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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 TRANSACTION DISPOSAL OF 100% EQUITY INTEREST IN A SUBSIDIARY

On 22 April 2022 (after trading hours), the Vendor, an indirect wholly-owned subsidiary of the Company, entered into the Disposal Agreement with the Purchaser pursuant to which the Vendor agreed to sell and the Purchaser agreed to purchase the Sale Equity at the consideration of RMB112.0 million (which is equivalent to approximately HK\$134.4 million). Upon Completion, the Target Company will cease to be a subsidiary of the Company, the Group will cease to have any interests in the Target Company and the financial results of the Target Company will cease to be consolidated into the accounts of the Group.

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

On 22 April 2022 (after trading hours), the Vendor entered into the Disposal Agreement with the Purchaser in respect of the Disposal.

DISPOSAL AGREEMENT

Date	22 April 2022
Parties	(a) the Vendor, as seller, and (b) the Purchaser, as purchaser

To the best of the Director's knowledge, information and belief, having made all reasonable enquiries, each of the Purchaser and its ultimate beneficial owners is an Independent Third Party.

Subject of the Disposal

The Vendor agreed to sell and the Purchaser agreed to purchase the Sale Equity, which represents 100% equity interest in the Target Company. As at the date of this announcement, the Target Company is an indirect wholly-owned subsidiary of the Company. For details of the Target Company, please refer to the section headed "INFORMATION ON THE TARGET COMPANY" in this announcement.

Consideration

The consideration shall be RMB112.0 million (which is equivalent to approximately HK\$134.4 million) and shall be payable by the Purchaser to the Vendor in cash within ten days from the date of the Disposal Agreement.

Basis of the consideration

The consideration was determined after arm's length negotiations between the Vendor and the Purchaser on normal commercial terms with reference to the net assets value of the Target Company as at 31 March 2022. The Directors consider the consideration of the Disposal to be fair and reasonable.

Completion

Completion will take place within ten days from the date of the settlement of the consideration. Upon Completion, the Target Company will cease to be a subsidiary of the Company, the Group will cease to have any interests in the Target Company and the financial results of the Target Company will cease to be consolidated into the accounts of the Group.

INFORMATION ON THE GROUP AND THE VENDOR

The Company is an investment holding company incorporated in the Republic of Singapore with limited liability and its subsidiaries are principally engaged in property development business for residential and commercial properties in the PRC, and manufacturing and trading of heating, ventilation, air-conditioning, air purification and clean room equipment.

The Vendor is a company established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company. It is an investment holding company and its subsidiaries are principally engaged in property development in the PRC.

INFORMATION ON THE PURCHASER

The Purchaser is ultimately owned as to 90% by Mr. Ma Zhijun and is principally engaged in property consulting and related businesses.

INFORMATION ON THE TARGET COMPANY

The Target Company is a company established under the laws of the PRC and is principally engaged in property development in the PRC. As at the date of this announcement, the Target Company is wholly owned by the Vendor. A summary of the financial information of the Target Company for the two years ended 31 December 2020 and 2021 is set out below:

	For the year ended 31 December	
	2020	2021
	'000	'000
	(unaudited)	(unaudited)
Profit/(loss) before taxation	RMB65,764 (which is equivalent to approximately HK\$78,917)	RMB(3,354) (which is equivalent to approximately HK\$(4,025))
Loss after taxation	RMB(9,465) (which is equivalent to approximately HK\$(11,358))	RMB(2,131) (which is equivalent to approximately HK\$(2,557))

The unaudited net assets value of the Target Company as at 31 March 2022 was approximately RMB110.7 million (which is equivalent to approximately HK\$132.8 million).

FINANCIAL EFFECTS OF THE DISPOSAL AND USE OF PROCEEDS

Upon Completion, the Target Company will cease to be consolidated in the accounts of the Group. With reference to the net assets value of the Target Company of approximately RMB110.7 million as at 31 March 2022, the estimated net gain before taxation from the Disposal is approximately RMB1.3 million. The actual gain or loss on the Disposal may be different from the above and is subject to the review and final audit by the Company's auditor.

It is expected that the net proceeds from the Disposal will be used for general working capital of the Group.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Target Company is principally engaged in property development in the PRC. As at the date of this announcement, the majority of the properties developed by the Target Company have already been sold with some properties remained unsold. The Disposal would enable the Group to dispose of these remaining unsold properties. The Disposal also strengthens the cash flow of the Group allowing the Group to improve its liquidity and reallocate its resources for future development.

The Directors consider that the Disposal and the terms of the Disposal Agreement have been made on normal commercial terms and 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 under Rule 14.07 of the Listing Rules in respect of the Disposal exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction of the Company, and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors
“Company”	Weiye Holdings Limited (偉業控股有限公司), a company incorporated in the Republic of Singapore with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1570)
“Completion”	completion of the Disposal under the Disposal Agreement

“connected person”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal by the Vendor of the Sale Equity subject to and upon the terms and conditions as set out in the Disposal Agreement
“Disposal Agreement”	the agreement dated 22 April 2022 entered into between the Vendor and the Purchaser for the sale and purchase of the Sale Equity
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollar, lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	a person or a company which is a third party and independent of the Company and its connected person(s)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)
“Purchaser”	Hainan Yiqi Enterprise Management Co., Ltd.* (海南易企企業管理有限公司), a company established in the PRC with limited liability
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Equity”	100% of the equity interest in the Target Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Guangdong Leiding Property Development Co., Ltd.* (廣東磊鼎房地產開發有限公司), a company established under the laws of the PRC
“Vendor”	Weiye Holdings (Shenzhen) Group Co., Ltd.* (燁業控股 (深圳) 集團有限公司), a company established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company

“%” per cent

For the purpose of illustration only and unless otherwise stated, conversion of RMB into HK\$ in this announcement is based on the exchange rate of RMB1.0 to HK\$1.2. Such conversion should not be construed as a representation that any amount has been, could have been, or may be, exchanged at this rate or any other rate.

By order of the Board
Weiye Holdings Limited
Zhang Wei

Executive Chairman and Chief Executive Officer

Hong Kong, 22 April 2022

As at the date of this announcement, the executive Directors are Mr. Zhang Wei and Mr. Chen Zhiyong; and the independent non-executive Directors are Mr. Dong Xincheng, Mr. Lam Ying Hung Andy and Mr. Liu Ning

* *For identification purpose only*