and (ii) the Company shall reimburse the Placing Agent for expenses which have been actually incurred by it for or in relation to the Placing, subject to a maximum amount of HK\$100,000.

### ***Completion of the Placing***

Subject to fulfillment of the conditions of the Placing, completion of the Placing shall take place on a Business Day falling within five (5) Business Days after the Closing Date.

### ***Termination***

The Placing Agent may upon giving written notice to the Company terminate the Placing Agreement with immediate effect if at any time between the execution of the Placing Agreement and at 5:00 p.m. on the Business Day immediately prior to the date of completion of the Placing there is occurrence of any of the following events:

- (a) the introduction of any new Law or regulation or any change in existing Laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Company;

- (b) the occurrence of any local, national or international event or change occurring after the date of the Placing Agreement of a political, military, financial, economic, currency or other nature, or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Company or adversely prejudices the success of the Placing or otherwise makes it inexpedient or inadvisable for the Company or the Placing Agent to proceed with the Placing;
- (c) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction on trading in securities) occurs after the date of the Placing Agreement which materially and adversely affects the success of the Placing or otherwise in the reasonable opinion of the Placing Agent make it inexpedient or inadvisable or inappropriate for the Company or the Placing Agent to proceed with the Placing;
- (d) the Company commits any material breach of or omits or fails to observe any of its obligations or undertakings under the Placing Agreement; or
- (e) any of the representations or warranties contained in the Placing Agreement was or would be untrue or inaccurate in any material respect, or the Placing Agent shall determine in its reasonable opinion that any such untrue representation or warranty represents or is likely to represent a material adverse change in the financial or trading position or prospects of the Company or will otherwise likely to have a material prejudicial effect on the Placing.

Upon termination of the Placing Agreement, the obligations of the Placing Agent shall cease and determine, and the Company shall not be liable to pay any commission under the Placing Agreement, and, without prejudice to the accrued rights and liabilities under the Placing Agreement, neither the Company nor the Placing Agent shall have any claim against each other for compensation, costs, damages or otherwise.

The Directors are not aware of the occurrence of any of such events as at the date of this announcement.

### **Reasons for the Placing and Use of Proceeds**

It is expected that the maximum gross proceeds and net proceeds (after deducting the placing commission, professional fees and all related expenses which were borne by the Company) from the Placing will be approximately HK\$62.5 million and HK\$60.9 million, respectively.

The Company intends to apply the net proceeds from the Placing in the following manner:

- (i) approximately HK\$40.0 million for the settlement of the cash portion of the Consideration under the Sale and Purchase Agreement; and
- (ii) approximately HK\$20.9 million for enriching the general working capital and strengthening the financial position of the Group which would be used as to (a) approximately HK\$6.6 million for the purchase of materials, equipment, and overhead costs related to the leather manufacturing and extended cleaning services for leather and motor vehicle's engine; (b) approximately HK\$6.0 million for the general working capital of the Group including rental payments, staff costs, professional fees and other general administrative and operating expenses; (c) approximately HK\$5.1 million for the settlement of outstanding payables; and (d) the remaining of approximately HK\$3.2 million for other general working capital of the Group.

The Directors consider that the Placing represents a good opportunity to raise additional funds through the equity market to pursue the Acquisition and strengthen the Group's financial position.

The Directors consider that the Placing Agreement is entered into upon normal commercial terms following arm's length negotiations between the Company and the Placing Agent and the terms of the Placing Agreement (including the Placing Price and the placing commission) are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

## EQUITY FUND-RAISING ACTIVITIES OF THE COMPANY DURING THE PAST 12 MONTHS

Date of announcements	Description of fund-raising activity	Net proceeds raised	Intended use of proceeds	Actual use of proceeds up to the date of this announcement
4 November 2024 and 21 November 2024	Placing of 10,012,000 under general mandate at the placing price of HK\$1.02 per placing share	HK\$9.7 million	<ul style="list-style-type: none"> <li>(i) purchase of materials for production and the payment of overhead for the manufacturing plant of the Group</li> <li>(ii) the general working capital of the Group including rental payments, staff cost, professional fees and other general administrative and operating expenses</li> <li>(iii) settlement of outstanding payables</li> </ul>	All used as intended
21 February 2025 and 18 March 2025	Placing of 9,024,000 under general mandate at the placing price of HK\$1.78 per placing share	HK\$15.62 million	<ul style="list-style-type: none"> <li>(i) purchase of materials, equipment, and overhead costs related to the leather manufacturing and extended cleaning services for leather and motor vehicle's engine</li> <li>(ii) general working capital of the Group including rental payments, staff cost, professional fees and other general administrative and operating expenses</li> <li>(iii) settlement of outstanding payables</li> </ul>	All used as intended

