

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.



ENTERPRISE DEVELOPMENT HOLDINGS LIMITED

企展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1808)

ANNOUNCEMENT MADE PURSUANT TO RULE 13.51B(2) OF THE LISTING RULES

This announcement is made by Enterprise Development Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant Rule 13.51B(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) in relation to details required to be disclosed under Rule 13.51(2)(n), Rule 13.51(2)(r) and Rule 13.51(2)(u) of the Listing Rules.

It came to the notice of the Company that 中國證券監督管理委員會福建監管局 (China Securities Regulatory Commission (Fujian)*) (“**CSRC**”) issued administrative penalties against the directors of 福建實達集團股份有限公司 (Fujian Start Group Co., Limited*) (“**Fujian Start**”) (stock code: 600734.SSE), a company whose shares are listed on the Shenzhen Stock Exchange. Each of Mr. Cai Jinliang (“**Mr. Cai**”) and Mr. Chen Kwok Wang (“**Mr. Chen**”), an independent non-executive director of the Company, was at the material time an independent director of Fujian Start and was named as one of the individuals against whom the CSRC has issued warning and administrative penalties. As at the date of this announcement, Mr. Cai remains as an independent director of Fujian Start. Mr. Chen ceased to be a director of Fujian Start on 29 March 2022.

According to the announcement of Fujian Start made on 8 April 2022 (the “**Regulatory Announcement**”), CSRC concluded after investigation that Fujian Start failed to make accurate disclosure (i) in relation to its financial statements of 2018 (the “**FY2018 Financial Statements**”), which contained inflated recorded revenue and costs of sales of one of its subsidiaries; and (ii) in relation to its financial statement of 2019 (the “**FY2019 Financial Statements**”), which contained inflated net profits and net assets of Fujian Start as a result of inaccurate impairment valuation assessment.

The CSRC noted that the relevant directors of Fujian Start, including Mr. Cai and Mr. Chen, who were then the independent directors of Fujian Start, failed to exercise proper due diligence to ensure true, accurate and complete disclosure of the financial conditions of Fujian Start in the FY2018 Financial Statements and FY2019 Financial Statements and hence have breached the applicable securities laws in the People's Republic of China.

According to the Regulatory Announcement, CSRC issued a warning against the relevant directors of Fujian Start, including Mr. Cai and Mr. Chen, and imposed penalties in the amount of RMB690,000 against Mr. Cai and RMB530,000 against Mr. Chen (the “**Relevant Penalties**”).

Each of Mr. Cai and Mr. Chen confirmed to the Company that save as disclosed in the Regulatory Announcement, there is no other information relating to each of them that is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and each of them is not aware of any other matters that need to be brought to the attention of the shareholders of the Company.

In light of the above, the Company is in the process of obtaining further information from Mr. Cai and Mr. Chen for the purpose of assessing the suitability of Mr. Cai and Mr. Chen to remain in office as an independent non-executive director of the Company pursuant to Rules 3.08 and 3.09 of the Listing Rules in light of the Relevant Penalties. The Company will make further announcement as and when appropriate after the board of directors of the Company has completed its assessment in this regard in accordance with the Listing Rules.

To the best knowledge and information of the Company, the penalties as disclosed in the Regulatory Announcement did not relate to the affairs of the Group and will not have any material adverse impact on the business and/or operations of the Group.

By Order of the Board
Enterprise Development Holdings Limited
Li Zhuoyang
Executive Director

Hong Kong, 10 May 2022

As at the date of this announcement, the Board comprises one executive Director, namely Ms. Li Zhuoyang, and three independent non-executive Directors, namely Mr. Cai Jinliang, Mr. Chin Hon Siang and Mr. Chen Kwok Wang.

** for identification purpose only*