



智富資源投資控股集團有限公司

WISDOM WEALTH RESOURCES INVESTMENT HOLDING GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 7)

*Executive Directors:*

Mr. Xu Shiping  
Mr. Huang Lei

*Independent Non-executive Directors:*

Mr. Zheng Zhaojun  
Mr. Wang Ning  
Mr. Chan Kwong On

*Registered office:*

Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM10  
Bermuda

*Head office and principal place  
of business in Hong Kong:*

Units 1910-12, 19th Floor  
China Merchants Tower  
Shun Tak Centre  
168-200 Connaught Road Central  
Sheung Wan, Hong Kong

30 August 2024

*To the Independent Shareholders*

Dear Sir/Madam,

**VOLUNTARY CONDITIONAL CASH PARTIAL OFFER  
BY RAINBOW CAPITAL (HK) LIMITED  
FOR AND ON BEHALF OF MR. WANG YONGKUI  
TO ACQUIRE 158,000,000 SHARES IN  
WISDOM WEALTH RESOURCES INVESTMENT  
HOLDING GROUP LIMITED (OTHER THAN THOSE  
ALREADY OWNED BY MR. WANG YONGKUI AND  
PARTIES ACTING IN CONCERT WITH HIM)**

**INTRODUCTION**

On 30 April 2024 (after trading hours), the Offeror notified the Company that he had firm intention to make the Offer (in compliance with the Takeovers Code) to acquire 158,000,000 Offer Shares (representing approximately 4.71% of the Company's issued share capital as at the date of Offer Announcement) not already owned by the Offeror and parties acting in concert with him at the Offer Price of HK\$0.018 per Offer Share.

The Offer Document accompanied with the Form of Acceptance were despatched on 6 June 2024.

The purpose of this Response Document is to provide you with, among other things, information relating to the Group and the Offer, the recommendation of the Independent Board Committee to the Independent Shareholders regarding the Offer, and the advice of the Independent Financial Adviser to the Independent Board Committee on the Offer. You are advised to read this Response Document, the recommendation of the Board, the recommendation of the Independent Board Committee and the advice from the Independent Financial Adviser carefully before taking any action in respect of the Offer.

## **THE OFFER**

The terms of the Offer are set out in the Offer Document and the Form of Acceptance. You are recommended to refer to the Offer Document and the Form of Acceptance for further details.

### **Principal terms of the Offer**

Rainbow Capital, the financial adviser to the Offeror, is making the Offer on behalf of the Offeror in compliance with the Takeovers Code on the following terms:–

**For each Offer Share .....HK\$0.018 in cash**

The Offer is extended to all Qualifying Shareholders in accordance with the requirements of the Takeovers Code.

Further details of the Offer including, among others, the expected timetable, the conditions, terms and procedures of acceptance of the Offer, are set out in the Offer Document, the Form of Acceptance and further announcements made or to be made by the Offeror (if applicable).

## **CONDITION TO THE OFFER**

As disclosed in the Offer Document, the Offer is subject to the Condition that valid acceptances being received (and not, where permitted, withdrawn) in respect of a minimum of 158,000,000 Offer Shares at or before 4:00 p.m. (Hong Kong time) on the First Closing Date which shall be at least 28 days following the Offer Document Despatch Date, or such later date as may be extended by the Offeror in accordance with the requirements of the Takeovers Code.

In the event that valid acceptances are received:

- (i) for less than the required number of 158,000,000 Offer Shares by the First Closing Date, unless the First Closing Date is extended in accordance with the requirements of the Takeovers Code, the Offer will not proceed and will lapse immediately; and
- (ii) for not less than the required number of 158,000,000 Offer Shares on or before the First Closing Date, the Offeror will declare the Offer unconditional as to acceptances on or before the First Closing Date.

For the avoidance of doubt, the Company had no knowledge and information as to whether the Condition above has been fulfilled as at the Latest Practicable Date.

Pursuant to the Offer Document, the Offeror will issue an announcement in relation to the revision, extension or lapse of the Offer or the fulfilment of the Condition in accordance with the Takeovers Code and the Listing Rules. The latest time on which the Offeror can declare the Offer unconditional in all respects is 7:00 p.m. on the 60th day after the Despatch Date (or such later date to which the Executive may consent).

**The Offer is subject to the satisfaction of the Condition. Accordingly, Independent Shareholders and potential investors of the Company are reminded that the Offer may or may not become or be declared unconditional.**

### SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is a table showing the shareholding structure of the Company as at the Latest Practicable Date:

Name of Shareholders	As at the Latest Practicable Date	
	Number of Shares	Approximate %
Guangdong Merchants Investment Holding Limited <i>(Note 1)</i>	808,610,000	24.10
Wealthy Planet Group Limited <i>(Note 2)</i>	423,681,500	12.63
Rich International Finance Limited <i>(Note 3)</i>	255,022,913	7.60
Gaozhou City Longyuan Xintiandi Real Estate Development Company Limited <i>(Note 4)</i>	195,000,000	5.81
Other public Shareholders	<u>1,672,826,284</u>	<u>49.86</u>
Total	<u>3,355,140,697</u>	<u>100.00</u>

Notes:

1. Guangdong Merchants Investment Holding Limited is a company wholly-owned by Guangdong Merchants Investment Holding Group Limited, which is wholly-owned by Mr. Xu Jun Jia, a former Director in the last twelve months.
2. Wealthy Planet Group Limited is a company wholly-owned by Mr. He Yaokun.
3. Rich International Finance Limited is a company wholly-owned by Mr. Liang Weiqiang, a public Shareholder.
4. Gaozhou City Longyuan Xintiandi Real Estate Development Company Limited is a company wholly-owned by Mr. Yang Bo, a public Shareholder.

