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**FULLSUN INTERNATIONAL HOLDINGS GROUP CO., LIMITED**

**福晟國際控股集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00627)**

**VERY SUBSTANTIAL DISPOSAL  
IN RELATION TO TRANSFER OF THE SCHEME SUBSIDIARIES TO  
THE SCHEMCO PURSUANT TO CREDITORS' SCHEME  
AND  
AMENDMENTS TO AND EXTENSION OF THE LONG STOP DATE OF  
THE SUBSCRIPTION AGREEMENT**

**BACKGROUND OF THE SCHEME**

As disclosed in the September Announcement, as part of the Restructuring Transactions, the Company proposes to enter into the Scheme with the Creditors, pursuant to which upon the Scheme having become effective, all Claims owing by the Company to the Creditors will be discharged and released in full as against the Company and in return, all Creditors with Admitted Claims will be entitled to participate in the Scheme and receive distribution on a pro-rata basis for their respective Admitted Claims in accordance with the terms of the Scheme.

After further discussions between them, the Parties entered into the Third Supplemental Agreement on 2 June 2023 to, among others, introduce certain amendments to the terms of the Scheme disclosed in the September Announcement. Pursuant to the revised terms of the Scheme, the distribution to the Creditors with Admitted Claims will now be made out of (i) first of all, the Cash Consideration as disclosed in the September Announcement, being a payment of cash in the amount equivalent to the net proceeds (after deducting the costs and expenses in connection with or incidental to the transactions contemplated under the Subscription Agreement (including the Restructuring Transactions and the Group Reorganisation)) from the Subscription, being not less than HK\$136,000,000; and (ii) in addition, the shares in and assets of the Scheme Subsidiaries (to the extent recoverable by and available to the Scheme Administrators), which will be transferred to the SchemeCo by way of the Group Reorganisation. Such distribution (including the distribution of any Residual Value that the SchemeCo may receive) will be made in accordance with the terms of the Scheme.

### **GROUP REORGANISATION**

The Board proposes to effect the Group Reorganisation by the transfer of the shares and assets of the Scheme Subsidiaries (other than Vivalink, Gold Asset and Wise Think, being the Scheme Subsidiaries subject to enforcement actions with Receivers appointed) to the SchemeCo at nil consideration for the benefit of the Creditors.

Upon completion of the Group Reorganisation, the SchemeCo will (directly or indirectly) hold the Scheme Subsidiaries.

### **IMPLICATIONS UNDER THE LISTING RULES**

According to Chapter 14 of the Listing Rules, the Group Reorganisation will constitute a disposal by the Company. As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Group Reorganisation (on an aggregated basis) exceeds 75%, the Group Reorganisation, when implemented, will on an aggregated basis constitute a very substantial disposal for the Company and is therefore subject to the notification, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

### **GENERAL**

The Group Reorganisation and the transactions contemplated thereunder will be put forward for the Shareholders to consider and, if thought fit, to approve at the SGM.

Further details of the Group Reorganisation and the transactions contemplated thereunder will be contained in the Circular.

Reference is made to the September Announcement and the announcements of the Company dated 3 October 2022, 3 November 2022, 2 December 2022, 5 January 2023, 3 February 2023, 3 March 2023 and 3 May 2023 in relation to the delay in despatch of the Circular.

## **BACKGROUND OF THE SCHEME**

As disclosed in the September Announcement, as part of the Restructuring Transactions, the Company proposes to enter into the Scheme with the Creditors, pursuant to which upon the Scheme having become effective, all Claims owing by the Company to the Creditors will be discharged and released in full as against the Company and in return, all Creditors with Admitted Claims will be entitled to participate in the Scheme and receive distribution on a pro-rata basis for their respective Admitted Claims in accordance with the terms of the Scheme.

After further discussions between them, the Parties entered into the Third Supplemental Agreement on 2 June 2023 to, among others, introduce certain amendments to the terms of the Scheme disclosed in the September Announcement. Pursuant to the revised terms of the Scheme, the distribution to the Creditors with Admitted Claims will now be made out of (i) first of all, the Cash Consideration as disclosed in the September Announcement, being a payment of cash in the amount equivalent to the net proceeds (after deducting the costs and expenses in connection with or incidental to the transactions contemplated under the Subscription Agreement (including the Restructuring Transactions and the Group Reorganisation)) from the Subscription, being not less than HK\$136,000,000; and (ii) in addition, the shares in and assets of the Scheme Subsidiaries (to the extent recoverable by and available to the Scheme Administrators), which will be transferred to the SchemeCo by way of the Group Reorganisation. Such distribution (including the distribution of any Residual Value that the SchemeCo may receive) will be made in accordance with the terms of the Scheme.

