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ORIENT VICTORY TRAVEL GROUP COMPANY LIMITED

東勝旅遊集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 265)

DISCLOSEABLE TRANSACTION SUBSCRIPTION AND REDEMPTION OF THE STRUCTURED PRODUCT

SUBSCRIPTION AND REDEMPTION OF THE STRUCTURED PRODUCT

On 4 March 2021, the Group (through a wholly-owned subsidiary of the Company) entered into the Investment Agreement with the Bank, pursuant to which the Group subscribed for the Structured Product in the sum of RMB90,000,000 (equivalent to approximately HK\$107,100,000), i.e. the Subscription, on 5 March 2021 using internal resources. On 31 March 2021, the Group requested the Bank to redeem the Structured Product at the redemption price of RMB90,151,344 (equivalent to approximately HK\$107,280,099), i.e. the Redemption.

IMPLICATION UNDER THE LISTING RULES

As certain applicable ratios set out in Rule 14.07 of the Listing Rules in respect of the Subscription are more than 5% and all of such ratios are below 25%, the Subscription constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Moreover, as certain applicable ratios set out in Rule 14.07 of the Listing Rules in respect of the Redemption are more than 5% and all of such ratios are below 25%, the Redemption constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

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The material terms of the Investment Agreement are summarised below:

Date of the Investment Agreement:	4 March 2021
Parties:	(i) the Group as subscriber; and (ii) the Bank as issuer
Name of the product:	Nong Yin Shi Shi Fu (農銀時時付) RMB-denominated open-ended structured product (AKSSFDG1)
Type of return:	Non-guaranteed principal with variable return at the expected rate of 2.8% per annum subject to adjustment by the Bank based on the market condition and performance
Subscription amount:	RMB90,000,000 (equivalent to approximately HK\$107,100,000). The Board considers the consideration of the Subscription was determined on the basis of arm's length commercial terms
Term:	From 3 February 2020 to 2 February 2040 (20 years)
Redemption:	The Group may request for redemption any time after the Subscription subject to a maximum daily redemption amount of RMB150,000,000 (equivalent to approximately HK\$178,500,000)

INFORMATION OF THE PARTIES

The Company is an investment holding company and its subsidiaries are principally engaged in the provision of diversified tourism products and services, the provision of integrated development and other investment holding.

The Bank is a state-controlled commercial licensed bank in the PRC and one of the major integrated financial service providers in the PRC whose shares are listed on the Shanghai Stock Exchange (stock code: 601288) and the Stock Exchange (stock code: 1288). To the best of the Directors' knowledge, information and belief, the Bank and its ultimate beneficial owners are parties independent of the Company and its connected persons.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION AND THE REDEMPTION

As at 31 December 2020, the Group had cash and cash equivalents of approximately HK\$179.3 million. The Board is of the view that reasonable and efficient use of temporary idle funds will enhance the overall capital gain of the Company. Given that the Structured Product may provide the Group with certain level of income and that the risk pertaining to the Structured Product is assessed low, the Board considers that the Subscription is fair and reasonable, on normal commercial terms or better, and is in the interests of the Company and its shareholders as a whole.

As a result of the Redemption, a gain of RMB151,344 (equivalent to approximately HK\$180,099) was recognised by the Group where a total sum of RMB90,151,344 (equivalent to approximately HK\$107,280,099) was received by the Group on 31 March 2021. The Group intends to use the proceeds under the Redemption for general working capital and, if appropriate, short term investment.

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DEFINITIONS

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

“Bank”	The Agricultural Bank of China Limited, a state-controlled commercial bank
“Board”	the board of Directors
“Company”	Orient Victory Travel Group Company Limited (東勝旅遊集團有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board 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
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Investment Agreement”	the investment agreement dated 4 March 2021 entered into between the Group and the Bank in respect of the Structured Product
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Redemption”	the redemption of the Structured Product by the Bank under the Investment Agreement

“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Stock Exchange”	the Shanghai Stock Exchange
“Shares”	ordinary share(s) of HK\$0.005 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Structured Product”	the Nong Yin Shi Shi Fu (農銀時時付) RMB-denominated open-ended structured product (AKSSF DG1) issued by the Bank
“Subscription”	the subscription of the Structured Product by the Group under the Investment Agreement
“%”	per cent

By order of the Board
Orient Victory Travel Group Company Limited
Shi Baodong
Chairman, Chief Executive Officer
and Executive Director

Hong Kong, 13 April 2021

As at the date of this announcement, the Board comprises three executive Directors, being Mr. Shi Baodong, Mr. Zhao Huining and Mr. Mo Yueming, one non-executive Director, being Ms. Song Sining, and three independent non-executive Directors, being Mr. Dong Xiaojie, Mr. He Qi and Mr. Sui Feng-jih.

For illustrative purpose of this announcement and unless otherwise specified, conversion of RMB into HK\$ is based on the exchange rate of RMB1.00 = HK\$1.19.