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智富資源投資控股集團有限公司

WISDOM WEALTH RESOURCES INVESTMENT HOLDING GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 7)

CLARIFICATION ANNOUNCEMENT

References are made to the announcement of Wisdom Wealth Resources Investment Holding Group Limited (the “**Company**”) dated 28 August 2023 in relation to the receipt of a statutory demand from Shiny Solar Limited (“**Shiny Solar**”) (the “**Inside Information Announcement**”) and the announcement of the Company dated 16 February 2023 in respect of the termination of the disposal of the entire issued share capital of Millhaven Holdings Limited (the “**Termination Announcement**”, together with the Inside Information Announcement, the “**Announcements**”). Unless otherwise defined in this announcement, capitalized terms used in this announcement have the same meanings as defined in the Announcements.

This clarification announcement is published for the purpose of providing further information on the unilateral arrangement undertaken by Shiny Solar and its related companies and representatives to take control of the equity interest in Beijing Property Holding Company as mentioned in the Inside Information Announcement and the reasons for the termination of the Disposal as disclosed in the Announcements.

On 26 October 2017, the Company, as a borrower, and Shinny Solar, as a lender, entered into a facility agreement (the “**Facility Agreement**”), pursuant to which Shinny Solar agreed to make available a term loan facility of HK\$250 million to the Company. To secure the Company’s obligations under the Facility Agreement, members of the Group entered into the pledge agreements (the “**Pledge Agreements**”) with Shinny Solar to pledge certain assets of the Group, including the entire equity interest of Millhaven Holdings Limited (“**Beijing Property Holding Company**”) and Gold Shiner Holdings Limited, both of which are wholly-owned subsidiaries of the Company which indirectly own the Properties through Beijing Yinghe Real Estate Development Company Limited (“**Beijing Yinghe**”), to Shinny Solar. The value of the pledged assets was approximately RMB500 million at the relevant time. As a term for the provision of the loan, Shinny Solar was also entitled to designate a person as a director of Beijing Yinghe, an indirect wholly-owned subsidiary of the Company that directly holds the Properties. Ms. Liu Juan (劉娟) was nominated by Shinny Solar as a director of Beijing Yinghe.

In early 2021, the Company considered disposing of its interest in the Properties and using part of the sale proceeds to repay the loan from Shinny Solar and the interest thereon. Having considered the terms of the Facility Agreement and the Pledge Agreements, the Company notified Shinny Solar, China Huarong International Holdings Limited (中國華融國際控股有限公司) (“**China Huarong International**”), the holding company of Shinny Solar, and Mr. Zhang Xing (張星), being the Chairman of China Huarong International, the Company’s intention to sell its interest in the Properties and the intended use of proceeds from the disposal. The progress of negotiations between the Company and the potential buyers regarding the disposal was also updated to Shinny Solar and Mr. Zhang Xing from time to time. Shinny Solar and Mr. Zhang Xing indicated their support for the Company’s disposal of the Properties. Accordingly, the Company, a wholly-owned subsidiary of the Company and the Purchaser, being an independent third party, entered into a disposal agreement (the “**Disposal Agreement**”) on 5 November 2021 to dispose of the entire issued share capital of Beijing Property Holding Company, which indirectly owned the entire equity interest in Beijing Yinghe, by the Company to the Purchaser. The long stop date of the Disposal was originally set to be 4 February 2022 but subsequently postponed to 5 May 2022 as additional time was required by the Purchaser to complete the due diligence on the Disposal Group.

On 26 April 2022, just about 10 days before the intended long stop date for the Disposal, Shinny Solar served a stop notice (the “**Stop Notice**”) filed with the court of the British Virgin Islands to Beijing Property Holding Company and its Registered Agent in the British Virgin Islands. The Stop Notice requires that no transfer, sale, redemption or cancellation of the shares of Beijing Property Holding Company shall be effected, neither shall a transfer of the shares of Beijing Property Holding Company be registered nor any other dealing with the shares of Beijing Property Holding Company nor any payment made in respect of the shares of Beijing Property Holding Company until 14 days after sending notification of the proposed registration or step to be taken in respect of the shares of Beijing Property Holding Company to Shinny Solar through its legal practitioners. Given that the Stop Notice was served to the Company just about 10 days before the intended long stop date for the Disposal, it was practically impossible for the Company to complete the Disposal within the intended deadline and the act of Shinny Solar was a malicious obstruction for the completion of the Disposal.