## **GROUP REORGANISATION**

The Board proposes to effect the Group Reorganisation by the transfer of the shares and assets of the Scheme Subsidiaries (other than Vivalink, Gold Asset and Wise Think, being the Scheme Subsidiaries subject to enforcement actions with Receivers appointed) to the SchemeCo at nil consideration for the benefit of the Creditors.

None of the Creditors has been a Shareholder during the period commencing from the September Announcement and ending on the date of this announcement (both dates inclusive).

The completion of the Group Reorganisation is not subject to any conditions precedent as agreed between the Subscriber and the Company under the Subscription Agreement. However, the completion of the Group Reorganisation will only take place when all of the following have been fulfilled:

- (a) the High Court of Hong Kong has sanctioned the Scheme and a copy of the order of the High Court of Hong Kong sanctioning the Scheme has been delivered to the Registrar of Companies in Hong Kong for registration;
- (b) all conditions precedent to completion of the Subscription (other than the condition that the Group Reorganisation has been completed) have been fulfilled or, where applicable, waived; and
- (c) all consents and approvals required for the transfer of the Scheme Subsidiaries to the SchemeCo have been obtained.

Since (1) completion of the Subscription is conditional upon, among others, the completion of the Group Reorganisation and (2) the Group Reorganisation will only be proceeded with upon fulfilment or, where applicable, waiver of all conditions precedent to completion of the Subscription (other than the condition that the Group Reorganisation has been completed), the Subscription and the Group Reorganisation are inter-conditional in this sense.

Upon completion of the Group Reorganisation, the SchemeCo will (directly or indirectly) hold the Scheme Subsidiaries, and the Scheme Subsidiaries will cease to be subsidiaries of the Company and their respective assets and liabilities and profits and losses will no longer be consolidated into the financial statements of the Company.

Subject to the Scheme becoming effective, the Scheme Subsidiaries (other than Vivalink, Gold Asset and Wise Think, being the Scheme Subsidiaries subject to enforcement actions with Receivers appointed) (whether tangible or intangible) will be effectively under the control of the Scheme Administrators.

As soon as practicable after the date on which the Scheme becomes effective, the Scheme Administrators will take steps to put the Scheme Subsidiaries (other than Vivalink, Gold Asset and Wise Think, being the Scheme Subsidiaries subject to enforcement actions with Receivers appointed) into liquidation and/or to sell the equity interests of the Scheme Subsidiaries (other than Vivalink, Gold Asset and Wise Think, being the Scheme Subsidiaries subject to enforcement actions with Receivers appointed) and/or any of the assets of such Scheme Subsidiaries. Any Residual Value that the SchemeCo may receive shall be utilized for distribution in accordance with the terms of the Scheme. Any Residual Value in Vivalink, Gold Asset and Wise Think which may be returned to the Group by the Receivers or otherwise retained by the Group subsequent to the enforcement actions taken by the Receivers will be assigned and/or transferred to the SchemeCo for the benefit of the Creditors.

## **Implementation of the Group Reorganisation and parties involved**

Pursuant to the Scheme, the Target Shares (save for shares in Vivalink, so long as it is subject to enforcement action with Receivers appointed) will be transferred from Sunny Pavilion, a direct wholly-owned subsidiary of the Company, to the SchemeCo within 30 days after the date of registration with the Registrar of Companies in Hong Kong of a copy of the order of the High Court of Hong Kong sanctioning the Scheme (or such extended date as may be agreed by the Company with the Scheme Administrators).

The SchemeCo has not been incorporated as at the date of this announcement, and it is intended that the SchemeCo will be entirely held and controlled by the Scheme Administrators. The Scheme Administrators proposed to be appointed are Independent Third Parties and on such basis, each of the SchemeCo and its ultimate beneficial owners, being the Scheme Administrators, will be an Independent Third Party.

### **Assets to be transferred to the SchemeCo**

The assets to be transferred to the SchemeCo pursuant to the Group Reorganisation comprise the Target Shares.

Upon completion of the Group Reorganisation but subject to the Scheme becoming effective, the Scheme Subsidiaries will cease to be subsidiaries of the Company and their respective assets and liabilities and profits and losses will no longer be consolidated into the financial statements of the Company.

