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QINGDAO HOLDINGS INTERNATIONAL LIMITED

青島控股國際有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00499)

**PROGRESS UPDATE -
MAJOR TRANSACTION IN RELATION TO
THE DISPOSAL OF 95% EQUITY INTEREST
IN SUBSIDIARY**

References are made to the announcements of Qingdao Holdings International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 24 October 2024 and 21 November 2024 (the “**Announcements**”) in relation to the disposal of 95% equity interest in Huaiyi Construction. Unless otherwise specified, capitalized terms used herein shall have the same meanings as those defined in the Announcements.

The Board is pleased to announce that on 29 November 2024 (after trading hours), NEQH, the Company’s 51% owned subsidiary (as vendor), and the Purchaser (as purchaser) entered into an equity transaction agreement (the “**Equity Transaction Agreement**”), pursuant to which, NEQH agreed to sell and the Purchaser agreed to acquire 95% equity interest in Huaiyi Construction, at the Consideration of RMB43,654,590.00.

As at the date of this announcement, the Company, through NEQH, owns 95% equity interest in Huaiyi Construction. Upon Completion of the Disposal, Huaiyi Construction will cease to be a subsidiary of the Company.

THE EQUITY TRANSACTION AGREEMENT

The principal terms of the Equity Transaction Agreement are summarized as follows:

- Date: 29 November 2024 (after trading hours)
- Parties: (i) NEQH Development and Construction Co. Ltd. (核建青控開發建設有限公司) (as vendor)
- (ii) Purchaser (as purchaser)
- Subject matter: Under the Equity Transaction Agreement, the Company agreed to sell, and the Purchaser agreed to purchase the 95% of the equity interest in Huaiyi Construction, at the Consideration of RMB43,654,590.

Consideration and payment terms

Pursuant to the Equity Transaction Agreement, the Consideration (among which, (i) RMB5,000,000 shall be paid by releasing the earnest money made by the Purchaser to Qingdao Property Rights Exchange* (青島產權交易所); and (ii) the remainder shall be paid by the Purchaser) shall be paid within 5 working days after the effective date of the Equity Transaction Agreement.

Effective date of the Equity Transaction Agreement

The Equity Transaction Agreement shall be effective upon the fulfillment of the condition that both NEQH and the Purchaser obtaining approvals from their respective approval authorities, including:

- (1) the Company to publish a circular in relation to the Disposal; and
- (2) the Company to obtain a written approval from its controlling Shareholder, CQIH, to approve the Disposal pursuant to the Equity Transaction Agreement. As at the date of this announcement, the written approval from CQIH has been obtained.

Completion

Completion shall take place with mutual cooperation of both parties, within 5 working days after the effective date of the Equity Transaction Agreement. The equity transfer registration procedures shall be completed within 10 working days after having obtained the certificate of property rights transaction issued by Qingdao Property Rights Exchange* (青島產權交易所).

Each of the parties agrees to bear 50% of the transactional costs charged by Qingdao Property Rights Exchange* (青島產權交易所). After Completion, the existing claims and liabilities of Huaiyi Construction shall be continued to be enjoyed and borne by Huaiyi Construction.

Default of Equity Transaction Agreement

If the Purchaser delayed in paying the Consideration, the Purchaser shall pay liquidated damages to NEQH at the rate of 0.01% of the overdue amount per day, and NEQH will be entitled to terminate the Equity Transaction Agreement and request the Purchaser to compensate for the loss incurred if the delay of payment were longer than 30 days.

If NEQH failed to cooperate with the Purchaser in completion procedures to transfer the equity and rights of Huaiyi Construction, NEQH shall pay liquidated damages to the Purchaser at the rate of 0.01% of the Consideration per day, and the Purchaser will be entitled to terminate the Equity Transaction Agreement and request NEQH to compensate for the loss incurred if the delay were longer than 30 days.

GENERAL

As at the date of this announcement, the Company has obtained a written Shareholders' approval from CQIH, a Shareholder holding an aggregate of 689,243,226 Shares, representing approximately 69.02% of the entire issued share capital of the Company as at the date of this announcement. As such, no general meeting will be convened for the purpose of approving the Disposal pursuant to Rule 14.44 of the Listing Rules.

The Company expects to despatch the Circular on or before 31 December 2024 in order to allow sufficient time for the Company to prepare the Circular.

The Disposal may or may not proceed. Shareholders and potential investors are therefore advised to exercise caution when dealing in the Shares.

By Order of the Board
Qingdao Holdings International Limited
Cui Mingshou
Executive Director and Chairman

Hong Kong, 29 November 2024

As at the date of this announcement, the Executive Directors are Mr. Cui Mingshou (Chairman), Mr. Wang Yimei (Deputy Chairman and Chief Executive Officer) and Mr. Hu Liang; and the Independent Non-executive Directors are Mr. Yin Tek Shing, Paul, Ms. Zhao Meiran and Mr. Li Xue.

* For identification purpose only