

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.



中達集團控股有限公司

CENTRAL WEALTH GROUP HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 139)

SUPPLEMENTAL ANNOUNCEMENT

Reference is made to the announcements of the Company in relation to the Proposed Acquisition (the “**Announcements**”) dated 26 August 2022 and 3 November 2022. Unless the context requires otherwise, capitalized terms used herein shall bear the same meanings as defined in the Announcements.

As disclosed in the announcement dated 26 August 2022, the Group intended to dispose of the remaining SDHG Shares held by the Group.

As disclosed in the announcement of the Company dated 3 November 2022, for the period from 27 August 2022 to 3 November 2022, the Vendor has further disposed of 63,489,000 SDHG Shares to Independent Third Parties at a total consideration of approximately HK\$135,746,276 (excluding stamp duty and related expenses), at the price between HK\$1.54 and HK\$2.664 per SDHG Share (the “**Further Disposals**”). The average price (excluding stamp duty and related expenses) per each SDHG Share under the Further Disposals was approximately HK\$2.138 per SDHG Share. The proceeds from the Further Disposals have been utilized towards repayment of indebtedness of the Group.

Details of the Further Disposals are as follows:

Date of Further Disposals	Number of SDHG Shares disposed	Consideration	Identity of the counterparty
3 November 2022	17,823,000	HK\$27,447,420	Zhang Yan
3 November 2022	11,882,000	HK\$18,298,280	歐陽仁和 (Ouyang Renhe*)
31 August 2022	16,892,000	HK\$45,000,288	You Jing
31 August 2022	16,892,000	HK\$45,000,288	Xu Xiaofang

Set out below are further details relating to the Further Disposals:

(1) Further Disposal of 16,892,000 SDHG Shares on 31 August 2022:

Date of agreement: 31 August 2022

Parties: the Vendor

Xu Xiaofang as purchaser

Xu Xiaofang is an individual and is a merchant. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Xu Xiaofang is an Independent Third Party.

Assets disposed and the consideration

Xu Xiaofang as purchaser agreed to acquire and the Vendor as beneficial owner agreed to sell the 16,892,000 SDHG Shares at cash consideration of HK\$45,000,288. The 16,892,000 SDHG Shares represents approximately 0.28% of the issued share capital of SDHG and the consideration per SDHG Share was approximately HK\$2.664 per SDHG Share, which represents a discount of approximately 16.70% to the five-day average closing price per SDHG Shares up to and including 31 August 2022. Taken into consideration of number of SDHG Shares to be disposed and the average daily trading volume for the SDHG Shares in August 2022 were less than 5 million SDHG Shares, the Company considers that the discount is fair and reasonable.

The consideration was arrived at after arm's length negotiations with reference to the then market price and performance, including but not limited to that SDHG recorded losses in the years ended 31 December 2020 and 2021 and the then trading volume of the SDHG Shares and the Directors considers that the consideration and the terms of the Further Disposals are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

(2) Further Disposal of 16,892,000 SDHG Shares on 31 August 2022:

Date of agreement: 31 August 2022

Parties: the Vendor

You Jing as purchaser

You Jing is an individual and is a merchant. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, You Jing is an Independent Third Party.

Assets disposed and the consideration

You Jing as purchaser agreed to acquire and the Vendor as beneficial owner agreed to sell the 16,892,000 SDHG Shares at cash consideration of HK\$45,000,288. The 16,892,000 SDHG Shares represents approximately 0.28% of the issued share capital of SDHG and the consideration per SDHG Share was approximately HK\$2.664 per SDHG Share, which represents a discount of approximately 16.70% to the five-day average closing price per SDHG Shares up to and including 31 August 2022. Taken into consideration of number of SDHG Shares to be disposed and the average daily trading volume for the SDHG Shares in August 2022 were less than 5 million SDHG Shares, the Company considers that the discount is fair and reasonable.

The consideration was arrived at after arm's length negotiations with reference to the then market prices and performance, including but not limited to that SDHG recorded losses in the years ended 31 December 2020 and 2021 and the then trading volume of the SDHG Shares and the Directors considers that the consideration and the terms of the Further Disposals are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

(3) Further Disposal of 11,882,000 SDHG Shares on 3 November 2022:

Date of agreement: 3 November 2022

Parties: the Vendor

歐陽仁和 (Ouyang Renhe*) as purchaser

歐陽仁和 (Ouyang Renhe*) is an individual and is a merchant. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, 歐陽仁和 (Ouyang Renhe*) is an Independent Third Party.

Assets disposed and the consideration

歐陽仁和 (Ouyang Renhe*) as purchaser agreed to acquire and the Vendor as beneficial owner agreed to sell the 11,882,000 SDHG Shares at cash consideration of HK\$18,298,280. The 11,882,000 SDHG Shares represents approximately 0.197% of the issued share capital of SDHG and the consideration per SDHG Share was approximately HK\$1.54 per SDHG Share, which represents a discount of approximately 52.3% to the five-day average closing price per SDHG Shares up to and including 3 November 2022. Taken into consideration of number of SDHG Shares to be disposed, the then poor market performance in early November 2022 and the average daily trading volume for the SDHG Shares in October 2022 were less than 6.5 million SDHG Shares, the Company considers that the discount is fair and reasonable.

The consideration was arrived at after arm's length negotiations with reference to the then market prices and performance, including but not limited to that SDHG recorded losses in the years ended 31 December 2020 and 2021 and the then poor market performance in early November 2022 and the Directors considers that the consideration and the terms of the Further Disposals are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

(4) Further Disposal of 17,823,000 SDHG Shares on 3 November 2022:

Date of agreement: 3 November 2022

Parties: the Vendor

Zhang Yan as purchaser

Zhang Yan is an individual and is a merchant. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Zhang Yan is an Independent Third Party.