### **Consideration**

The Scheme Subsidiaries will be transferred to the SchemeCo at nil consideration.

As the Group Reorganisation forms part of the Scheme, the Directors consider that the transfer of the Target Shares at nil consideration under the Group Reorganisation is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **INFORMATION ON THE SCHEME SUBSIDIARIES, THE PROPERTIES HELD BY THE SCHEME SUBSIDIARIES AND THE REMAINING ASSETS AND OPERATIONS OF THE RETAINED GROUP AFTER THE GROUP REORGANISATION**

### **Information on the Scheme Subsidiaries**

The Scheme Subsidiaries comprises (i) each of Intelligent Lead, Vivalink and Giant Astute and their respective subsidiaries; and (ii) the 49% equity interest in Shanghai Fusheng held indirectly by Vivalink. The Scheme Subsidiaries are principally engaged in the development and sale of residential and commercial properties in the PRC and Hong Kong.

On 4 January 2022, Vivalink received a demand letter from Sure Valued following Vivalink's failure to comply with its payment obligation on one of its borrowings (the "**Sure Valued Borrowing**"), the outstanding amount of which amounted in total to approximately HK\$371.25 million as at 4 January 2022. The Sure Valued Borrowing was secured by, among others, properties in Hong Kong held by Gold Asset and Wise Think and shares of Vivalink, Gold Asset and Wise Think pledged to Sure Valued (the "**Pledged Assets**").

On 20 January 2022, the Group was notified that the Receivers had been appointed by Sure Valued over the Pledged Assets. On 19 January 2022, the Receivers appointed directors to the board of directors of Gold Asset and Wise Think. In light of the appointment of directors to the board of directors of Gold Asset and Wise Think and the subsequent actions taken by the Receivers, the Directors considered that such actions provided indicative evidence of conditions of the Group ceasing to exercise control over Gold Asset and Wise Think as a consequence of the Group's default on the Sure Valued Borrowing. Accordingly, the Directors determined that the cessation of control and the resulting deconsolidation of Gold Asset and Wise Think began from 30 November 2021, being the date of default. The Directors having considered the actions taken by the Receivers on Vivalink including, among others, the appointment of a director to the board of directors of Vivalink, deemed the Group to be no longer in control of Vivalink and accordingly deconsolidated Vivalink effective from 1 January 2022.

The principal assets of the Scheme Subsidiaries consist of the Properties, the details of which are set out in the paragraph headed "Information on the Scheme Subsidiaries, the Properties held by the Scheme Subsidiaries and the remaining assets and operations of the Retained Group after the Group Reorganisation – Information on the properties held by the Scheme Subsidiaries" in this announcement.

### **Corporate structure of the Group as at the date of this announcement and upon completion of the Group Reorganisation**

A simplified shareholding structure of the Group as at the date of this announcement is set out in Appendix I to this announcement and a simplified shareholding structure of the Retained Group upon completion of the Group Reorganisation is set out in Appendix II to this announcement.

## Financial information of the Scheme Subsidiaries

Set out below is the summary of certain key financial information of the Scheme Subsidiaries for each of the three years ended 31 December 2020, 2021 and 2022:

(a) *Total consolidated financial information of the Unrestricted Scheme Subsidiaries, on a combined basis*

	<b>For the year ended 31 December/ As at 31 December</b>		
	<b>2020</b>	<b>2021</b>	<b>2022</b>
	(unaudited)	(unaudited)	(unaudited)
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Loss before taxation	223,458	236,881	303,312
Loss after taxation	222,798	242,883	303,073
Net liabilities	436,800	496,614	610,373

(b) *Total consolidated financial information of the Deconsolidated Subsidiaries, on a combined basis*

	<b>For the year ended 31 December/ As at 31 December</b>		
	<b>2020</b>	<b>2021</b>	<b>2022</b>
	(unaudited)	(unaudited)	(unaudited)
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Loss before taxation	202,784	195,657	133,693
Loss after taxation	202,784	195,657	133,693
Net liabilities	42,222	238,948	371,102

(c) *Net liabilities of the Scheme Subsidiaries, on a combined basis*

	<b>As at 31 December</b>		
	<b>2020</b>	<b>2021</b>	<b>2022</b>
	(unaudited)	(unaudited)	(unaudited)
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Net liabilities	479,022	735,562	981,475

*Note:* The net liabilities of the Scheme Subsidiaries as set out in (c) above are merely arithmetic additions of the net liabilities of the Unrestricted Scheme Subsidiaries (as set out in (a) above) and the Deconsolidated Subsidiaries (as set out in (b) above) for each of the three years ended 31 December 2022.

