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Sunshine 100 China Holdings Ltd

陽光100中國控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2608)

INSIDE INFORMATION
UPDATE ON REORGANIZATION PETITION AGAINST
A SUBSIDIARY OF THE COMPANY

This announcement is made by Sunshine 100 China Holdings Ltd (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09 and 13.25(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong). Reference is made to the announcement of the Company dated 17 November 2022 (the “**Announcement**”). Unless otherwise stated, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, on 11 November 2022, the Company received the Judgment from the Wenzhou People’s Court pursuant to a winding-up reorganization petition filed against Wenzhou Shihe, an indirect wholly-owned subsidiary of the Company.

On 16 February 2023, the manager of Wenzhou Shihe (the “**Manager**”) applied to the Wenzhou People’s Court seeking approval of Wenzhou Shihe’s reorganization plan (the “**Reorganization Plan**”) approved in the first creditors’ meeting. Subsequently the Company received a civil order from the Wenzhou People’s Court dated 24 February 2023 (the “**Order**”), which approved and endorsed the resolution passed at the first creditors’ meeting to adopt the Reorganization Plan. As a result, the winding up reorganization of Wenzhou Shihe has been terminated.

Under the Reorganization Plan, the Reorganization Plan will be implemented by Wenzhou Shihe with the Manager assuming a managing and supervisory role, and the assets of Wenzhou Shihe have been classified into restructuring and non-restructuring assets. With respect to certain restructuring assets, construction agent(s) will be appointed to provide construction and branding services and external financing of up to RMB400 million will be sought under the supervision of the Manager to fund the cost of construction. The non-restructuring assets will be dealt with in accordance with certain property management and realization steps approved by the creditors, and the Manager will supervise Wenzhou Shihe's collection of the property sale proceeds and other receivables. The term of the Reorganization Plan is four years, after which the Wenzhou People's Court may rule on the completion of the Reorganization Plan upon application by the Manager or Wenzhou Shihe.

The total revenue, profit and assets of Wenzhou Shihe represent more than 5% of the respective audited revenue, profit and assets of the Group for the year ended 31 December 2020. Based on the unaudited management accounts of the Group as at 31 December 2021, the total assets and total liabilities of Wenzhou Shihe amounted to approximately RMB4,070 million and RMB3,807 million, respectively. The Company expects that the above events will have potential negative impact on the business operation, financial position and solvency of the Group. The Company will seek further advice from external professional bodies, including but not limited to lawyers and auditors, to determine whether Wenzhou Shihe is still an indirect wholly-owned subsidiary of the Group for accounting purposes, and other impacts on the Company's financial statements and operations. The Company will continue to actively communicate with relevant creditors and the Manager, and seek advice from professional bodies in an effort to formulate and achieve a debt settlement that respects the rights of all stakeholders.

The Company will continue to closely monitor any further developments of the matters and will make further announcement(s) in compliance with the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) as well as the Listing Rules to inform its shareholders as and when appropriate.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 April 2022, pending the publication of the 2021 audited annual results and the 2022 interim results of the Company.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Sunshine 100 China Holdings Ltd
Yi Xiaodi
Chairman and Executive Director

Beijing, the PRC
March 10, 2023

As at the date of this announcement, the executive Directors are Mr. Yi Xiaodi and Mr. Fan Xiaochong, the non-executive Directors are Ms. Fan Xiaohua and Mr. Wang Gongquan, and the independent non-executive Directors are Mr. Gu Yunchang, Mr. Ng Fook Ai, Victor and Mr. Li Chunping.