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## **YUE DA INTERNATIONAL HOLDINGS LIMITED**

### **悅達國際控股有限公司**

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

**(Stock Code: 629)**

## **DISCLOSEABLE AND CONTINUING CONNECTED TRANSACTION SUPPLEMENTAL AGREEMENT TO THE REVERSE FACTORING AGREEMENT AND FURTHER DELAY IN DESPATCH OF CIRCULAR**

Reference is made to the announcement of Yue Da International Holdings Limited (the “**Company**”) dated 30 September 2019 (the “**Announcement**”) in relation to the Reverse Factoring Agreement entered into among Yueda Commercial Factoring, the Project Companies and YDRE. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

### **SUPPLEMENTAL AGREEMENT**

On 5 November 2019, Yueda Commercial Factoring entered into a supplemental agreement (the “**Supplemental Agreement**”) with the Project Companies and YDRE, pursuant to which the interest rate and factoring administration fees in respect of all revolving reverse factoring loans made to the Project Companies under the Reverse Factoring Agreement shall be amended to a range of 10% to 12% of the loan principal, with the exact interest rate and factoring administration fees to be determined by the parties through arm’s length negotiations taking into account: (i) the credit assessment of YDRE; (ii) the credit period; (iii) the factoring loan is guaranteed by YDRE; and (iv) the interest rates and factoring administration fees of similar services offered to the Independent Third Parties.

Save and except for the aforesaid modification to the interest rate and factoring administration fees, all other terms of the Reverse Factoring Agreement remain unchanged and continue in full force and effect.

The Directors believe that the terms of the Supplemental Agreement are fair and reasonable and are in the interest of the Company and the Shareholders as a whole.

## LISTING RULES IMPLICATIONS

As at the date of this announcement, Yue Da Group, together with its associates, is interested in 808,979,333 Shares (representing approximately 69.22% of the issued share capital of the Company) and is a controlling Shareholder within the meaning of the Listing Rules. As at the date of this announcement, Yue Da Group is the shareholder of approximately 80.19% of the issued shares of YDRE. In addition, as at the date of this announcement, (i) Huakun is held as to 40% by YDRE; (ii) JYCP is held as to 100% by YDRE; (iii) Tianhui is directly and indirectly held as to 65% by YDRE; and (iv) Dongfang is directly and indirectly held as to 73% by YDRE. Accordingly, each of the Project Companies is a connected person of the Company and the transaction under the Supplemental Agreement constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

In addition, as one of the applicable percentage ratios in respect of the Supplemental Agreement is more than 5% but is less than 25%, the Supplemental Agreement constitutes a discloseable and continuing connected transaction for the Company under the Listing Rules and is subject to announcement, reporting and Independent Shareholders' approval requirements under the Listing Rules.

## FURTHER DELAY IN DESPATCH OF CIRCULAR

As disclosed in the announcement of the Company dated 23 October 2019 in relation to the delay in despatch of circular in relation to the discloseable and continuing connected transaction regarding the Reverse Factoring Agreement of the Company, a circular containing, among other things, (i) further information relating to the Reverse Factoring Agreement (including the proposed annual caps) and the transactions contemplated thereunder; (ii) a letter of advice from the Independent Board Committee to the Independent Shareholders in relation to the Reserve Factoring Agreement (including the proposed annual caps) and the transactions contemplated thereunder; (iii) a letter of recommendation from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Reserve Factoring Agreement (including the proposed annual caps) and the transactions contemplated thereunder; and (iv) a notice convening the EGM will be despatched to the Shareholders on or before 6 November 2019. As additional time is required for the Company to finalise certain information for inclusion in the circular, the date of despatch of the circular is expected to be postponed to 8 November 2019.

By order of the Board  
**Yue Da International Holdings Limited**  
**Hu Huaimin**  
*Executive Director and Chief Executive*

Hong Kong, 5 November 2019

*As at the date of this announcement, the Board comprises the following members: (a) as non-executive Directors, Mr. Tang Rujun and Mr. Li Biao; (b) as executive Directors, Mr. Liu Debing, Mr. Hu Huaimin, Mr. Cai Baoxiang and Mr. Bai Zhaoxiang; and (c) as independent non-executive Directors, Mr. Cui Shuming, Dr. Liu Yongping and Mr. Cheung Ting Kee.*

*If there is any inconsistency in this announcement between the Chinese and English versions, the English version shall prevail.*