## **Information on the properties held by the Scheme Subsidiaries**

### *Fullsun Emerald Bay*

Fullsun Emerald Bay is located at Huanhu Road West, Meixi Lake, Yuelu Qu\* (岳麓區梅溪湖環湖路西), Changsha City, Hunan Province, the PRC. It was developed as a residential and commercial complex. The gross floor area of the property is approximately 166,387 sq. m..

### *Fullsun • Qianlong Bay*

Fullsun • Qianlong Bay is a completed property project located beside Zhongshan Port, Zhongshan Torch Development Zone\* (中山市火炬開發區), Zhongshan City, Guangdong Province, the PRC. The project is developed for residential and commercial purpose. The gross floor area of the property is approximately 16,666.68 sq. m..

### *La Salle Residence*

La Salle Residence is situated on the south side of Prince Edward Road West at its junction with La Salle Road, one of the prestigious addresses in Ho Man Tin District, Kowloon. The property was developed into a 17-storey residential block over one basement floor with a saleable area of approximately 32,817 square feet in total. It comprises 78 residential units offering a range of one and two-bedroom apartments and 1 duplex unit, club house facilities and car parking space. The saleable area of the property is approximately 3,949 square feet.

## Information on the remaining assets and operations of the Retained Group after the Group Reorganisation

The projects (the “**PRC Properties Projects**”) that will be held for development/sales by the Retained Group after the Group Reorganisation are as follows:

<b>Project</b>	<b>Location</b>	<b>Approximate total gross floor area as at 31 December 2022 attributable to the Retained Group (sq.m.)(Note)</b>	<b>Status as at the date of this announcement</b>
1. Qianlong Premier Mansion	Tianxin District, Changsha City	103	Completed and available for sale and delivery
2. Qianlong Royal Family	Kaifu District, Changsha City	40,465	Completed and available for sale and delivery
3. Qianglong International	Kaifu District, Changsha City	36,666	Completed and available for sale and delivery
4. Xingru Jincheng	Tianxin District, Changsha City	100,663	Available for development
5. Fullsun International Financial Centre	Yuelu District, Changsha City	98,727	Completed and available for sale and rental
6a. Kela Meli Shanzhuang – Phase 1 and 2	Tianxin District, Changsha City	46,915	Completed and available for sale and delivery
6b. Kela Meli Shanzhuang – Phase 3	Tianxin District, Changsha City	90,965	Completed and available for sale and delivery

<b>Project</b>	<b>Location</b>	<b>Approximate total gross floor area as at 31 December 2022 attributable to the Retained Group (sq.m.)(Note)</b>	<b>Status as at the date of this announcement</b>
7. Yatai Muyun Road Project	Tianxin District, Changsha City	26,792	Completed and available for sale and delivery
8. Ningde Fullsun Country Garden. Tianjiao	Jiaocheng District, Ningde City	196	Completed and available for sale and delivery
9. Qiantan. Fusheng Qianlong Square	Pudong New District, Shanghai City	12,168	Completed and available for sale and delivery
10a. Fuli Plaza – Phase 1	Jiaxing Port District, Jiaxing City	40,527	Completed and available for sale and delivery
10b. Fuli Plaza – Phase 2	Jiaxing Port District, Jiaxing City	56,590	Available for development
	<b>Total</b>	<b>550,777</b>	

*Note:* Total gross floor area represents the sum of (i) gross floor area available for sale and total leasable gross floor area for completed properties, (ii) gross floor area for properties under development, (iii) gross floor area for properties held for future development and (iv) gross floor area of carparks, ancillary and others.

The Retained Group will own the following investment properties after the Group Reorganisation:

<b>Project</b>	<b>Location</b>	<b>Approximate total gross floor area as at 31 December 2022 attributable to the Retained Group (sq.m.)</b>	<b>Status as at the date of this announcement</b>
1. Fullsun International Financial Centre	Yuelu District, Changsha City	45,705	71.43 sq.m. leased out
2. Qianlong Gongguan	Minhou County, Fuzhou City	241	All leased out
	<b>Total</b>	<b>45,946</b>	

The total assets of the Retained Group will amount to RMB8,468,551,000, assuming the Group Reorganisation had completed on 31 December 2022. Such figure was derived from the annual report of the Company for the year ended 31 December 2022 and adjusted to take into account the effects of the Group Reorganisation on the assumption that it had completed on 31 December 2022. Based on the above, the Directors are of the view that Retained Group has sufficient level of assets and operations of sufficient value under Rule 13.24(1) of the Listing Rules after the Group Reorganisation.

