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## **WEIYE HOLDINGS LIMITED**

### **偉業控股有限公司\***

(Incorporated in the Republic of Singapore with limited liability)

(Hong Kong Stock Code: 1570)

## **DISCLOSEABLE AND CONNECTED TRANSACTION DISPOSAL OF SHARES**

### **THE DISPOSAL**

The Board is pleased to announce that on 15 October 2024 (after trading hours of Stock Exchange), the Company has entered into the Sales and Purchase Agreements in relation to the Disposal with the respective Purchasers. Pursuant to the Sales and Purchase Agreements, the Company agreed to sell and the Purchasers, namely Zhang Wei, Zhuang Xin and Henan Weiye Huishenghuo Service Co., Ltd. agreed to purchase 23,700,000 ordinary shares, 16,200,000 ordinary shares and 32,000,000 ordinary shares, respectively, in the Target Company at an aggregate consideration of approximately S\$2,876,000 (equivalent to approximately HK\$17,256,000) (representing approximately 66.76% of the total issued and paid-up share capital of the Target Company) at the sale price of S\$0.04 per Sale Share.

The Target Company was a subsidiary of the Company as at the date of the Sale and Purchase Agreements and before Completion. Upon Completion, the Target Company will cease to be a subsidiary of the Company. The financial results of the Target Company will cease to be consolidated into the Group's consolidated financial statements.

### **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios as stipulated under Rule 14.07 of the Listing Rules in respect of the Disposal exceeds 5% but are all less than 25%, the Disposal constitutes a discloseable transaction of the Company, and is subject to the notification and announcement requirements pursuant to Chapter 14 of the Listing Rules.

As at the date of this announcement, Zhang Wei, one of the Purchasers, was beneficially interested in 106,821,938 Shares, representing approximately 54.46% of the existing issued share capital of the Company, Zhang Wei is therefore the controlling Shareholder and a connected person of the Company under Rule 14A.07 of the Listing Rules. Accordingly, the First Transaction constitutes a connected transaction of the Company.

As the applicable percentage ratios in respect of the First Transaction are more than 5% but less than 25% and the total consideration of the First Transaction is less than HK\$10,000,000, the First Transaction is subject to the reporting and announcement requirements but exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **THE DISPOSAL**

The Board is pleased to announce that on 15 October 2024 (after trading hours of Stock Exchange), the Company has entered into the Sales and Purchase Agreements in relation to the Disposal with the respective Purchasers. Pursuant to the Sales and Purchase Agreements, the Company agreed to sell and the Purchasers, namely Zhang Wei, Zhuang Xin and Henan Weiye Huishenghuo Service Co., Ltd. agreed to purchase 23,700,000 ordinary shares, 16,200,000 ordinary shares and 32,000,000 ordinary shares, respectively, in the Target Company at an aggregate consideration of approximately S\$2,876,000 (equivalent to approximately HK\$17,256,000) (representing approximately 66.76% of the total issued and paid-up share capital of the Target Company) at the sale price of S\$0.04 per Sale Share.

## **SALES AND PURCHASE AGREEMENTS**

The principal terms of the Sales and Purchase Agreements are set out below.

Date: 15 October 2024 (after trading hours of Stock Exchange)

### **Parties**

- (1) Vendor: the Company
- (2) Purchasers: (i) Zhang Wei;  
(ii) Zhuang Xin; and  
(iii) Henan Weiye Huishenghuo Service Co., Ltd.

### **Subject matter**

Pursuant to the Sales and Purchase Agreements, the Company agreed to sell and the Purchasers, namely Zhang Wei, Zhuang Xin and Henan Weiye Huishenghuo Service Co., Ltd. agreed to purchase 23,700,000 ordinary shares, 16,200,000 ordinary shares and 32,000,000 ordinary shares, respectively, in the Target Company.

## **Consideration**

The considerations in respect of the First Transaction, the Second Transaction and the Third Transaction were S\$948,000 (equivalent to approximately HK\$5,688,000), S\$648,000 (equivalent to approximately HK\$3,888,000) and S\$1,280,000 (equivalent to approximately HK\$7,680,000), respectively, which will be satisfied by the Purchasers mainly in cash upon Completion. The Consideration was determined after arm's length negotiations between the Company and the Purchasers with reference to the prevailing market price of the Sale Shares and the recent market condition.

## **Completion**

Completion of the First Transaction, the Second Transaction and the Third Transaction will take place on 17 October 2024, 18 October 2024 and 21 October 2024, respectively. Upon Completion, the Company ceased to have any interest in the Target Company.

## **INFORMATION ON THE PARTIES**

The Company is an investment holding company principally engaged in property development business for residential and commercial properties in China and manufacturing and trading of heating, ventilation, air-conditioning, air purification and clean room equipment. The Company operates through three main segments. The Property Development segment is engaged in the development and sales of both commercial and residential property units. The Housing Construction segment is involved in the construction of resettlement houses. The Equipment Manufacturing segment is engaged in the design and manufacture and trading of clean room equipment, heating, ventilation and air-conditioning (HVAC) products and purifiers and others.

Zhang Wei is currently the executive chairman and chief executive officer of the Target Company. He was formerly the chairman and executive director of the Company. Zhang Wei is also the controlling Shareholder being beneficially interested in 106,821,938 Shares, representing approximately 54.46% of the total issued share capital of the Company. Zhang Wei is therefore a connected person of the Company.

Zhuang Xin was formerly a financial controller of the Company, and is currently the vice president of the Target Company.

