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(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 223)

CHINA INNOVATION INVESTMENT LIMITED’S REQUISITION FOR AN INVESTIGATION INTO THE LEGALITY OF THE PURCHASE OF SHARES BY MINORITY SHAREHOLDERS

The Company received a letter today from China Innovation Investment Limited (“01217”), a substantial shareholder of the Company, requesting for an investigation into the legality of the purchase of the shares of the Company by 6 shareholders of the Company, each holding the shares in his/her own name, including Liu Qiu Hua, Zeng Xu, Mao Zuokui, Wu Guangchao, Zhu Zhengang and Han Wenli (the “**Minority Shareholders**”).

In the letter, 01217 pointed out that its requisition of the removal of all the Minority Shareholders of 00223’s current directors, who may be residents of Mainland China, with their lives and careers based in Mainland China (according to their personal communication address, business registration address, and mobile phone number area as declared in accordance with the regulations), and that if they wish to subscribe for or trade in the shares of Hong Kong listed companies that were not on the Shanghai-Hong Kong Stock Connect or the Shenzhen-Hong Kong Stock Connect (e.g. the shares of 00223), they would need to transfer funds from Mainland China to Hong Kong. However, the transfer of funds by the Minority Shareholders to purchase stocks listed in Hong Kong is suspected of violating the laws of Mainland China, which has led to doubts about their status as shareholders and resulted in a lack of legal basis for the exercise of shareholder’s rights. The Company is hereby requested to conduct an investigation.

In the letter, 01217 mentioned that according to the relevant provisions of the laws of Mainland China, transfer of properties due to emigration is the only method for residents of Mainland China to legally purchase stocks listed in Hong Kong with a value exceeding RMB100,000. If the Minority Shareholders have emigrated, the shareholding information should already show their overseas resident status, as dual nationality is strictly prohibited under the laws of China. Therefore, theoretically, if one declares himself/herself as a resident of China, including information like permanent residence, communication address, workplace, mobile number and passport number, all of which are in Mainland China, the transfer of properties due to emigration can be ruled out.

According to the laws of Mainland China, the minimum legal consequence of transferring funds abroad through illegal channels is that any commercial activities conducted with such illegally transferred funds (including the purchase of stocks of Hong Kong listed companies) are invalid in civil terms. The illegal transfer of funds is legally deemed as a violation of foreign exchange control regulations, and the foreign exchange authority has the right to order the repatriation of foreign exchange within a specified period and impose a fine of up to 30% of the amount of the evaded foreign exchange.

The civil juristic acts of the Minority Shareholders, which are suspected to violate the mandatory provisions of laws and administrative regulations, can be seen as void, which means, their purchase of the shares of the Company is void.

To safeguard the legitimate rights and interests of the Company, 01217 hereby requests that the Company to appoint PRC lawyers to conduct an in-depth investigation into the legality of the transfer of funds abroad by the Minority Shareholders (i.e. Liu Qiu Hua, Zeng Xu, Mao Zuokui, Wu Guangchao, Zhu Zhengang and Han Wenli), and report foreign exchange violations to the authorities of Mainland China (if any).

01217 also pointed out that with regard to the above circumstances, if the aforementioned purchase monies are suspected to have originated from overseas for a prosecutable offence, which in Hong Kong may constitute dealing with proceeds of crime (i.e., money laundering), the Company should also report to the relevant authorities in Hong Kong.

In this regard, 01217 requires the Company to promptly fulfill its corporate social responsibility as a listed company and maintain a lawful and compliant corporate image of the Company.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on Thursday, 12 December 2024 and will remain suspended until further notice.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Elife Holdings Limited
Xiang Xin
Chairman

Hong Kong, 12 December 2024

As at the date of this announcement, the Board comprises (i) Mr. Xiang Xin, Mr. Qiu Bin, Ms. Qin Jiali (duties suspended) and Mr. Zhao Zhenzhong (duties suspended) as the executive Directors; (ii) Mr. Chiu Sui Keung, Mr. Zhang Shaoyan, Ms. Chen Xinqiong and Mr. Guo Wei as the non-executive Directors; and (iii) Mr. Lam Williamson, Mr. Wong Tsz Fung and Mr. Moy Yee Wo, Matthew as the independent non-executive Directors.