

*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.*



## **盛源控股有限公司**

**SHENG YUAN HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 851)**

### **SETTLEMENT AGREEMENT IN RELATION TO A NOTIFIABLE TRANSACTION**

Reference is made to (i) the announcement of Sheng Yuan Holdings Limited (the “**Company**”) dated 12 August 2022 in respect of the notifiable transaction relating to, among others, the Triparty Agreement dated 11 September 2021 entered into among Kingwell Management, Flourishing and Sheng Yuan Investment Advisors (the “**Announcement**”); and (ii) the circular of the Company dated 30 November 2022 in relation to, among others, the Triparty Agreement (the “**Circular**”). Unless the contexts require otherwise, capitalized terms used herein shall have the same meanings as those defined in the Announcement and the Circular.

Pursuant to the terms of the Triparty Agreement, among others, all proceeds received or to be received by Kingwell Management from the Subscriptions shall first be applied for fulfilment of Kingwell Management’s payment obligations to Sheng Yuan Investment Advisors in relation to the Sheng Yuan’s Proprietary Investments in full (including the payment of interests and repayment of principal, as applicable, regarding the Sheng Yuan’s Proprietary Investments) (the “**Prioritized Payment Arrangement**”), and the remaining proceeds (if any, after any taxes and relevant costs and expenses) to be applied for fulfilment of Kingwell Management’s payment obligations to Flourishing (including the payment of interests and repayment of principal, as applicable, regarding the Kingwell Notes).

The Board announces that, on 26 April 2024, Kingwell Management, Flourishing and Sheng Yuan Investment Advisors (the “**Relevant Parties**”) entered into a settlement agreement pursuant to which the Relevant Parties agreed to the following arrangement (the “**Settlement**”):

- (1) on or prior to 26 April 2024, Flourishing shall make payments to Kingwell Management in an aggregate amount of US\$2,442,200 and instruct Kingwell Management to, upon receipt of such amount, pay to Sheng Yuan Investment Advisors such US\$2,442,200 and the sum of US\$370,300, (being the proceeds received by Kingwell Management from the Subscriptions) in consideration for Sheng Yuan Investment Advisors assigning all of its rights, benefits and interests under the Prioritized Payment Arrangement to Flourishing (the “**Payoff**”); and
- (2) promptly upon the completion of the Payoff, Kingwell Management shall, by transferring the remaining Flourishing Fund’s Subscriptions and Sheng Yuan’s Proprietary Investment to Flourishing, be deemed to have (a) redeemed all of the Kingwell Notes subscribed by Flourishing and (b) discharged any and all of the outstanding principal and interests due and payable under the Prioritized Payment Arrangement in full.

The Board considers that the Settlement will not have any material adverse impact on the financial position and operations of the Group.

By order of the Board  
**Sheng Yuan Holdings Limited**  
**Zhou Quan**  
*Executive Director*

Hong Kong, 26 April 2024

*As at the date of this announcement, the Board consists of Mr. Zhou Quan and Mr. Zhao Yun (both being executive Directors), Mr. Huang Shuanggang (being a non-executive Director), Mr. Zhang Jinfan, Ms. Huang Qin and Mr. Guo Yaoli (all being independent non-executive Directors).*