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## **中達集團控股有限公司**

**CENTRAL WEALTH GROUP HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 139)**

### **DISCLOSEABLE TRANSACTION DISPOSAL OF FUND INTERESTS**

#### **THE DISPOSAL**

On 12 November 2021, the Group (through CWC (SH)) disposed of a total of 11,885,000 units of Haichu Fund Interests (representing approximately 24.48% of the total number of units of issued Haichu Fund Interests immediately following the Disposal) on the open market at an aggregate consideration of approximately RMB14,081,170 (equivalent to approximately HK\$17,166,354) and an average price of approximately RMB1.18 per unit of Haichu Fund Interests.

#### **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the Disposal exceeds 5% but all of them are less than 25%, the Disposal constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

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On 12 November 2021, the Group (through CWC (SH)) disposed of a total of 11,885,000 units of Haichu Fund Interests (representing approximately 24.48% of the total number of units of issued Haichu Fund Interests immediately following the Disposal) on the open market at an aggregate consideration of approximately RMB14,081,170 (equivalent to approximately HK\$17,166,354) and an average price of approximately RMB1.18 per unit of Haichu Fund Interests, as compared to an average carrying amount of approximately RMB1.26 per unit of Haichu Fund Interests of all those 11,885,000 units of Haichu Fund Interests which had been disposed of. The consideration for the Disposal represented the prevailing market price of the Haichu Fund Interests at the time when the Disposal took place.

As the Disposal was made through the open market, the identities of the counterparties of the Disposal cannot be ascertained. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the counterparties and their respective ultimate beneficial owners are Independent Third Parties.

The net proceeds from the Disposal amounted to approximately RMB14,081,170 (equivalent to approximately HK\$17,166,354), which was receivable in cash on settlement.

## **INFORMATION OF HAICHU FUND**

Haichu Fund is a private equity investment fund established in the PRC on 9 September 2019 and is managed by 上海海楚資產管理有限公司 (Shanghai Haichu Asset Management Co. Ltd.\*).

## **FINANCIAL INFORMATION OF HAICHU FUND**

The following financial information is extracted from the 2020 annual report of Haichu Fund:

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2020</b>	<b>2019</b>
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	11,157	1,560
(Loss)/Profit before taxation	(14,822)	33,677
(Loss)/Profit after taxation	(14,822)	33,677
Net asset value	78,961	119,857

Based on the third quarterly report of Haichu Fund for the nine months ended 30 September 2021, the unaudited net asset value of Haichu Fund was approximately RMB66,389,000 (equivalent to approximately HK\$80,935,000) as at 30 September 2021.

## **REASONS FOR AND BENEFITS OF THE DISPOSAL**

The Disposal, which is in line with the Group's principal activities on securities dealing and financial investments, provides the Group with an opportunity to realise its investment in Haichu Fund Interests and will enhance the overall liquidity of the Group.

As the Disposal was made on the open market at prevailing market price, the Directors are of the view that the terms of the Disposal are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **FINANCIAL EFFECTS OF THE DISPOSAL AND INTENDED USE OF PROCEEDS**

As a result of the Disposal, the Group expects to record an unaudited book loss of approximately RMB929,585 (equivalent to approximately HK\$1,133,257) from the Disposal, being the difference between the consideration received from the Disposal of approximately RMB14,081,170 (equivalent to approximately HK\$17,166,354) and the aggregate carrying amount of the relevant Haichu Fund Interests of approximately RMB15,010,755 (equivalent to approximately HK\$18,299,611). In any event, the actual gain or loss as a result of the Disposal to be recorded by the Group is subject to audit.

The Directors consider that, notwithstanding the financial effects of the Disposal as particularised above, the investment in Haichu Fund Interests (including the Disposal) is currently expected to bring an overall positive impact to the Group. For illustration purposes, such positive impact is expected to be approximately RMB110,189 (equivalent to approximately HK\$134,331), being the difference between the dividend income attributable to the then number of units of Haichu Fund Interests held by the Group of approximately RMB1,039,774 (equivalent to approximately HK\$1,267,588) received in 2020 and the unaudited book loss as mentioned above.

The Group intends to use the net proceeds from the Disposal of RMB14,081,170 (equivalent to approximately HK\$17,166,354) for general working capital of CWC (SH) (such as settlement of staff costs and administrative expenses).

As at the date of this announcement, the Group (through CWC (SH)) beneficially owns 20,065,107.94 units of Haichu Fund Interests, representing approximately 41.32% of the total number of units of issued Haichu Fund Interests immediately following the Disposal. The investment in Haichu Fund was accounted for as equity and fund investments at fair value through profit or loss of the Company and Haichu Fund's financial results have not been consolidated into the accounts of the Group.

## **INFORMATION OF THE COMPANY, THE GROUP AND CWC (SH)**

The Company is incorporated in Bermuda with limited liability. The principal activity of the Company is investment holding. The Group is principally engaged in securities and futures dealing business, trading of debts and equity investments and money lending business.

CWC (SH) is a company established in the PRC and is indirectly wholly-owned by the Company. CWC (SH) is principally engaged in advisory service in debt capital market and investment in the fund.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the Disposal exceeds 5% but all of them are less than 25%, the Disposal constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings.

“Board”	board of Director(s)
“Company”	Central Wealth Group Holdings Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 139)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“CWC (SH)”	中達基石(上海)企業諮詢有限公司 (Central Wealth Cornerstone., (Shanghai) Consulting Co Ltd.*), a company established in the PRC and is indirectly wholly-owned by the Company as at the date of this announcement
“Director(s)”	director(s) of the Company
“Disposal”	disposal of a total of 11,885,000 units of Haichu Fund Interests on the open market conducted on 12 November 2021 at an aggregate consideration of approximately RMB 14,081,170 (equivalent to approximately HK\$17,166,354)
“Group”	the Company and its subsidiaries
“Haichu Fund”	海楚正金10號私募證券投資基金 (Haichu Zhengjin Private Equity Investment Fund 10*), a private equity investment fund established in the PRC
“Haichu Fund Interest(s)”	interest(s) in Haichu Fund
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons

“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“percentage ratio(s)”	percentage ratio(s) as set out in Rule 14.07 of the Listing Rules
“PRC”	People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

\* For identification purpose only

*In this announcement, translation of RMB into HK\$ is based on the exchange rate of RMB1: HK\$1.2191.*

By Order of the Board  
**Central Wealth Group Holdings Limited**  
**Chen Xiaodong**  
*Chairman*

Hong Kong, 12 November 2021

*As at the date of this announcement, the Board comprises the following Directors:*

*Executive Directors*

Mr. Chen Xiaodong (*Chairman*)  
Mr. Xu Ke (*Chief Executive Officer*)  
Mr. Yu Qingrui  
Ms. Lam Hay Yin

*Independent non-executive Directors*

Mr. Kwok Chi Kwong  
Mr. Wu Ming  
Mr. Liu Hongwei