As at the Latest Practicable Date, the Company had no outstanding securities, options, derivatives or warrants which are convertible or exchangeable into Shares and the Company has no other Relevant Securities.

## INFORMATION ON THE GROUP

The Company is an investment holding company and the principal activities of the Group include trading of electronic products and natural resources, petrochemical production, oil and gas exploration and production, mineral mining, provision of financial services and property development and investment.

The financial information of the Group, which was extracted from the latest published annual report of the Company for the year ended 31 December 2022 and the interim report of the Company for the six months ended 30 June 2023, is summarized as follows:

	For the year ended 31 December		For the six months ended 30 June	
	2021 (audited) HK\$'000	2022 (audited) HK\$'000	2022 (unaudited) HK\$'000	2023 (unaudited) HK\$'000
Profit/(loss) before taxation	392,602	356,315	344,929	(45,817)
Profit/(loss) attributable to the Shareholders	<u>267,895</u>	<u>250,227</u>	<u>249,989</u>	<u>(45,696)</u>

As at 30 June 2023, the Group had an unaudited consolidated net asset attributable to the Shareholders of approximately HK\$3,977.3 million.

On 4 August 2023, the Company received a statutory demand from Shinny Solar Limited to demand the Company to pay an amount of HK\$293,948,523.07, which comprised (i) the outstanding principal of a loan of HK\$240,000,000 provided by Shinny Solar Limited to the Company under a facility agreement dated 26 October 2017 (the "Facility Agreement"); and (ii) interest and default interest in the amount of HK\$53,948,523.07 accrued on the aforesaid principal amount from 17 November 2020 to the date of the statutory demand, within 3 weeks after the service of the statutory demand, failing which Shinny Solar Limited might present a winding-up petition to the Company. The Company instructed its solicitors to apply to the court on 25 August 2023 by way of petition to set aside the statutory demand of Shinny Solar Limited and to make a claim for damages against Shinny Solar Limited and its related companies for a loss of not less than HK\$390 million in respect of the shareholding interest in a subsidiary of the Company which could not be successfully disposed of because of the wrongful obstruction by Shinny Solar Limited. Details of the aforesaid statutory demand and petition are set out in the announcement of the Company dated 28 August 2023.

On 11 September 2023, the Company received a petition (the “**Winding-up Petition**”) from Shinny Solar Limited filed with the Court of First Instance of the High Court of the Hong Kong Special Administrative Region (the “**High Court of Hong Kong**”) for the winding-up of the Company under the provision of the Companies (Winding-Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong)(the “**Companies (WUMP) Ordinance**”) under Companies (Winding-up) Proceedings No. 399 of 2023. In the Winding-up Petition, Shinny Solar Limited claimed for the outstanding principal of a loan of HK\$240,000,000 and the interest and default interest in the amount of HK\$53,948,523.07 accrued on the aforesaid principal amount from 17 November 2020 to 3 August 2023, the date of the statutory demand. The hearing of the Winding-up Petition before the High Court of Hong Kong was initially scheduled to be held on 15 November 2023, which was subsequently adjourned to 19 August 2024. Upon the application for withdrawal of the Winding-up Petition by Shinny Solar Limited and with the supporting creditors also withdrawing their claims, the High Court of Hong Kong has order the Winding-up Petition be dismissed on 19 August 2024. Details of the Winding-up Petition are set out in the announcements of the Company dated 12 September 2023, 15 November 2023, 10 January 2024, 7 February 2024, 20 March 2024, 25 March 2024, 6 May 2024, 11 June 2024, 15 July 2024 and 19 August 2024.

On 23 January 2024, the Company entered into a subscription agreement (as supplemented by the supplemental agreement dated 24 January 2024), pursuant to which the Company conditionally agreed to issue the convertible notes in an aggregate principal amount of HK\$39.0 million. The convertible notes were issued on 1 February 2024 and were fully converted into 195,000,000 Shares on 2 May 2024. Details of the subscription of convertible notes are set out in the announcements of the Company dated 23 January 2024, 24 January 2024 and 1 February 2024.

