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SOLIS HOLDINGS LIMITED
守益控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2227)

**SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE ANNUAL
REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

Reference is made to the annual report of Solis Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the year ended 31 December 2022 which was published on 27 April 2023 (the “**2022 Annual Report**”). Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as those defined in the 2022 Annual Report.

In addition to the information provided in the 2022 Annual Report, the board (the “**Board**”) of directors (the “**Directors**”) of the Company would like to provide further information in relation to the qualified opinion on the Company’s financial statements for the year ended 31 December 2022 (the “**2022 Qualified Opinion**”) issued by Baker Tilly TFW LLP (the “**Auditor**”).

SUPPLEMENTAL INFORMATION TO 2022 QUALIFIED OPINION

(1) Financial asset at fair value through profit and loss

As disclosed in the 2022 Annual Report, the audit opinion on the consolidated financial statements for financial year ended 31 December 2021 was qualified as the Auditor was unable to determine the potential adjustments and disclosures that would be required in the consolidated financial statements for the financial year ended 31 December 2021 with respect to the expiry of the option to acquire additional 51% interest from the Thai Shareholder as described in Note 18 to the consolidated financial statements. The Auditor’s opinion in 2022’s financial statements is also modified because of the possible effect on the comparability of the current year’s figures and the corresponding figures. Per understood from the Auditor, the Qualified Opinion with respect to the expiry of the option will be removed for the financial year ending 31 December 2023.

(2) Valuation of the investee on 31 December 2022

As disclosed in the 2022 Annual Report, the Group had appointed an independent professional valuation firm (the “**Independent Valuer**”) in Thailand to perform the valuation in order to determine the fair value of the investee on 31 December 2022 by using the income approach which reflects the value of the hotel capable of producing income in the present worth of anticipated future net benefits. The Group has engaged the same Independent Valuer as per prior year and there were no changes in the basis and assumptions as compared to the prior year.

(3) Updates on the Company’s action to address the Qualified Opinion

As disclosed in the 2022 Annual Report, the management is continuing to liaise with the legal professionals and intends to seek potential lawsuits against the vendors and investee in due course. Subsequent to the announcement of the annual results for the year ended 31 December 2022, appropriate legal proceedings have been instituted against the parties in fault. The legal adviser has submitted a criminal case against the investee, vendors of the investee and directors of the investee for the failure to comply with the relevant laws in Thailand. There shall be a first court hearing on 26 June 2023. The Company will closely monitor the developments and take appropriate actions accordingly.

The additional information set out above does not affect other information contained in the 2022 Annual Report and the contents of the 2022 Annual Report remain unchanged.

By order of the Board
Solis Holdings Limited
Tay Yong Hua
Executive Chairman and Executive Director

Singapore, 17 May 2023

As at the date of this announcement, the executive Directors are Mr. Tay Yong Hua and Mr. Kenneth Teo Swee Cheng (Kenneth Zhang Ruiqing); and the independent non-executive Directors are Mr. Cheung Garnok, Mr. Choong Pei Nung and Mr. Kwong Choong Kuen (Huang Zhongquan).