Henan Weiye Huishenghuo Service Co., Ltd. is a company established in the PRC with limited liability. Its ultimate beneficial owners are Ms. Ma Zhijun and Mr. Yang Wei respectively, and principally engaged in property management and leasing services in the PRC.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of the Purchasers, except Zhang Wei, is an Independent Third Party, and does not have any other past or present relationships (formal or informal, business or otherwise, implied or explicit) with the Company or its connected persons.

## INFORMATION ON THE TARGET GROUP

The Target Company is a company incorporated under the laws of Singapore with limited liability and principally engaged in investment holding, the shares of which are listed on the Catalist of the SGX-ST. As at the date of this announcement, the Company directly held 66.76% equity interests in the Target Company.

A summary of the audited financial information of the Target Company for the two years ended 31 December 2022 and 2023 is set out below:

	<b>For the year ended 31 December</b>	
	<b>2022</b>	<b>2023</b>
	<i>RMB'000</i>	<i>RMB'000</i>
	(approximately)	(approximately)
Revenue	126,829	84,027
Profit/(Loss) before tax	8,886	(478)
Profit/(Loss) after tax	9,447	(808)

The unaudited net assets value of the Target Company as at 30 June 2024 was approximately RMB34,963,000.

## REASONS FOR AND BENEFITS OF THE DISPOSAL

The Disposal provides the Group with an opportunity to realise its investment in equipment manufacturing segment and reallocate its financial resources for future development. As the Disposal was made on the open market at prevailing market price, the Directors consider that the Disposal was conducted on normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## POSSIBLE FINANCIAL EFFECT OF THE DISPOSAL AND THE PROPOSED USE OF PROCEEDS

As a result of Disposal, the Group is expected to recognise a loss of approximately S\$829,000 (approximately HK\$4,974,000), which is calculated by reference to the unaudited carrying value of the Target Company and the aggregated Consideration less related expenses. The actual loss to be recorded by the Company is subject to final audit to be performed by the Company's auditors.

Immediately after Completion, the Target Company will cease to be a subsidiary of the Company and the financial results, assets and liabilities of the Target Company will no longer be consolidated into the Group's financial statements.

The net proceeds arising from the Disposal will be applied to supplement the general working capital of the Company.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios as stipulated under Rule 14.07 of the Listing Rules in respect of the Disposal exceeds 5% but are all less than 25%, the Disposal constitutes a discloseable transaction of the Company, and is subject to the notification and announcement requirements pursuant to Chapter 14 of the Listing Rules.

As at the date of this announcement, Zhang Wei, one of the Purchasers, was beneficially interested in 106,821,938 Shares, representing approximately 54.46% of the existing issued share capital of the Company, Zhang Wei is therefore the controlling Shareholder and a connected person of the Company under Rule 14A.07 of the Listing Rules. Accordingly, the First Transaction constitutes a connected transaction of the Company.

As the applicable percentage ratios in respect of the First Transaction are more than 5% but less than 25% and the total consideration of the First Transaction is less than HK\$10,000,000, the First Transaction is subject to the reporting and announcement requirements but exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

As none of the Directors has a material interest in the Disposal, no Director is required to abstain from voting on the Board resolution(s) approving the Disposal.

## **DEFINITIONS**

In this announcement, the following terms shall have the meanings set out below unless the context requires otherwise.

“Board”	the Board of Directors
“Company”	Weiye Holdings Limited, a company incorporated in Singapore with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1570)
“Completion”	completion of the Disposal pursuant to the terms and conditions of the Sales and Purchase Agreements
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Consideration”	the consideration pursuant to the Sales and Purchase Agreements in an aggregated amount of S\$2,876,000 (equivalent to approximately HK\$17,256,000)
“Director(s)”	the director(s) of the Company

“Disposal”	the disposal of the Sales Shares pursuant to the Sale and Purchase Agreements
“First Transaction”	the Company agreed to sell and Zhang Wei agreed to purchase the 23,700,000 Sale Shares pursuant to the Sale and Purchase Agreements
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	the third party independent of the Company and its connected persons
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Purchasers”	Zhang Wei, Zhuang Xin and Henan Weiye Huishenghuo Service Co., Ltd.
“RMB”	Renminbi, the lawful currency of the PRC
“S\$”	Singapore dollar(s), the lawful currency of Singapore
“Sale Share(s)”	an aggregate of 71,900,000 ordinary shares of the Target Company sold by the Company to the Purchasers
“Sales and Purchase Agreements”	the sales and purchase agreements dated 15 October 2024 entered into between the Company and the Purchasers in relation to the Disposal
“Second Transaction”	the Company agreed to sell and Zhuang Xin agreed to purchase the 16,200,000 Sale Shares pursuant to the Sale and Purchase Agreement
“SGX-ST”	The Singapore Exchange Securities Trading Limited
“Share(s)”	ordinary shares of the Company
“Shareholder(s)”	holder(s) of the Share(s)

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Target Company”	Eindec Corporation Limited, a company listed on SGX-ST (stock code: 42Z)
“Third Transaction”	the Company agreed to sell and Henan Weiye Huishenghuo Service Co., Ltd. agreed to purchase the 32,000,000 Sale Shares pursuant to the Sale and Purchase Agreement
“%”	per cent

By order of the Board  
**WEIYE HOLDINGS LIMITED**  
**Chen Zhiyong**  
*Executive Chairman*

Hong Kong, 15 October 2024

*As at the date of this announcement, the executive Director is Mr. Chen Zhiyong; and the independent non-executive Directors are Mr. Liu Ning, Mr. Dong Xincheng and Ms. Chan Sze Man.*

\* *For identification purpose only*