

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**奇点国际有限公司**

**Qidian International Co., Ltd.**

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

**(Stock code: 1280)**

**ANNOUNCEMENT  
MADE PURSUANT TO RULE 13.51(2) AND  
RULE 13.51B(2) OF THE LISTING RULES**

This announcement is made by the board of directors of Qidian International Co., Ltd. pursuant to Rule 13.51(2) and Rule 13.51B(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Capitalized terms used herein shall have the same meanings as those defined in the Company's announcement dated 23 August 2022.

**The Non-compliance Incident**

The Board has been notified by Mr. Xu Xinying (“**Mr. Xu**”) that on 22 March 2021, he as seller, and an Independent Third Party as purchaser (the “**Purchaser**”), entered into a term sheet (the “**Term Sheet**”) in relation to the sale and purchase of 184,615 shares in Beijing Shengshang (the “**Transfer**”). The share purchase agreement (the “**Share Purchase Agreement**”) in relation to the Transfer was entered into between Mr. Xu and the Purchaser on 6 April 2021 and the Transfer was completed on 9 April 2021.

Pursuant to Rule 77 of the NEEQ Listing Rules, directors of companies listed on the NEEQ shall not purchase or sell the shares of the company within 30 days before the announcement of the company's annual report (the “**Blackout Period**”). The Transfer constitutes a violation of Rule 77 of the NEEQ Listing Rules since (i) the Blackout Period started on 31 March 2021; (ii) the Transfer was completed on 9 April 2021, i.e., within the Blackout Period; and (iii) Mr. Xu was a director of Beijing Shengshang at the time of the Transfer (the “**Non-compliance Incident**”).

The Non-compliance Incident occurred due to Mr. Xu's misinterpretation of Rule 77 of the NEEQ Listing Rules and failure to seek proper legal advice. Mr. Xu misunderstood that so long as the major terms of the Transfer, including the consideration of the Transfer, were agreed in the Term Sheet before the commencement of the Blackout Period and that he did not possess any inside information when he entered into the Share Purchase Agreement, the Transfer would not be in violation of the NEEQ Listing Rules. Except the Non-compliance Incident, Mr. Xu has observed all applicable rules and regulations of the NEEQ.

No disciplinary investigation and/or action has been taken by the CSRC, the NEEQ and/or any relevant law enforcement authority or regulator regarding the Non-compliance Incident. Mr. Xu has not been subject to any penalty, sanction or order imposed by the law enforcement authority or regulator barring him to be a director, supervisor or senior management of a company in the PRC. Beijing Shengshang was delisted from the NEEQ in October 2021.

### **The Company's view in respect of Mr. Xu**

The Company is of the view that Mr. Xu could fulfil the requirements under Rules 3.08 and 3.09 of the Listing Rules to properly discharge his director's duties and is still suitable to act as an executive director of the Company despite the Non-compliance Incident.

The Company's management has investigated the Non-compliance Incident and reviewed the underlying documents relating to the Non-compliance Incident. The Company has also held discussions with Mr. Xu.

In the light of the foregoing, the Company is of the view that the risk of any further action to be taken by the CSRC or the NEEQ relating to the Non-compliance Incident is remote and the Non-compliance Incident does not preclude him from acting as a director, supervisor or senior management of a company under the Company Law of the People's Republic of China (《中華人民共和國公司法》).

The Company is of the view that the Non-compliance Incident was an unintended mistake of Mr. Xu and does not materially affect his suitability to act as a Director or raise any serious concern as to the integrity of Mr. Xu.

Further, taking into account Mr. Xu has over seven years of experience in business management, corporate governance and corporate training and has been primarily responsible for overseeing the overall management and day-to-day operations of the Group since his redesignation as executive Director on 29 December 2017 and subsequent appointment as vice-chairman of the Company on 27 November 2019, the Company is of the view that Mr. Xu satisfies the required levels of skill, care and diligence to a standard commensurate with the standard established by Hong Kong law. The Company believes it will continue to benefit from Mr. Xu's character and experience.

The Company has taken steps to enhance its internal control. It has organised trainings for the Directors in respect of the requirements under the Listing Rules, in particular the requirements under Rules 3.08 and 3.09 therein in relation to directors' duties. The Company has also circulated listing decisions and statements of disciplinary action published by the Stock Exchange to the Directors and discussed during the training sessions such that the Directors are made sufficiently aware of the consequences for breaching the rules.

### **Implications under the Listing Rules**

This announcement is made by the Company to report the change of information in relation to Mr. Xu in compliance with the requirements of Rule 13.51B(2) of the Listing Rules. Mr. Xu has confirmed to the Company that save as disclosed in this announcement, there is no other information relating to him that is required to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and he is not aware of any other matters that need to be brought to the attention of the shareholders of the Company.

By Order of the Board  
**Qidian International Co., Ltd.**  
**Yuan Li**  
*Chairman*

Yangzhou, the PRC, 27 January 2023

*As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Yuan Li and Mr. Xu Xinying, one non-executive Director, namely Ms. Xu Honghong, and three independent non-executive Directors, namely Mr. Zhang Yihua, Mr. Chen Rui and Mr. Fung Tak Choi.*