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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 TRANSACTION – GAOXIN SECOND SUPPLEMENTAL REVERSE FACTORING AGREEMENT

GAOXIN SECOND SUPPLEMENTAL REVERSE FACTORING AGREEMENT

Reference is made to the major transaction announcements of the Company dated 5 July 2023 and 12 July 2023 (“**Announcements**”) in relation to the Gaoxin Reverse Factoring Agreement and Gaoxin First Supplemental Reverse Factoring Agreement. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

The Board hereby announces that, after arm’s length negotiations, on 21 June 2024, Yueda Commercial Factoring, an indirectly wholly owned subsidiary of the Company, entered into the Gaoxin Second Supplemental Reverse Factoring Agreement to adjust and supplement the guarantors and expiry date of the factoring facilities of Gaoxin Reverse Factoring Agreement as amended and supplemented by Gaoxin First Supplemental Reverse Factoring Agreement. Except for the amendments and supplements specified in the Gaoxin Second Supplemental Reverse Factoring Agreement, other terms of the Gaoxin Reverse Factoring Agreement as amended and supplemented by Gaoxin First Supplemental Reverse Factoring Agreement remain unchanged.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio as calculated under Rule 14.07 of Listing Rules in relation to the Gaoxin Second Supplemental Reverse Factoring Agreement exceeds 5% but is less than 25%, the entering into the Gaoxin Second Supplemental Reverse Factoring Agreement constitutes a discloseable transaction for the Company under the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

GAOXIN SECOND SUPPLEMENTAL REVERSE FACTORING AGREEMENT

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The principal terms of the Gaoxin Reverse Factoring Agreement, the Gaoxin First Supplemental Reverse Factoring Agreement and the Gaoxin Second Supplemental Reverse Factoring Agreement are as follows:

	Gaoxin Reverse Factoring Agreement	Gaoxin First Supplemental Reverse Factoring Agreement	Gaoxin Second Supplemental Reverse Factoring Agreement
Date:	5 July 2023	12 July 2023	21 June 2024
Parties:	(1) Gaoxin (To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Gaoxin and its ultimate beneficial owner are Independent Third Parties.) (2) Yueda Commercial Factoring	No change	No change
Revolving Credit limit:	RMB20,000,000 (equivalent to approximately HK\$21,930,000)	RMB50,000,000 (equivalent to approximately HK\$54,825,000)	No change
Annual rate of return (composed of interest rate and factoring administration fees):	8%–9.5%	8%–9%	No change

	Gaoxin Reverse Factoring Agreement	Gaoxin First Supplemental Reverse Factoring Agreement	Gaoxin Second Supplemental Reverse Factoring Agreement
Guarantor:	Dafeng Traffic Investment Company Limited ("Dafeng Traffic") (鹽城市大豐區交通投資有限責任公司)	No change	Dafeng Traffic or Yancheng Dafeng District Urban Construction Group Company Limited ("Dafeng Construction") (鹽城市大豐區城市 建設集團有限公司)
Expiry date of the factoring facilities:	4 July 2024	31 December 2024	27 June 2025
Effective date:	5 July 2023	12 July 2023	28 June 2024

The annual rate of return of the Gaoxin Second Supplemental Reverse Factoring Agreement is determined by the parties through arm's length negotiation taking into account: (i) the credit rating of Gaoxin and the counterparty of the relevant transaction provided by Gaoxin; (ii) the credit period; (iii) the factoring is with recourse; and (iv) the guarantee by Dafeng Traffic or Dafeng Construction.

Dafeng Traffic is a wholly-owned subsidiary of one of the shareholders of Gaoxin.

Dafeng Construction is a shareholder of Gaoxin.

Gaoxin, Dafeng Traffic and Dafeng Construction are beneficially owned as to 100% by Yancheng City Dafeng District People's Government (鹽城市大豐區人民政府), with independent management and operation.

INFORMATION ON THE PARTIES TO THE GAOXIN SECOND SUPPLEMENTAL REVERSE FACTORING AGREEMENT

Yueda Commercial Factoring is a company established in the PRC on 15 August 2017 and is principally engaged in the provision of factoring, accounts receivable management and collection and factoring consultancy services.

Gaoxin is a company established in the PRC and is principally engaged in the business of infrastructure construction.

REASONS FOR AND BENEFITS OF THE GAOXIN SECOND SUPPLEMENTAL REVERSE FACTORING AGREEMENT

The Group is principally engaged in factoring related business in the PRC. The Directors consider that the Gaoxin Second Supplemental Reverse Factoring Agreement was entered into on normal commercial terms and in the ordinary and usual course of business of the Group.

Given that the Gaoxin Second Supplemental Reverse Factoring Agreement is being conducted in the ordinary and usual course of business of Yueda Commercial Factoring, which will contribute profit to the Company over the financing term, are under normal commercial terms, and are beneficial to the Group in its business expansion and establishment of long term business relationship with Gaoxin, the Directors are of the view that the terms of and the Gaoxin Second Supplemental Reverse Factoring Agreement are fair and reasonable and are in the interests of the Company and Shareholders as a whole.

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DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings.

“Board”	the board of Directors of the Company
“Company”	Yue Da International Holdings Limited, a company incorporated with limited liability in the Cayman Islands, whose Shares are listed on the of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Gaoxin”	Yancheng Dafeng Gaoxin Investment Company Limited (鹽城市大豐區高鑫投資有限責任公司), a company established in the PRC, which is principally engaged in the business of infrastructure construction

“Gaoxin First Supplemental Reverse Factoring Agreement”	the first supplemental reverse factoring agreement dated 12 July 2023 entered into between Yueda Commercial Factoring and Gaoxin
“Gaoxin Reverse Factoring Agreement”	the reverse factoring agreement dated 5 July 2023 entered into between Yueda Commercial Factoring and Gaoxin
“Gaoxin Second Supplemental Reverse Factoring Agreement”	the second supplemental reverse factoring agreement dated 21 June 2024 entered into between Yueda Commercial Factoring and Gaoxin
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	the independent third party(ies) who is/are, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, independent of and not connected with the Company and the connected person(s) (as defined in the Listing Rules) of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on Main Board of The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China, for the purpose of this announcement only, excludes Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	the holders of Shares
“Shares”	ordinary share(s) having a par value of HK\$0.1 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules

“Yueda Commercial
Factoring”

Yueda (Shenzhen) Commercial Factoring Co., Ltd., a company established in the PRC and a subsidiary of the Group, which principal business is, among other things, commercial factoring

“%”

per cent

By order of the Board
Yue Da International Holdings Limited
Wu Yinghua
Executive Director

Hong Kong, 21 June 2024

As at the date of this announcement, the Board comprises the following members: (a) as executive Directors, Mr. Wu Yinghua, Mr. Yu Guangshan, Mr. Pan Mingfeng and Mr. Wu Shengquan; (b) as non-executive Directors, Mr. Li Biao and Mr. Hu Huaimin; and (c) as independent non-executive Directors, Dr. Liu Yongping, Mr. Cheung Ting Kee and Ms. Zhang Yan.

Unless otherwise stated, translation of RMB into HK\$ is based on the approximate exchange rate of RMB1.00 to HK\$1.0965 for information purpose only. Such translation should not be construed as a representation that the relevant amounts have been, could have been, or could be converted at that or any other rate or at all.

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