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**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  
TO DISCLOSEABLE TRANSACTION  
ACQUISITION OF 51% REGISTERED CAPITAL IN A COMPANY  
INVOLVING ISSUE OF CONSIDERATION SHARES**

Reference is made to the announcements of the Company in relation to the Proposed Acquisition (the “**Announcements**”) dated 19 December 2022 and 20 December 2022. Unless the context requires otherwise, capitalized terms used herein shall bear the same meanings as defined in the Announcements.

As disclosed in the Announcements, in the event that the actual dividend amount is less than 50% of the guaranteed dividend amount, the Purchaser shall be entitled to terminate the Agreement and subject to compliance with the relevant Listing Rules, request the Vendors to acquire the Sale Capital. It is contemplated that (i) the consideration for the Vendors to reacquire the Sale Capital shall be equivalent to 51% of the book value of the Target Company as at the time of the reacquisition; and (ii) the consideration will be settled in cash or in such other manner as may be agreed by the Company and the Vendors and shall be settled by the Vendors upon completion of such reacquisition. The Company will comply with the Listing Rules in the event that the reacquisition occurs.

As disclosed in the Announcements, the selection for payment methods are subject to mutual agreement between the Purchaser and the Vendors provided that in the event that the 10-day average closing price per Share after fulfilment of the 2nd Year Distribution Guarantee or the 3rd Year Distribution Guarantee is less than HK\$0.28 or HK\$0.38, the Purchaser shall have the discretion to elect the payment method. If the aforesaid relevant share prices will be larger than HK\$0.28 or HK\$0.38, both parties shall be based on the view of realizing the value benefit for the Vendors, separately negotiate the specific payment method for the consideration. It is clarified that the specific payment method mentioned thereto refers to the selection of payment methods in the Announcements i.e. the selection of payment of cash consideration or issue of Consideration Shares at HK\$0.28 or HK\$0.38 per Share or combination of both but not else.

The unaudited financial information of the Target Company for the period from its establishment date to 31 December 2021 prepared in accordance with the accounting principles generally accepted in the PRC are as follows:

**For the period from  
its establishment to  
31 December 2021**  
*RMB*

Turnover	Nil
Net profit (loss) before taxation	(328,157)
Net profit (loss) after taxation	(328,157)
Net asset (liability) value	(328,157)

The Distribution Guarantees will be fulfilled only upon the Target Company's payment of dividends in cash. For each period of the Distribution Guarantee, cash consideration will be paid and/or consideration shares will be issued in proportional to the amount of dividends paid by the Target Company under the Distribution Guarantee. No cash consideration will be paid and no consideration shares will be issued if there will be no dividends paid by the Target Company under the Distribution Guarantee for each period of the Distribution Guarantees. Cash consideration will only be paid and/or consideration shares will only be issued if Target Company has paid dividends under the Distribution Guarantee.

The Sale Capital will be accounted as investments in the Company's accounts upon Completion.

The Target Company has exclusive e-commerce contract with Sister Sihuo “四火姐姐”. The business model of the Target Company including endorsement advertisement, sales and promotion of products with live broadcasting and online advertisements. Those revenues generated by Sister Sihuo “四火姐姐” belong to the Target Company.

The business model of the Target Company involves sales and promotion products with live broadcasting by Sister Sihuo “四火姐姐”. Sister Sihuo “四火姐姐” will sell and market the products through online live broadcasting on online platform such as Douyin. The products suppliers will pay the Target Company a sum including fixed contractual sum together with commission based on the sales of such products. In addition to live broadcasting, the Target Company also prepares short videos with Sister Sihuo “四火姐姐” for endorsement advertisements in accordance with the specifications requested by the products supplier and revenues will be generated accordingly. Such revenues generated belong to the Target Company. The Company understands that the Vendors and/or the Target Company will pay Sister Sihuo “四火姐姐” for her services. As a passive investor, the Purchaser will mainly focus on supervision but will not involve in the daily operations of the Target Company. Mr. Li Jing, CEO of Central Wealth Group, has made strenuous efforts in the incubation of top talent stars and the construction of brand supply chain channels in the Douyin live broadcasting track. Whilst the Group will not involve in the daily operations of the Target Company, it is expected that Mr. Li Jing can share his experience in live broadcasting marketing and incubation of celebrities with the Target Company and such experience will assist the growth of the Target Company.

As disclosed in the Announcements, the long stop date for the Agreement was 30 December 2022 (or such later date as the Vendors and the Purchaser may agree). After arm's length negotiations, the parties to the Agreement has on 28 February 2023 agreed to extend the long stop date to 30 April 2023 (or such later date as the Vendors and the Purchaser may agree).

The Company understands that the Vendors are investors in the Target Company. The Vendors were referred to the Company through business network of the management of the Group and assist in management of the Target Company. As elaborated below, the Vendors consider that with endorsement of the Company and the experience of celebrity branding of the Group will assist the growth of the Target Company. It is also noted that the consideration payable by the Company will be by stages based on the Distribution Guarantee.

The Purchaser understands that after Completion, the Target Company will be considered as associated with the Company, which is a listed company in Hong Kong. From the perspective of the Vendors and the Target Company, the endorsement from the Company will bring additional reputation to the Target Company. Reputation is crucial for online e-commerce business. With endorsement of the Company, a listed company in Hong Kong, that will give customers more confidence. Moreover, the sharing of experience of Mr. Li Jing, the CEO of Central Wealth Group, with the Target Company will assist the development of its growth. As such, the Vendors consider that the Agreement is fair and reasonable to them and is also beneficial to the Target Company.

The Company understands that the business model of the Target Company and the transactions contemplated under the Agreement do not violate the relevant applicable laws and regulations.

## CHANGE IN THE SHAREHOLDING STRUCTURE OF THE COMPANY

On the assumption that there is no other change in the shareholding structure before issue and allotment of the Consideration Shares, set out below is the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after issue of the first batch of 400,523,564 Consideration Shares; (iii) immediately after issue of the first and second batches of up to 592,774,874 Consideration Shares; and (iv) immediately after issue of all the 762,765,506 Consideration Shares:

	(i) As at the date of this announcement		(ii) immediately after issue of 400,523,564 Consideration Shares		(iii) immediately after issue of 592,774,874 Consideration Shares		(iv) immediately after issue of all the 762,765,506 Consideration Shares	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
The Directors <i>(Note)</i>	108,886,246	0.68	108,886,246	0.66	108,886,246	0.65	108,886,246	0.64
The Vendors	–	–	400,523,564	2.42	592,774,874	3.54	762,765,506	4.52
Other Shareholders	16,025,364,215	99.32	16,025,364,215	96.92	16,025,364,215	95.81	16,025,364,215	94.84
<b>Total</b>	<b>16,134,250,461</b>	<b>100.00</b>	<b>16,534,774,025</b>	<b>100.00</b>	<b>16,727,025,335</b>	<b>100.00</b>	<b>16,897,015,967</b>	<b>100.00</b>

*Note:* Mr. Chen Xiaodong, the Chairman and an executive Director, is beneficially interested in 108,886,246 Shares.

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

Hong Kong, 1 March 2023

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

*Executive Directors*

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

*Independent non-executive Directors*

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