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**CHINLINK INTERNATIONAL HOLDINGS LIMITED**

**普匯中金國際控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 0997)**

**CONTINUING CONNECTED TRANSACTIONS**

On 24 December 2019, Real King entered into the Lease Agreements with Hao Hua and Lian Ding, respectively, pursuant to which Real King will lease Premise I to Hao Hua and Premise II to Lian Ding, both for the period commencing from 25 December 2019 and ending on 31 March 2022. The annual rental income from Premise I and Premise II will be approximately RMB739,000 (equivalent to approximately HK\$820,300) and approximately RMB1,212,000 (equivalent to approximately HK\$1,345,300), respectively.

On the same day, Chinlink Commercial also entered into the Property Management Services Agreements with Hao Hua and Lian Ding in relation to Premise I and Premise II, respectively, pursuant to which Chinlink Commercial will provide property management services to Hao Hua and Lian Ding, both for the period commencing from 25 December 2019 and ending on 31 March 2022. The annual property management services fee income from Premise I and Premise II will be approximately RMB1,349,000 (equivalent to approximately HK\$1,497,400) and approximately RMB1,724,000 (equivalent to approximately HK\$1,913,600), respectively.

\* For identification purpose only

## **LISTING RULES IMPLICATIONS**

Hao Hua is owned as to 60% and Lian Ding is owned as to 99% by Mr. Li, an executive Director and the Chairman of the Board. He and a company wholly and beneficially owned by him together hold 891,443,800 ordinary shares of the Company (representing approximately 61.0% of the issued share capital of the Company as at the date of this announcement). By virtue of Mr. Li's interest in Hao Hua and Lian Ding, the transactions contemplated under the Lease Agreements and Property Management Services Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. As one or more of the relevant percentage ratios in respect of the Lease Agreements and Property Management Services Agreements (even if they are all aggregated) are more than 0.1% and less than 5%, they are therefore subject to the annual review, reporting and announcement requirements but are exempted from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **INTRODUCTION**

On 24 December 2019, Real King entered into the Lease Agreements with Hao Hua and Lian Ding, respectively, pursuant to which Real King will lease Premise I to Hao Hua and Premise II to Lian Ding, both for the period commencing from 25 December 2019 and ending on 31 March 2022. The annual rental income from Premise I and Premise II will be approximately RMB739,000 (equivalent to approximately HK\$820,300) and approximately RMB1,212,000 (equivalent to approximately HK\$1,345,300), respectively.

On the same day, Chinlink Commercial also entered into the Property Management Services Agreements with Hao Hua and Lian Ding in relation to Premise I and Premise II, respectively, pursuant to which Chinlink Commercial will provide property management services to Hao Hua and Lian Ding, both for the period commencing from 25 December 2019 and ending on 31 March 2022. The annual property management services fee income from Premise I and Premise II will be approximately RMB1,349,000 (equivalent to approximately HK\$1,497,400) and approximately RMB1,724,000 (equivalent to approximately HK\$1,913,600), respectively.

A summary of the principal terms of the Lease Agreements and the Property Management Services Agreements are set out below:

#### **Lease Agreement I**

Date:	24 December 2019
Parties:	(i) Real King as lessor; and (ii) Hao Hua as lessee
Premise and usage:	18/F., CIC, general office
Total rental area:	approximately 1,569.46 square metres
Term of lease:	25 December 2019 to 31 March 2022
Rental income:	approximately RMB739,000 (equivalent to approximately HK\$820,300) per year

#### **Lease Agreement II**

Date:	24 December 2019
Parties:	(i) Real King as lessor; and (ii) Lian Ding as lessee
Premises and usage:	19/F. and 24/F., CIC, general office
Total rental area:	approximately 2,086.09 square metres
Term of lease:	25 December 2019 to 31 March 2022
Rental income:	approximately RMB1,212,000 (equivalent to approximately HK\$1,345,300) per year

The rental payables under the Lease Agreements are payable in cash on quarterly basis and was determined after arm's length negotiations between Real King and Hao Hua/Real King and Lian Ding with reference to the terms of lease agreements entered into between Real King and other tenants of CIC (who are third parties independent of the Company and its connected persons) and market rental for similar properties nearby and having taken into account the availability of similar premises nearby and the cost of relocation.