Save as disclosed above, the Company has not conducted any fund-raising activities involving the issue of equity securities during the 12 months immediately preceding the date of this announcement.

## EFFECT ON THE SHAREHOLDING STRUCTURE

Set out below are the shareholding structures of the Company (i) as at the date of this announcement; (ii) immediately upon the completion of the Placing (assuming no other change in the shareholding of the Company); and (iii) immediately upon the completion of the Placing and the Completion (assuming no other change in the shareholding of the Company):

Shareholders	As at the date of this announcement		Immediately upon completion of the Placing		Immediately upon completion of the Placing and the Completion	
	<i>Approximate</i>		<i>Approximate</i>		<i>Approximate</i>	
	<i>Number of issued Shares</i>	<i>% (Note 2)</i>	<i>Number of issued Shares</i>	<i>% (Note 2)</i>	<i>Number of issued Shares</i>	<i>% (Note 2)</i>
Waterfront Holding Group Co., Ltd. (Note 1)	256,024,406	59.30	256,024,406	53.82	256,024,406	49.43
The Vendor	–	–	–	–	42,253,000	8.16
The Placees	–	–	44,000,000	9.25	44,000,000	8.49
Other public Shareholders	175,715,594	40.70	175,715,594	36.94	175,715,594	33.92
Total	<u>431,740,000</u>	<u>100.00</u>	<u>475,740,000</u>	<u>100.00</u>	<u>517,993,000</u>	<u>100.00</u>

Notes:

1. Waterfront Holding Group Co., Ltd. is wholly and beneficially owned by Mr. Zhao Jingfei, the Co-Chairman of the Board and an executive Director.
2. The percentage figures have been subjected to rounding adjustments. Any discrepancies between totals and sums of amount listed herein are due to rounding adjustments.

## WARNING

**Since completions of the Placing and the Acquisition are subject to the fulfilment of the respective conditions as set out in the Placing Agreement and the Sale and Purchase Agreement, the Placing and/or the Acquisition may or may not proceed. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the Shares.**

## DEFINITIONS

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

“Acquisition”	the acquisition of the Sale Shares by the Company subject to the terms and conditions of the Sale and Purchase Agreement
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Authority”	any administrative, governmental or regulatory commission, board, body, authority or agency, or any stock exchange, self-regulatory organization or other non-governmental regulatory authority, or any court, tribunal or arbitrator, in each case whether national, central, federal, provincial, state, regional, municipal, local, domestic or foreign
“Board”	the board of Directors
“Business Day(s)”	a day on which banks are generally open for business in Hong Kong (other than a Saturday, a Sunday or a public holiday or a day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.)
“BVI”	the British Virgin Islands
“Closing Date”	any Business Day not later than 11 September 2025, the date on which all the conditions under the Placing Agreement have been satisfied or fulfilled, or such subsequent Business Day as the Company and the Placing Agent may agree in writing
“Company”	China International Development Corporation Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Stock Exchange (stock code: 264)
“Completion”	actual completion of the sale and purchase of the Sale Shares in accordance with the terms and conditions of the Sale and Purchase Agreement

“Completion Date”	a date falling within three (3) Business Days after the fulfilment or waiver (if applicable) of the Conditions Precedent (or such other date as the Vendor and the Company may mutually agree in writing) and the date on which Completion takes place
“Conditions Precedent”	the conditions precedent to Completion as set out in the Sale and Purchase Agreement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration payable by the Company to the Vendor (or any other person as may be directed by the Vendor) for the sale and purchase of the Sale Shares as specified or determined in accordance with the Sale and Purchase Agreement
“Consideration Share(s)”	42,253,000 new Shares to be allotted and issued by the Company to the Vendor (or as they may direct) at the Issue Price for settlement of part of the Consideration pursuant to the Sale and Purchase Agreement
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate granted to the Directors at the annual general meeting of the Company held on 3 June 2025 to allot and issue 86,348,000 new Shares
“Group”	the Company and its subsidiaries
“Hangzhou Keshan”	Hangzhou Keshan Technology Co., Ltd.* (杭州科杉科技有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Target Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons

“Issue Price”	the issue price of HK\$1.42 per Consideration Share pursuant to the Sale and Purchase Agreement
“Last Trading Day”	21 August 2025, being the last trading day immediately before entering into the Sale and Purchase Agreement and the Placing Agreement
“Law”	any and all national, central, federal, provincial, state, regional, municipal, local, domestic or foreign laws (including, without limitation, any common law or case law), statutes, ordinances, legal codes, regulations or rules (including, without limitation, any and all regulations, rules, orders, judgments, decrees, rulings, opinions, guidelines, measures, notices or circulars (in each case, whether formally published or not and to the extent mandatory or, if not complied with, the basis for legal, administrative, regulatory or judicial consequences) of any Authority)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	30 September 2025 (or such later date as may be agreed between the Vendor and the Company in writing)
“NVTHK”	NVTHK Limited, a company incorporated in Hong Kong with limited liability and a direct wholly-owned subsidiary of the Target Company
“Placee(s)”	any individuals, corporates, institutional investors or other investors to be procured by the Placing Agent or its agent(s) to subscribe for any Placing Shares pursuant to the Placing Agreement
“Placing”	the placing, on a best effort basis, of up to 44,000,000 Placing Shares on and subject to the terms and conditions set out in the Placing Agreement

“Placing Agent”	VC Brokerage Limited (滙盈證券有限公司), a corporation licensed by the Securities and Futures Commission to carry out and conduct Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under and pursuant to the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), and a wholly-owned subsidiary of Value Convergence Holdings Limited, a company incorporated in Hong Kong with limited liability and the issued shares of which are listed on Main Board of the Stock Exchange (stock code: 821)
“Placing Agreement”	the conditional placing agreement entered into between the Company and the Placing Agent dated 21 August 2025 in relation to the Placing
“Placing Period”	the period commencing upon the execution of the Placing Agreement and expiring at 5:00 p.m. (Hong Kong time) on the 4 September 2025 (or such later time and date as the Company and the Placing Agent may agree in writing)
“Placing Price”	HK\$1.42 per Placing Share
“Placing Share(s)”	an aggregate of up to 44,000,000 new Shares to be placed pursuant to the Placing Agreement
“PRC”	the People’s Republic of China
“Sale and Purchase Agreement”	the sale and purchase agreement dated 21 August 2025 entered into between the Company and the Vendor in relation to the Acquisition
“Sale Shares”	200,000 ordinary shares with a par value of US\$1.00 each in the share capital of the Target Company, representing 20% of the entire issued capital of the Target Company
“Shareholders”	holders of the Shares
“Shares”	ordinary shares of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	NVTH Limited, a company incorporated in the BVI with limited liability

“Target Group”	the Target Company and its subsidiaries
“US\$”	United States dollars, the lawful currency of the United States of America
“Valuer”	CHFT Advisory and Appraisal Limited, an independent qualified professional valuer
“Vendor”	NVTSH Limited, a company incorporated in the BVI with limited liability
“%”	per cent

By order of the Board  
**China International Development Corporation Limited**  
**Zhao Jingfei**  
*Co-Chairman and Executive Director*

Hong Kong, 21 August 2025

*As at the date of this announcement, the executive Directors are Mr. Zhao Jingfei, Mr. Fong Sze Chun, Mr. Fan Xin, Mr. Qin Bohan, Mr. Leung Wai Kit, Mr. Chiang Chien Chih, Mr. Ying Yong and Mr. Jerome Jean Jacques Loubert; the non-executive Director is Mr. Chan Hau Him Howard; and the independent non-executive Directors are Ms. Han Yu, Ms. Jia Lixin, Ms. Chen Mengsi, Ms. Ye Duan and Mr. Peng Zuoquan.*

\* *for identification purposes only*