Assets disposed and the consideration

Zhang Yan as purchaser agreed to acquire and the Vendor as beneficial owner agreed to sell the 17,823,000 SDHG Shares at cash consideration of HK\$27,447,420. The 17,823,000 SDHG Shares represents approximately 0.296% of the issued share capital of SDHG and the consideration per SDHG Share was approximately HK\$1.54 per SDHG Share, which represents a discount of approximately 52.3% to the five-day average closing price per SDHG Shares up to and including 3 November 2022. Taken into consideration of number of SDHG Shares to be disposed, the then poor market performance in early November 2022 and the average daily trading volume for the SDHG Shares in October 2022 were less than 6.5 million SDHG Shares, the Company considers that the discount is fair and reasonable.

The consideration was arrived at after arm's length negotiations with reference to the then market prices and performance, including but not limited to that SDHG recorded losses in the years ended 31 December 2020 and 2021 and the then poor market performance in early November 2022 and the Directors considers that the consideration and the terms of the Further Disposals are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

INFORMATION ON SDHG

SDHG is an investment holding company incorporated in Bermuda with limited liability and its shares are listed on the Main Board of the Stock Exchange (Stock Code: 412). The SDHG Group is principally engaged in various kinds of financial services, including financial leasing, operation of an asset trading platform, investments in securities, money lending, investment holding and assets management.

Set out below is the financial information of SDHG based on its annual report and interim report:

	For the six months ended 30 June 2022 HK\$'000 (Unaudited)	For the year ended 31 December 2021 HK\$'000 (Audited)	For the year ended 31 December 2020 HK\$'000 (Audited)
Revenue	1,216,778	1,065,661	1,272,354
Profit (Loss) before taxation	231,451	(1,145)	(3,265)
Profit (Loss) after taxation	300,921	11,058	(18,307)
Net asset value	17,220,428	8,612,503	9,656,748

Based on SDHG's Interim Report, the audited net asset value of SDHG as at 30 June 2022 amounts to approximately HK\$17,220,428,000.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the counterparties are Independent Third Parties. Each of the counterparties are individual investors and the considerations were settled in cash. The considerations were arrived at after arm's length negotiations and the Directors considers that the considerations and the terms of the Further Disposals are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

USE OF PROCEEDS

As at the date of this announcement, the Further Disposals had completed and the proceeds from the Further Disposals of approximately HK\$135.7 million had been utilized towards repayment of indebtedness of the Group. Based on the book value of the 63,489,000 SDHG Shares disposed under the Further Disposals during 31 August 2022 and 3 November 2022 and the consideration received, it is estimated that upon completion, the Group will record a gain of approximately HK\$38.6 million on the Further Disposals for the period during 31 August 2022 and 3 November 2022. Based on the book value of the SDHG Shares disposed under the Further Disposals, (1) the Group will record a gain of approximately HK\$19.15 million for the Further Disposal of the SDHG Shares to You Jing on 31 August 2022; (2) the Group will record a gain of approximately HK\$19.15 million for the Further Disposal of the SDHG Shares to 歐陽仁和 (Ouyang Renhe*) on 31 August 2022; and (3) a gain of approximately HK\$0.3 million for the two Further Disposals on 3 November 2022.

The Board is of the view that the Further Disposals provided a good opportunity for the Group to realize its investment in SDHG and focus its resources to develop its other existing businesses with prospects.

LISTING RULES IMPLICATIONS

Upon further review of the Further Disposals, the Company noted that the applicable ratios for each of the Further Disposal on 31 August 2022 (on standalone basis), and the two Further Disposals on 3 November 2022 (on aggregation basis) will be more than 5%, and as such would constitute discloseable transactions on the part of the Company. The Company originally considers that the Disposals and the Further Disposals (in aggregation) are a series of transactions and as disclosed in the announcement of the Company dated 26 August 2022, the Company intended to continue to dispose of the SDHG Shares. As such, the Company mainly calculated the size tests on an aggregate basis to ensure that the 25% threshold would not be exceeded, but the Company did not particularly calculate the size tests for each Disposals on standalone basis. For the avoidance of doubt, the size tests on for the Disposals and the Further Disposals on an aggregate basis for the period from 26 August 2022 to 3 November 2022 (both dates inclusive) did not exceed the 25% threshold.

The Company would like to emphasize that it has and had no intention for not fully complying with Chapter 14 of the Listing Rules. As disclosed in the announcements of the Company dated 3 November 2022 and 4 November 2022, the Company disclosed the Disposals. The Disposals as disclosed in the announcement of the Company dated 4 November 2022 constitute a major transaction on the part of the Company and be subject to Shareholders' approval at the forthcoming SGM. To avoid occurrence of similar incidents in future, the Company has provided trainings and given reminder to its management and relevant staff such that for future transactions of the Group (including both acquisitions and disposals) with securities, size tests will be calculated not only on an aggregate basis but also on standalone basis as well.

By order of the Board
Central Wealth Group Holdings Limited
Chen Xiaodong
Chairman

Hong Kong, 17 February 2023

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors

Mr. Chen Xiaodong (*Chairman*)
Ms. Chen Jingxian (*Vice Chairman*)
Mr. Li Jing (*Chief Executive Officer*)
Mr. Yu Qingrui
Ms. Song Caini
Mr. Chen Hongjin

Independent non-executive Directors

Mr. Kwok Chi Kwong
Mr. Wu Ming
Mr. Lin Guoyan

* *For identification purposes only*