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**WISE ALLY**

**Wise Ally International Holdings Limited**

**麗年國際控股有限公司**

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

**(Stock Code: 9918)**

**SUPPLEMENTAL ANNOUNCEMENT  
COMPLETION OF DISCLOSEABLE TRANSACTION IN RELATION  
TO THE SECOND TRANCHE CONVERTIBLE BONDS OF  
THE TARGET COMPANY**

Reference is made to the announcement of the Company dated 12 September 2023 (the “**Completion Announcement**”) in relation to, among other things, the completion the Second Tranche CB of the Target Company and the Target Company becoming a deemed connected person of the Company. Capitalised terms used herein shall have the same meanings as those defined in the Completion Announcement, the announcements of the Company dated 28 January 2022, 8 February 2022 and 22 March 2022 unless otherwise specified.

The Board wishes to provide the supplemental information in relation to the Completion Announcement.

**RATIONALE OF THE PUT OPTION AGREEMENT**

According to the terms of the Put Option Agreement, the Put Option Agreement will terminate automatically upon the Subscriber (a wholly-owned subsidiary of the Company) exercising its conversion right under the CB and followed by the completion of the conversion.

The rationale of the Put Option Agreement serves to ensure that the Target Company would have financial means to repay the outstanding principal amount of the CB held by the Subscriber upon the maturity of the CB. As disclosed in the Completion Announcement, the Put Option was a right granted by Mr. Raymond Chu to the Target Company to require Mr. Raymond Chu to purchase new Target Shares at an exercise price of HK\$44,000,000 (the “**Exercise Price**”) during the period of fourteen (14) Business Days from the Extended Maturity Date exercisable upon the redemption of the outstanding principal amount of the CB pursuant to the CB Subscription Agreement.

Therefore, in the event that the Subscriber elects not to exercise its conversion right under the CB Subscription Agreement (regardless of whether the Target Profit is achieved by the Target Company), the Target Company may elect to exercise the Put Option against Mr. Raymond Chu to require him to purchase the new Target Shares at the Exercise Price. The Exercise Price will be used to repay the outstanding principal amount of the CB. Accordingly, the entering into the Put Option Agreement between Mr. Raymond Chu and the Target Company is in the interest of the Company and the Shareholders of the Company as a whole.

## EFFECT OF THE SHAREHOLDING STRUCTURE OF THE TARGET COMPANY

The following table sets out the shareholding structure of the Target Company (a) as of the date of this announcement after the issuance of the First Tranche CB and Second Tranche CB, (b) as if the CB has been converted in full (assuming there is no further issue of Target Shares after the date of this announcement and before the conversion of the CB), and (c) as if the Put Option has been exercised in full (assuming there is no further issue of Target Shares after the date of this announcement and before the exercise of the Put Option):

	As of the date of this announcement after the issuance of the First Tranche CB and Second Tranche CB		As if the CB has been converted in full by the Subscriber (i.e. no exercise of the Put Option)		As if the Put Option has been exercised in full (i.e. no conversion of the CB)	
	Approximate Number of Target Shares	Approximate % of equity interest in the Target Company	Approximate Number of Target Shares	Approximate % of equity interest in the Target Company	Approximate Number of Target Shares	Approximate % of equity interest in the Target Company
The Subscriber	1,111,110 <sup>(1)</sup>	10.0%	4,285,715 <sup>(2)</sup>	30.0%	1,111,110 <sup>(1)</sup>	7.8%
Ms. WH Chang	4,000,000	36.0%	4,000,000	28.0%	4,000,000	28.0%
Mr. Chen	4,000,000	36.0%	4,000,000	28.0%	4,000,000	28.0%
Ecolux Innovation Limited	2,000,000	18.0%	2,000,000	14.0%	2,000,000	14.0%
Mr. Raymond Chu	–	–	–	–	3,174,605	22.2%
<b>Total</b>	<b>11,111,110</b>	<b>100.0%</b>	<b>14,285,715</b>	<b>100.0%</b>	<b>14,285,715</b>	<b>100.0%</b>

Notes:

- (1) Representing the Subscription Shares held by the Subscriber.
- (2) Representing the aggregate of the Subscription Shares and Conversion Shares held by the Subscriber.

## **KEY MANUFACTURING AND SUPPLY AGREEMENT**

Reference is made to the announcements of the Company dated 28 January 2022 and the Completion Announcement.

The Target Company entered into the Key Manufacturing and Supply Agreement on 22 March 2022 pursuant to which the Target Company has appointed the Subscriber as the key supplier of specified products to the Target Company with the Subscriber. Accordingly, the transactions under the Key Manufacturing and Supply Agreement have upon the signing of the Put Option Agreement become continuing connected transactions of the Company.

The Company expects that the transaction amounts under the Key Manufacturing and Supply Agreement with the Target Company will not exceed HK\$3,000,000 after the entering into the Put Option Agreement. As the highest applicable percentage ratios for the transaction amounts under the Key Manufacturing and Supply Agreement are less than 5% and the total consideration is less than HK\$3,000,000, the transactions contemplated under the Key Manufacturing and Supply Agreement will be fully exempt from the shareholders' approval, annual review and all disclosure requirements pursuant to Rule 14A.76 of the Listing Rules. If the transaction amounts with the Target Company under the Key Manufacturing and Supply Agreement are subsequently expected to exceed HK\$3,000,000 or the highest applicable percentage ratios for the transaction amounts under the Key Manufacturing and Supply Agreement are subsequently expected to exceed 5%, the Company will comply with the relevant Listing Rules requirements.

By order of the Board  
**Wise Ally International Holdings Limited**  
**Chu Wai Hang Raymond**  
*Chairman, Executive Director and  
Chief Executive Officer*

Hong Kong, 20 September 2023

*As at the date of this announcement, the executive directors of the Company are Mr. Chu Wai Hang Raymond, Mr. Chu Man Yin Arthur Newton and Mr. Lau Shui Fung; and the independent non-executive directors of the Company are Ms. Elizabeth Law, Mr. Lee Wa Lun Warren and Mr. Szeto Yuk Ting.*