## **INFORMATION ON THE SCHEMECO**

As at the date of this announcement, the SchemeCo has not been incorporated. The SchemeCo will be a special purpose vehicle to be incorporated in Hong Kong and will be entirely held and controlled by the Scheme Administrators to hold and dispose of the Cash Consideration and the Scheme Subsidiaries (directly or indirectly) pursuant to the terms of the Scheme.

## **INFORMATION ON THE GROUP**

The Company is an investment holding company and the Group is principally engaged in the development and sale of residential and commercial properties in the PRC including Hong Kong.

## INFORMATION ON SUNNY PAVILION

Sunny Pavilion, a company incorporated in the BVI with limited liability, is a direct wholly-owned subsidiary of the Company and is principally engaged in investment holding.

## FINANCIAL EFFECT OF THE GROUP REORGANISATION

It is expected that the Group will record a disposal gain of approximately RMB1,198,667,000 (equivalent to approximately HK\$1,341,887,000) from the Group Reorganisation assuming the Group Reorganisation had completed on 31 December 2022.

The disposal gain of RMB1,198,667,000 was calculated as follows:

	<i>RMB'000</i>
(a) Recognition of amounts due to the Retained Group from Scheme Subsidiaries	1,186,098
(b) Claims of Creditors (other than (a) Claims by Creditors against the Company for its guarantee obligations under borrowings by the Scheme Subsidiaries; and (b) Claims by the Company's subsidiaries)	24,801
(c) Total sum of the net liabilities of the Unrestricted Scheme Subsidiaries	<u>39,067</u>
less	
(d) Residual value in the Deconsolidated Subsidiaries entitled by the Retained Group	(22,714)
(e) Transaction costs	<u>(28,585)</u>
	<u>1,198,667</u>

The Claims against the Company as at 31 December 2022 of approximately RMB2.2 billion (equivalent to approximately HK\$2.49 billion) under the Scheme have been taken into account in the calculations of the disposal gain.

As the Target Shares will be transferred to the SchemeCo pursuant to the Group Reorganisation at nil consideration, no proceeds will be derived by the Group from the Group Reorganisation.

## **PROFIT FORECASTS UNDER RULE 10 OF THE TAKEOVERS CODE**

The Company is required to disclose (i) the loss figures relating to the Scheme Subsidiaries as set out in the paragraph headed “Information on the Scheme Subsidiaries, the properties held by the Scheme Subsidiaries and the remaining assets and operations of the Retained Group after the Group Reorganisation—Financial information of the Scheme Subsidiaries” in this announcement pursuant to Rule 14.58(7) of the Listing Rules; and (ii) the details of the gain expected to accrue to the Company as a result of the Group Reorganisation as set out in the paragraph headed “Financial effect of the Group Reorganisation” in this announcement pursuant to Rule 14.60(3)(a) of the Listing Rules. Pursuant to Rule 10 of the Takeovers Code, each of (i) the unaudited loss figures relating to the Scheme Subsidiaries; and (ii) the gain expected to accrue to the Company as a result of the Group Reorganisation constitutes a profit forecast and should be reported on by the Independent Financial Adviser and the Company’s reporting accountants (the “**Reports**”) in accordance with note 1(c) to Rules 10.1 and 10.2 of the Takeovers Code. However, due to the practical difficulties to include the Reports in this announcement in light of the additional time required for the preparation of the Reports by the Independent Financial Adviser and the Company’s reporting accountants, the unaudited loss figures relating to the Scheme Subsidiaries and the gain expected to accrue to the Company as a result of the Group Reorganisation are not strictly in compliance with the requirements of Rule 10 of the Takeovers Code. The unaudited loss figures of the Scheme Subsidiaries and the gain expected to accrue to the Company as a result of the Group Reorganisation will be reported on in compliance with the requirements of Rule 10 of the Takeovers Code and such information will be included in the Circular.

