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Wang Yang Holdings Limited

泓盈控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1735)

DISCLOSEABLE TRANSACTION IN RELATION TO ACQUISITION OF LAND USE RIGHTS IN QUZHOU CITY, ZHEJIANG PROVINCE

ACQUISITION OF LAND USE RIGHTS

The Board is pleased to announce that on 30 October 2019, Zhejiang Xintianpu, an indirect wholly-owned subsidiary of the Company, won a bid for the land use rights of the Land Parcel through listing-for-sale process in the Auction held by Quzhou City Natural Resources and Planning Bureau Qujiang Branch* (衢州市自然資源和規劃局衢江分局) for transfer of state-owned land use rights at a consideration of RMB18,210,000 (equivalent to approximately HK\$20,225,483).

The Land Parcel is located at Yuanqiao Village, Fushi Sub-district, Qujiang District, Quzhou City, Zhejiang Province, the PRC (中國浙江省衢州市衢江區浮石街道元橋村) with a total site area of 27,920 square metres. The Land Parcel is designated for commercial and service use with a term of use of 40 years.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated in respect of the Acquisition under Rule 14.07 of the Listing Rules exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

ACQUISITION OF LAND USE RIGHTS

The board (“**Board**”) of directors (“**Directors**”) of Wang Yang Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that on 30 October 2019, Zhejiang Xintianpu Agricultural Tourism Development Co., Ltd.* (浙江新田鋪農旅開發有限公司) (“**Zhejiang Xintianpu**”), an indirect wholly-owned subsidiary of the Company, won a bid for the transfer of state-owned land use rights of a land parcel with code no. B201801 (the “**Land Parcel**”) at a consideration of RMB18,210,000 (equivalent to approximately HK\$20,225,483) (the “**Acquisition**”), located in Quzhou City, Zhejiang Province, the People’s Republic of China (the “**PRC**”) through listing-for-sale process in the public auction (the “**Auction**”) held by Quzhou City Natural Resources and Planning

Bureau Qujiang Branch* (衢州市自然資源和規劃局衢江分局). The consideration of the Acquisition was determined based on the Auction documents issued by Quzhou City Natural Resources and Planning Bureau Qujiang Branch.

The Land Parcel is located at Yuanqiao Village, Fushi Sub-district, Qujiang District, Quzhou City, Zhejiang Province, the PRC (中國浙江省衢州市衢江區浮石街道元橋村) with a total site area of 27,920 square metres. The Land Parcel is designated for commercial and service use with a term of use of 40 years.

A sum of RMB5,470,000 (equivalent to approximately HK\$6,075,420) for the Land Parcel has been paid as the security deposit for the Auction which will be applied as part of the consideration of the Acquisition. Quzhou City Natural Resources and Planning Bureau Qujiang Branch has issued a confirmation notice in respect of winning the auction of the Land Parcel to Zhejiang Xintianpu (the “**Notice**”) on 30 October 2019. The land use rights grant contract in relation to the Acquisition is expected to be entered into between Zhejiang Xintianpu and Quzhou City Natural Resources and Planning Bureau Qujiang Branch on or before 13 November 2019 pursuant to the Notice.

INFORMATION ON PARTIES TO THE ACQUISITION

Zhejiang Xintianpu is a company established in the PRC, an indirect wholly-owned subsidiary of the Company. Its principal activities include, inter alia, property construction and development, property decoration, landscape construction and development of tourism and agri-tourism products according to its business licence.

Quzhou City Natural Resources and Planning Bureau Qujiang Branch, being the seller of the Land Parcel, is a PRC governmental body and is responsible for, among other things, administering the examination and approval of land planning, assignment and transfer of the land use rights of the state-owned land in Quzhou City, Zhejiang Province, the PRC and the issue of various types of land certificates.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, Quzhou City Natural Resources and Planning Bureau Qujiang Branch and its ultimate beneficial owners are third parties independent of the Group and its connected persons.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in undertaking (i) foundation works; (ii) superstructure building works; and (iii) other construction works in Hong Kong as a contractor.

As disclosed in the composite offer and response document dated 13 September 2019 jointly issued by Central Culture Resource Group Limited and the Company, the Group intended to leverage the experience, expertise and network of Mr. Yu Zhuyun, the chairman of the Board and executive director of the Company in the real estate development industry of the PRC to explore related business opportunities in the PRC. The Directors consider that the Acquisition represents such an opportunity for the Group to engage in property development and related businesses in the PRC and to diversify its business portfolio and strengthening its revenue base.

The Directors consider that the terms of the Acquisition are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated in respect of the Acquisition under Rule 14.07 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

By Order of the Board
Wang Yang Holdings Limited
Yu Zhuyun
Chairman and Executive Director

Hong Kong, 31 October 2019

As at the date of this announcement, the executive directors of the Company are Mr. Yu Zhuyun (Chairman) and Mr. Zhu Fei (Chief Executive Officer); the non-executive directors of the Company are Mr. Qiao Xiaoge, Mr. Gao Jian and Ms. Zhu Yujuan; and the independent non-executive directors of the Company are Dr. Li David Xianglin, Mr. Wang Wenxing and Dr. Zhou Chunsheng.

English translation of names in Chinese which is marked with “” in this announcement is for identification purposes only.*

Amounts denominated in RMB in this announcement have been converted into HK\$ at the rate of RMB1 to HK\$1.11068 for illustrative purposes only.