## **Property Management Services Agreement I**

Date:	24 December 2019
Parties:	(i) Chinlink Commercial as services provider; and (ii) Hao Hua as customer
Premises:	18/F., CIC
Term of services:	25 December 2019 to 31 March 2022
Property management fee:	approximately RMB1,349,000 (equivalent to approximately HK\$1,497,400) per year
Other utilities fees payable:	Chinlink Commercial will also charge Hao Hua various fees for usage of carparking spaces, electricity and after-hours air-conditioning which are calculated on a usage basis

## **Property Management Services Agreement II**

Date:	24 December 2019
Parties:	(i) Chinlink Commercial as services provider; and (ii) Lian Ding as customer
Premises:	19/F. and 24/F., CIC
Term of services:	25 December 2019 to 31 March 2022
Property management fee:	approximately RMB1,724,000 (equivalent to approximately HK\$1,913,600) per year
Other utilities fees payable:	Chinlink Commercial will also charge Lian Ding various fees for usage of carparking spaces, electricity and after-hours air-conditioning which are calculated on a usage basis

The services fee under the Property Management Services Agreements are payable in cash on quarterly basis and was determined after arm's length negotiations between Chinlink Commercial and Hao Hua/Chinlink Commercial and Lian Ding with reference to the scope of services to be provided, the terms of property management services agreements entered into between Chinlink Commercial and other customers of CIC (who are third parties independent of the Company and its connected persons) and the market services fee for similar properties nearby. The other utilities fees payable under the Property Management Services Agreements were determined with reference to the cost of providing these utilities services, the fee charged to other customers of CIC (who are third parties independent of the Company and its connected persons) and the market services fee for similar properties nearby.

## ANNUAL CAPS

The table below sets out the maximum caps for the annual rent and property management services fee payable by Hao Hua and Lian Ding for each of the financial years during the term of the Lease Agreements and Property Management Services Agreements:

Period	Annual Caps			
	Hao Hua		Lian Ding	
	Rental	Property Management Service Fees and Other Utilities Fee	Rental	Property Management Service Fees and Other Utilities Fee
From 25 December 2019 to 31 March 2020 (both days inclusive)	RMB199,000 (equivalent to approximately HK\$220,900)	RMB467,000 (equivalent to approximately HK\$548,400)	RMB327,000 (equivalent to approximately HK\$363,000)	RMB645,000 (equivalent to approximately HK\$716,000)
From 1 April 2020 to 31 March 2021 (both days inclusive)	RMB739,000 (equivalent to approximately HK\$820,300)	RMB1,729,000 (equivalent to approximately HK\$1,919,200)	RMB1,212,000 (equivalent to approximately HK\$1,345,300)	RMB2,393,000 (equivalent to approximately HK\$2,656,200)
From 1 April 2021 to 31 March 2022 (both days inclusive)	RMB739,000 (equivalent to approximately HK\$820,300)	RMB1,729,000 (equivalent to approximately HK\$1,919,200)	RMB1,212,000 (equivalent to approximately HK\$1,345,300)	RMB2,393,000 (equivalent to approximately HK\$2,656,200)

The annual caps for each of the aforesaid periods are determined by reference to the monthly rent, property management services fee and other utilities fees (by reference to the expected usages) payable by both Hao Hua and Lian Ding under the Lease Agreements and Property Management Services Agreements.

## REASONS FOR AND BENEFIT OF ENTERING INTO THE LEASE AGREEMENTS AND PROPERTY MANAGEMENT SERVICES AGREEMENTS

The Company is an investment holding company. The Group is principally engaged in property investment, trading (including mainly electronic components and appliance); provision of financial guarantee services, financial advisory services, finance leasing services and logistics services in the PRC.

Real King and Chinlink Commercial are indirect wholly-owned subsidiaries of the Company principally engaged in property investment and provision of property management services in the PRC respectively. Real King is the registered owner of CIC. As at the date of this announcement, over 79% of the office premises in the CIC have been leased with over 67% of the office floor area let to independent third parties. The Group intends to hold approximately 16% of the office floor area for internal use. Chinlink Commercial has been in negotiation with various parties for the lease of the remaining area of CIC. The Lease Agreements and Property Management Services Agreements were therefore entered into in the ordinary and usual course of business of the Group.

The Board (including the independent non-executive Directors but excluding Mr. Li) considers that the terms of the Lease Agreements and the Property Management Services Agreements are fair and reasonable and on normal commercial terms, and the transactions contemplated thereunder are part of the Group's business and are in the interests of the Group and the shareholders as a whole. Mr. Li did abstain from voting at the board meeting of the Company to approve the Lease Agreements and the Property Management Services Agreements in view of his interests in both Hao Hua and Lian Ding.