**The Company would like to draw to the attention of the Shareholders and potential investors that the unaudited loss figures in relation to the Scheme Subsidiaries and the gain expected to accrue to the Company as a result of the Group Reorganisation do not meet the standard required by Rule 10 of the Takeovers Code. Shareholders and potential investors should exercise caution in placing reliance on such information in assessing the merits and demerits of the terms of the Restructuring Transactions, the Group Reorganisation and the Whitewash Waiver, and when dealing in the Shares.**

## **REASONS FOR AND BENEFITS OF THE GROUP REORGANISATION**

Through the Group Reorganisation, the Residual Value will be made available for distribution to the Creditors in addition to the Cash Consideration, which the Directors believe would facilitate the implementation of the Scheme by increasing the support from the Creditors for the Scheme.

As soon as practicable after the date on which the Scheme becomes effective, the Scheme Administrators will take steps to put the Scheme Subsidiaries (other than Vivalink, Gold Asset and Wise Think, being the Scheme Subsidiaries subject to enforcement actions with Receivers appointed) into liquidation and/or to sell the equity interests of the Scheme Subsidiaries (other than Vivalink, Gold Asset and Wise Think, being the Scheme Subsidiaries subject to enforcement actions with Receivers appointed) and/or any of the assets of such Scheme Subsidiaries. Any Residual Value that the SchemeCo may receive shall be utilized for distribution in accordance with the terms of the Scheme.

In view of the above, the Directors believe that considering the Group Reorganisation is to be conducted as part of the Scheme, the Group Reorganisation is fair and reasonable and is in the interests of the Shareholders as a whole.

### **IMPLICATIONS UNDER THE LISTING RULES**

According to Chapter 14 of the Listing Rules, the Group Reorganisation will constitute a disposal by the Company. As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Group Reorganisation (on an aggregated basis) exceeds 75%, the Group Reorganisation, when implemented, will on an aggregated basis constitute a very substantial disposal for the Company and is therefore subject to the notification, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

### **FURTHER AMENDMENTS TO AND EXTENSION OF THE LONG STOP DATE OF THE SUBSCRIPTION AGREEMENT**

Following the revisions to the terms of the Scheme as particularised above in this announcement, the Parties have agreed under the Third Supplemental Agreement to insert the following two new condition precedents to whose fulfilment Completion is subject:

- (o) resolution(s) in relation to the approval for the Group Reorganisation having been duly passed by the Independent Shareholders in general meeting; and
- (p) the Group Reorganisation having been completed (save for the transfer of the shares and assets of each of Vivalink, Gold Asset and Wise Think, so long as it is subject to enforcement actions with Receivers appointed).

None of the Parties may waive any of the above conditions precedent. If these conditions precedent are not satisfied on or before the Completion Date, the Subscription Agreement will be terminated automatically on the Long Stop Date.

The Parties have also agreed under the Third Supplemental Agreement to further extend the Long Stop Date from 30 June 2023 to 31 August 2023 .

## **GENERAL**

The Group Reorganisation and the transactions contemplated thereunder will be put forward for the Shareholders to consider and, if thought fit, to approve at the SGM.

Further details of the Group Reorganisation and the transactions contemplated thereunder will be contained in the Circular.

The following persons shall abstain from voting on the resolutions to approve the Group Reorganisation: (i) the Subscriber, its ultimate beneficial owners and associates; (ii) any parties acting in concert with the Subscriber and its ultimate beneficial owners (including CIS SAM); and (iii) the Shareholders who are involved in or interested in the Restructuring Transactions, the Group Reorganisation and the Whitewash Waiver (including Tongda Enterprises Limited and its ultimate beneficial owner, Mr. Pan Haoran).

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, terms defined in the September Announcement have the same meanings when used in this announcement, and in addition, the following expressions have the meanings set out below unless the context requires otherwise.

“BVI”	the British Virgin Islands
“Cash Consideration”	the payment of cash in the amount equivalent to the net proceeds (after deducting the costs and expenses in connection with or incidental to the transactions contemplated under the Subscription Agreement (including the Restructuring Transactions and the Group Reorganisation)) from the Subscription, being an amount not less than HK\$136,000,000
“Deconsolidated Subsidiary(ies)”	Gold Asset, Wise Think and Vivalink
“Giant Astute”	Giant Astute Limited, a company incorporated in the BVI and an indirect wholly-owned subsidiary of the Company
“Gold Asset”	Gold Asset Investment Limited, a company incorporated in Hong Kong

