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中國鼎益豐控股有限公司

CHINA DING YI FENG HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0612)

VOLUNTARY ANNOUNCEMENT

This announcement is made by China Ding Yi Feng Holdings Limited (“**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board (“**Board**”) of directors (“**Directors**”) of the Company announces that Hainan Qirisheng Enterprise Consulting Co. Ltd.* (海南奇日升企業諮詢股份有限公司), an indirect substantial shareholder of the Company (“**Donor**”), has unconditionally and unilaterally gifted the Property to a wholly-owned subsidiary of the Company, and which is now undergoing the applicable registration procedures in the PRC.

DESCRIPTION OF THE PROPERTY

The Property is comprised of 22 non-residential units located on 9th Floor, 33th Floor and 60th Floor, North District (Phase 2) of the Kingkey Riverfront Times Square, Binhe Avenue South, Futian District, Shenzhen City* in the PRC (深圳市福田區福田街道濱河大道南京基濱河時代廣場北區 (二期) 901號至903號、905號至909號、3301號至3303號、3305號至3308號、6001號至6003號、6005號至6008號) (“**Property**”) with areas ranging from approximately 56 to approximately 505 square metres, and a total area of approximately 7,093 square metres.

According to the Immovable Property Rights Certificates of the Property, the Property is owned by the Donor for a term of 50 years from 31 December 2012 to 30 December 2062.

The Property is situated at Kingkey Riverfront Times Square, which is a unique commercial, retail and residential complex in the western part of the central business district of Futian District, Shenzhen City, and is in close proximity to railway and highway interconnections and other major infrastructure facilities.

According to a valuation report, the market value of the Property as at May 2020 was approximately RMB421 million.

DESCRIPTION OF THE GIFT

The Property has been unilaterally and unconditionally gifted by the Donor to Shenfushengchuang (Shenzhen) Trading Co. Ltd.* (深富盛創(深圳)貿易有限公司) (“Donee”), a wholly-owned subsidiary of the Company established under the laws of the PRC, by way of an instrument governed by the laws of the PRC.

Based on PRC legal advice given to the Board, the Donor is the registered owner of the Property with good and unencumbered title to the Property and the Donor is entitled to gift the Property.

Based on PRC legal advice given to the Board, the act of gifting the Property by the Donor is legal and valid under the applicable PRC laws.

Based on PRC legal advice given to the Board, the vesting of the Property in the Donee is subject to (a) the registration of the title of the Property in the Donee at the Shenzhen City Immovable Property Registry* (深圳市不動產登記中心) in the PRC and receipt by the Donee of the relevant Immovable Property Rights Certificates. The above registration is subject to tax payable by the Donee (“**Immovable Property Registration Tax**”) as assessed by the Shenzhen City Immovable Property Registry* (深圳市不動產登記中心) and the Shenzhen City Tax Bureau of the National Tax Bureau* (國家稅務總局深圳市稅務局) in the PRC.

IMPACT ON THE FINANCIAL POSITION OF THE COMPANY

The following sets out the estimated impact on the financial position of Company where the title of the Property is vested in the Company.

The total assets of the Company is expected to increase from approximately HK\$374,202,952 (as disclosed in the 2019 annual report of the Company dated 30 March 2020) to approximately HK\$832,202,952, subject to adjustments as appropriate.

The Net Asset Value per share is expected to increase from approximately HK\$0.17 (as disclosed in the announcement of the Company dated 15 May 2020) to approximately HK\$0.52, subject to adjustments as appropriate.

A once-off expenditure in the form of the Immovable Property Registration Tax, estimated to be approximately RMB20,000,000 but subject to the final assessment of the relevant authorities in the PRC, is expected to arise.

Recurring expenses comprising maintenance, upkeep and utilities of approximately RMB285,000 per month are expected to arise. Based on the above, the total recurring expenses for the seven-month period from June to December 2020 will come to approximately RMB2 million.

REASONS FOR GIFTING THE PROPERTY

The Directors, after due inquiry, understand that the Donor has decided to make the gift due to the relocation of its place of registration and operations from Shenzhen to Haikou City, Hainan Province, to take advantage of the latter's more liberal business and other policies, and as a result, it would not be feasible for the Donor to use the Property as owner occupier and nor would it be compatible with the Donor's business for the Property to be rented out.

The Directors, after due inquiry, also understand that the Donor is in sound financial condition and making the gift would not cause any material adverse impact to the financial position of the Donor.

REASONS FOR ACCEPTING THE GIFT OF PROPERTY

The Company is engaged in investments in listed and unlisted securities.

The Company has plans to expand its operations in Shenzhen to enable it to better capture investment opportunities on mainland China and such plans involve using the Property as owner occupier.

VIEWS OF THE DIRECTORS

All the Directors, including the independent non-executive Directors, having considered the matters set out above, are of the view that accepting the gift of Property would be in the interest of the Company and its shareholders as a whole. The Directors have therefore resolved to accept the gift of the Property and to take the necessary steps for the Property to undergo the applicable registration procedures in the PRC to enable it to be vested in the Donee as soon as practicable.

By order of the Board
China Ding Yi Feng Holdings Limited
LUK HONG MAN, HAMMOND
Executive Director

Hong Kong, 25 May 2020

As at the date of this announcement, the executive Directors are Mr. Luk Hong Man, Hammond and Mr. Zhang Xi; the non-executive Directors are Ms. Ma Xiaoqiu, Mr. Leung Ka Fai and Mr. Wang Mengtao; and the independent non-executive Directors are Ms. Jing Siyuan, Mr. Zhang Aimin and Mr. Zhang Qiang.

For illustration purpose only, in this announcement, the exchange rate of RMB1 is assumed to be HK\$1.0869.

* *for identification only*