## LISTING RULES IMPLICATIONS

Hao Hua is owned as to 60% and Lian Ding is owned as to 99% by Mr. Li, an executive Director and the Chairman of the Board. He and a company wholly and beneficially owned by him together hold 891,443,800 ordinary shares of the Company (representing approximately 61.0% of the issued share capital of the Company as at the date of this announcement). By virtue of Mr. Li's interest in Hao Hua and Lian Ding, the transactions contemplated under the Lease Agreements and Property Management Services Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. As one or more of the relevant percentage ratios in respect of the Lease Agreements and Property Management Services Agreements (even if they are all aggregated) are more than 0.1% and less than 5%, they are therefore subject to the annual review, reporting and announcement requirements but are exempted from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

## DEFINITIONS

Unless the context requires otherwise, capitalized terms used herein shall have the same meanings as set forth below:

"Board"	the board of Directors
"Chinlink Commercial"	普匯中金商業運營管理(西安)有限公司 (Chinlink Commercial Operation Management (Xi'an) Company Limited*), a company established as a wholly foreign-owned enterprise in the PRC and currently an indirect wholly-owned subsidiary of the Company
"CIC"	Chinlink International Centre, a commercial property with 25-storeys of office space and a 2-storey basement carpark with a total gross floor area of approximately 55,500 square metres, situated at the junction of Fengcheng Tenth Road and Wenjin Road, Weiyang District, Xi'an, Shaanxi Province, the PRC and currently wholly owned by Real King

“Company”	Chinlink International Holdings Limited, a company incorporated in Bermuda whose shares are listed on the Stock Exchange (Stock Code: 0997)
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company from time to time
“Group”	the Company and its subsidiaries
“Hao Hua”	西安浩華置業有限公司 (Xi'an Hao Hua Zhi Ye Company Limited*), a company established in the PRC with limited liability and principally engaged in the property development business. Mr. Li is the owner of 60% (of which 20% equity interest is owned directly and 40% equity interest is owned indirectly) of the beneficial interest of Hao Hua. As such, Hao Hua is a connected person of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Lease Agreement I”	the lease agreement dated 24 December 2019 entered into between Real King as lessor and Hao Hua as lessee in respect of the lease of Premise I for the period from 25 December 2019 to 31 March 2022
“Lease Agreement II”	the lease agreement dated 24 December 2019 entered into between Real King as lessor and Lian Ding as lessee in respect of the lease of Premise II for the period from 25 December 2019 to 31 March 2022
“Lease Agreements”	collectively, the Lease Agreement I and the Lease Agreement II
“Lian Ding”	西安聯鼎企業管理諮詢有限公司 (Xi'an Lian Ding Enterprise Management Consulting Company Limited*), a company established in the PRC with limited liability and principally engaged in the provision of corporate management consulting services, property and financial consulting services. Mr. Li is the owner of 99% of the beneficial interest of Lian Ding. As such, Lian Ding is a connected person of the Company

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Li”	Mr. Li Weibin, an executive Director and the controlling shareholder of the Company
“PRC”	the People’s Republic of China, which for purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“Premise I”	18/F., CIC
“Premise II”	19/F and 24/F., CIC
“Property Management Services Agreement I”	the property management services agreement dated 24 December 2019 entered into between Chinlink Commercial and Hao Hua in relation to the provision of property management services to Hao Hua for the period from 25 December 2019 to 31 March 2022 in relation to the Premise I
“Property Management Services Agreement II”	the property management services agreement dated 24 December 2019 entered into between Chinlink Commercial and Lian Ding in relation to the provision of property management services to Lian Ding for the period from 25 December 2019 to 31 March 2022 in relation to the Premise II
“Property Management Services Agreements”	collectively, the Property Management Services Agreement I and the Property Management Services Agreement II
“Real King”	匯景國際（西安）信息科技有限公司 (Real King International (Xi'an) Information Technology Company Limited*), a company established as a wholly foreign-owned enterprise in the PRC and currently an indirect wholly-owned subsidiary of the Company



“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

*The English translation of Chinese names or words marked with “\*” in this announcement, where indicated, is included for identification purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

*In this announcement, amounts in RMB are translated into HK\$ on the basis of RMB1 = HK\$1.11. The conversion rate is for illustration purpose only and should not be taken as a representation that RMB could actually be converted into HK\$ at such rate or at other rates or at all.*

By order of the Board  
**Chinlink International Holdings Limited**  
**Mr. Li Weibin**  
*Chairman*

Hong Kong, 24 December 2019

*As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Li Weibin, Mr. Siu Wai Yip, and Mr. Lau Chi Kit; a non-executive Director, namely Ms. Fung Sau Mui; and three independent non-executive Directors, namely Dr. Ho Chung Tai, Raymond, Ms. Lai Ka Fung, May and Ms. Chan Sim Ling, Irene.*