“Group Reorganisation”	the transfer of the shares and assets of the Scheme Subsidiaries (other than Vivalink, Gold Asset and Wise Think, being the Scheme Subsidiaries subject to enforcement actions with Receivers appointed) by Sunny Pavilion to the SchemeCo
“Intelligent Lead”	Intelligent Lead Holdings Limited, a company incorporated in the BVI and an indirect wholly-owned subsidiary of the Company
“Long Stop Date”	31 August 2023 (or such later date as the Parties may agree in writing)
“Properties”	the unsold portions of Fullsun Emerald Bay, Fullsun • Qianlong Bay and La Salle Residence, the information of which are set out in the paragraph headed “ Information on the Scheme Subsidiaries, the Properties held by the Scheme Subsidiaries and the remaining assets and operations of the Retained Group after the Group Reorganisation – Information on the properties held by the Scheme Subsidiaries” in this announcement
“Receivers”	the joint and several receivers and managers appointed over the properties and shares pledged in relation to an interest bearing borrowing due to Sure Valued from Vivalink
“Residual Value”	the net proceeds from the realisation of the Scheme Subsidiaries, being the realised amounts after settlement of their respective secured debts
“Retained Group”	the Company and the Retained Subsidiaries
“Retained Subsidiaries”	the subsidiaries of the Company other than the Scheme Subsidiaries
“Rosy Success”	Rosy Success Group Limited, a company incorporated in the BVI and an indirect wholly-owned subsidiary of the Company
“Scheme Administrators”	the joint and several administrators of the Scheme, or their successors, appointed pursuant to the Scheme

“Scheme Subsidiaries”	(i) each of Intelligent Lead, Vivalink and Giant Astute and their respective subsidiaries (including Gold Asset and Wise Think); and (ii) the 49% equity interest in Shanghai Fusheng held indirectly by Vivalink
“SchemeCo”	a special purpose vehicle to be incorporated in Hong Kong and entirely held and controlled by the Scheme Administrators to hold the Cash Consideration and the Scheme Subsidiaries (directly or indirectly) pursuant to the terms of the Scheme
“September Announcement”	the announcement of the Company dated 13 September 2022 in relation to the Restructuring Transactions and the Whitewash Waiver
“Shanghai Fusheng”	Shanghai Fusheng Property Co., Ltd.* (上海福晟置業有限公司), a company established in the PRC and owned as to 49% indirectly by Vivalink and as to 51% indirectly by Rosy Success
“Subscription Agreement”	the conditional subscription agreement dated 11 July 2022 entered into between the Parties in respect of, among others, the Subscription (as supplemented and amended by a supplemental agreement dated 9 September 2022 and entered into between the Parties, a second supplemental agreement dated 3 March 2023 entered into between the Parties and the Third Supplemental Agreement)
“Sunny Pavilion”	Sunny Pavilion Ventures Limited, a company incorporated in the BVI and a direct wholly-owned subsidiary of the Company
“Sure Valued”	Sure Valued Holdings Limited, a creditor of the Company, and each of Sure Valued Holdings Limited and its ultimate beneficial owners are Independent Third Parties
“Target Shares”	collectively, all the issued shares in each of Intelligent Lead, Giant Astute and Vivalink (which indirectly owns 49% of the equity interests in Shanghai Fusheng)

“Third Supplemental Agreement”	the third supplemental agreement dated 2 June 2023 entered into between the Parties to the conditional subscription agreement dated 11 July 2022 entered into between the Parties in respect of, among others, the Subscription (as supplemented and amended by a supplemental agreement dated 9 September 2022 and entered into between the Parties and a second supplemental agreement dated 3 March 2023 entered into between the Parties)
“Unrestricted Scheme Subsidiaries”	all Scheme Subsidiaries other than the Deconsolidated Subsidiaries
“Vivalink”	Vivalink Limited, a company incorporated in the BVI
“Wise Think”	Wise Think Global Limited, a company incorporated in the BVI
“sq. m.”	square metre(s)

By order of the Board  
**Fullsun International Holdings Group Co., Limited**  
**Pan Haoran**  
*Executive Director*

Hong Kong, 2 June 2023

*As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Pan Haoran and Mr. Li Jinrong and three independent non-executive Directors, namely Mr. Kong Tat Yee, Mr. Yau Pak Yue and Mr. Zheng Zhen.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

\* *for identification purpose only*



## APPENDIX II

### Simplified shareholding structure of the Group upon completion of the Group Reorganisation