Meanwhile, the Company tried to contact Ms. Liu Juan, a director of Beijing Yinghe designated by Shinny Solar, for the purposes of preparing the necessary documents for the proposed change in the board of directors of Beijing Yinghe after completion of the Disposal. However, Ms. Liu Juan was unreachable by the Company and both Shinny Solar and China Huarong International refused to arrange the resignation of Ms. Liu as a director of Beijing Yinghe.

In view of the above, the Purchaser was not satisfied with the due diligence results and requested to further extend the time for completion of the due diligence for the Disposal until the above issues were resolved. Meanwhile, the Company negotiated with Shinny Solar to seek its withdrawal of the Stop Notice and the arrangement of the resignation of Ms. Liu Juan as a director of Beijing Yinghe. Despite repetitive requests made by the Company, no further actions were taken by Shinny Solar to rectify the situation.

In February 2023, the due diligence work of the Purchaser was still not completed, and the Purchaser requested to further delay the completion of the due diligence until the issues of the Stop Notice and resignation of Ms. Liu Juan were resolved. However, in view of the uncooperative attitude of Shiny Solar, the Company was unable to commit the timing for resolving the issues. Given the prolonged delay and absence of consensus between the Company and the Purchaser on the completion date of the due diligence and the changes in market conditions of the property market in the PRC since the date of the Disposal Agreement, the Purchaser proposed to terminate the Disposal and the parties to the Disposal Agreement agreed to terminate the Disposal Agreement with immediate effect by entering into a termination agreement (the “**Termination Agreement**”) on 16 February 2023. Pursuant to the Termination Agreement, (i) the non-refundable deposit of HK\$8 million received by the Group from the Purchaser shall not be returned to the Purchaser; and (ii) the parties to the Termination Agreement will not have any demand or claim against the other party arising out of or in connection with the Termination Agreement and the transactions contemplated thereunder.

The Board considers that the reasons for the termination of the Disposal, being the prolonged delay and absence of consensus between the Company and the Purchaser on the completion date of the due diligence and the changes in market conditions of the property market in the PRC since the date of the Disposal Agreement, were fully disclosed in the Termination Announcement and the contents of the Termination Announcement were accurate and complete in all material aspects and not be misleading or deceptive.

As at the date hereof, the Board considers that the Company remains to have control of the Properties as there were no changes in the legal title of the Properties and Beijing Yinghe remains as the legal owner of the Properties. Furthermore, the legal representative of Beijing Yinghe was nominated by the Company and the daily business operation of Beijing Yinghe is controlled by the board of directors of Beijing Yinghe, in which 3 out of 4 directors were designated by the Company.

This clarification announcement is supplemental to and should be read in conjunction with the Announcements. Except for those as set out in this clarification announcement, all other information contained in the Announcements remains unchanged.

By order of the Board
Wisdom Wealth Resources Investment Holding Group Limited
Dr. Hui Chi Ming, G.B.S., J.P.
Chairman

Hong Kong, 20 September 2023

As at the date of this announcement, the Honorary Chairman and Senior Consultant of the Company is Dr. Yukio Hatoyama; the senior consultants of the Company comprise Dr. Wang Tao, Mr. Fu Chenyu and Mr. Lalaharisaina Joelivalerien; the Board comprises five executive Directors, namely, Dr. Hui Chi Ming, G.B.S., J.P., Mr. Neil Bush, Mr. Cao Yu, Mr. Lam Kwok Hing, M.H., J.P. and Mr. Xu Jun Jia; and four independent non-executive Directors, namely, Mr. Ngan Kam Biu, Stanford, Mr. Tam Chak Chi, Mr. Ma Kin Ling and Mr. Yiu King Ming.