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## 盛源控股有限公司

SHENG YUAN HOLDINGS LIMITED

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 851)**

### TERMINATION OF SUBSCRIPTION OF ATTA NOTES IN RELATION TO A NOTIFIABLE TRANSACTION

Reference is made to (i) the announcement of Sheng Yuan Holdings Limited (the “**Company**”) dated 12 August 2022 in respect of, among others, the notifiable transaction in relation to the subscription of Atta Notes issued by Atta Asset to Kingwell Management in the principal amount of US\$20,000,000 with the subscription amount of US\$10,000,000 pursuant to the Atta Notes Purchase Agreement dated 15 September 2021 entered into between Atta Asset and Kingwell Management (the “**Subscription of Atta Notes**”), the Kingwell Notes Subscription Agreement dated 6 September 2021 entered into between Kingwell Management and Flourishing, and the Triparty Agreement dated 11 September 2021 entered into among Kingwell Management, Flourishing and Sheng Yuan Investment Advisors (the “**Announcement**”); and (ii) the circular of the Company dated 30 November 2022 in relation to, among others, the Subscription of Atta Notes, the Kingwell Notes Subscription Agreement and the Triparty Agreement (the “**Circular**”). Unless the contexts require otherwise, capitalized terms used herein shall have the same meanings as those defined in the Announcement and the Circular.

Pursuant to the Atta Notes Purchase Agreement, Atta Asset shall pay Kingwell Management interests of US\$740,000 on the Atta Notes on each of 7 May 2022, 7 November 2022, 7 May 2023, 7 November 2023 and 7 May 2024 respectively (i.e. Atta Asset shall pay Kingwell Management total accrued interests of US\$2,960,000 on the Atta Notes as of the date of this announcement), and the outstanding principal amount of the Atta Notes subscribed by Kingwell Management shall be due and payable on the Maturity Date, being 23 April 2024.

The Board announces that, on 21 March 2024, Kingwell Management, Flourishing, Sheng Yuan Investment Advisors and Atta Asset (collectively as the “**Relevant Parties**”) entered into a termination agreement pursuant to which the Relevant Parties agreed to the following arrangement:

- (1) the Atta Notes Purchase Agreement and the Subscription of Atta Notes thereunder shall be terminated on 21 March 2024 pursuant to the Atta Notes Purchase Agreement, and that Atta Asset shall repay Kingwell Management US\$10,000,000 (being the subscription amount of the Subscription of Atta Notes) and the agreed interests of US\$3,300,000 (collectively as the “**Repayment Amount**”) on 21 March 2024;
- (2) notwithstanding anything contrary to the terms and conditions in the Atta Notes Purchase Agreement, the Kingwell Notes Subscription Agreement and the Triparty Agreement, (i) a total of US\$12,916,667 out of the Repayment Amount shall be settled separately between Atta Asset and Flourishing on 21 March 2024, upon which an aggregate principal amount of US\$10,000,000 together with interests of US\$2,916,667 on the Kingwell Notes shall be deemed to be repaid by Kingwell Management to Flourishing; and (ii) the remaining sum of US\$413,333 of the Repayment Amount shall be paid by Atta Asset to Kingwell Management on 21 March 2024 (collectively as the “**Repayment Arrangement**”);
- (3) upon settlement of the Repayment Arrangement, Atta Asset shall be unconditionally released and discharged from any and all claims, demands, actions, obligations, damages relating to the Subscription of Atta Notes; and
- (4) save for the arrangements as disclosed in sub-paragraphs (1), (2) and (3) above, all other terms and conditions of the Triparty Agreement shall remain unchanged and continue to remain in full force and effect.

The Board considers that the termination of the Subscription of Atta Notes will not have any material adverse impact on the financial position and operations of the Group.

By order of the Board  
**Sheng Yuan Holdings Limited**  
**Zhou Quan**  
*Executive Director*

Hong Kong, 21 March 2024

*As at the date of this announcement, the Board consists of Mr. Zhou Quan and Mr. Zhao Yun (both being executive Directors), Mr. Huang Shuanggang (being a non-executive Director), Mr. Zhang Jinfan, Ms. Huang Qin and Mr. Guo Yaoli (all being independent non-executive Directors).*