On 27 February 2024, Shinny Solar Limited filed an indictment with the Zhanjiang Intermediate People’s Court against 廣東港粵金控房地產開發有限公司 (Guangdong Gangyue Financial Holdings Real Estate Development Co., Ltd.\*) (“**Guangdong Gangyue**”), being a subsidiary of the Company and a guarantor for joint liability of the Company under the Facility Agreement. In the indictment, Shinny Solar Limited claimed for a payment by Guangdong Gangyue of the outstanding loan principal of HK\$240,000,000 and accrued interests and penalty interest up to 6 February 2024 in a sum of HK\$174,425,790 owed by the Company to Shinny Solar Limited pursuant to the Facility Agreement. Shinny Solar Limited also applied for property preservation with Zhanjiang Intermediate People’s Court and requested a seizure of fixed assets belonging to Guangdong Gangyue in a sum not exceeding RMB376,811,908. On 14 May 2024, Zhanjiang Intermediate People’s Court ordered the seizure of the land use rights for five parcels of land located in Donghai Dao, Zhanjiang Economic and Technological Development Zone, Zhanjiang City, Guangdong Province, the PRC, being the Zhanjiang Property, owned by Guangdong Gangyue. This seizure is to be enforced for a period of three years, from 29 May 2024 to 28 May 2027, and is limited to the extent of RMB376,811,908. On 17 June 2024, Guangdong Gangyue filed an application for reconsideration with the Zhanjiang Intermediate People’s Court. The reconsideration hearing was held on 8 July 2024. On 1 August 2024, the Board received the ruling that the Zhanjiang Intermediate People’s Court turned down the reconsideration application filed by Guangdong Gangyue.

On 10 May 2024, the Board received a written requisition from Wealthy Planet Group Limited, a Shareholder holding not less than 10% of the total voting rights of all the members of the Company as at 10 May 2024, requiring the Company to convene a special general meeting for the purpose of considering and, if thought fit, passing the ordinary resolutions in relation to the removal of then existing Directors and appointment of new Directors. The special general meeting was held on 11 July 2024. Ordinary resolutions for removal of Mr. Xu Jun Jia, Mr. Neil Bush, Mr. Cao Yu, Mr. Ngan Kam Biu Stanford, Mr. Tam Chak Chi, Mr. Ma Kin Ling and Mr. Yiu King Ming as Directors and appointment of Mr. Xu Shiping, Mr. Huang Lei, Mr. Zheng Zhaojun, Mr. Wang Ning and Mr. Chan Kwong On as Directors were duly passed at the special general meeting. Details of the requisition and poll results of the special general meeting are set out in the announcements of the Company dated 14 May 2024 and 11 July 2024 and the circular dated 12 June 2024 issued by Wealthy Planet Group Limited.

On 23 May 2024, the Group entered into an agreement with an independent third party to dispose of the entire issued share capital of Millhaven, which indirectly owns the Beijing Property, for a consideration of HK\$180.0 million (or equivalent amount in RMB). However, on 26 June 2024, the Company received a letter from the potential buyer requesting the termination of the disposal in view of Shinny Solar Limited's lack of cooperation in the disposal and the fact that obtaining the necessary approvals, consents and authorizations from Shinny Solar Limited is a condition precedent for the disposal. Details of the disposal are set out in the announcements of the Company dated 31 May 2024 and 3 July 2024.

On 13 June 2024, the Company and Happy Win Resources Limited (as the subscriber) entered into the memorandum of understanding in relation to the proposed share subscription, whereby the Company intends to allot and issue, and Happy Win Resources Limited intends to subscribe for, new Shares for a subscription amount up to HK\$150 million. On 12 July 2024, the Board notified Happy Win Resources Limited that in view of the disposal of Millhaven, which is one of the conditions precedent for the proposed share subscription, being terminated, the Company has terminated the memorandum of understanding. Details of the memorandum of understanding can be referred to the announcements of the Company dated 13 June 2024 and 15 July 2024.

Trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on Tuesday, 2 April 2024 pending the publication of the announcement in relation to the annual results of the Company for the year ended 31 December 2023. As additional time is required for the Company and the auditor to finalise the audited accounts of the Group and to complete the audit procedures, especially on the valuation of the property development project and the assessment of going concern, the Company will announce the annual results of the Company for the year ended 31 December 2023 as and when appropriate.

On 27 June 2024, the Company received a letter from the Stock Exchange setting out the guidance for the resumption of trading in the Shares on the Stock Exchange (the “**Resumption Guidance**”). Pursuant to the Resumption Guidance, the Company shall:

- (a) publish all outstanding financial results required under the Listing Rules and address any audit modifications;
- (b) demonstrate the Company’s compliance with Rule 13.24 of the Listing Rules; and
- (c) inform the market of all material information for the Company’s shareholders and investors to appraise the Company’s position.

The Stock Exchange requires the Company to meet the Resumption Guidance, remedy the issues causing its trading suspension and fully comply with the Listing Rules to the Stock Exchange’s satisfaction before trading in its Shares is allowed to resume.

Your attention is drawn to Appendices I and II to this Response Document which contain further financial and general information of the Group.

#### **INFORMATION ON THE OFFEROR AND REASONS FOR THE OFFER**

With reference to the Offer Document, the Offeror, aged 39, is a merchant in the PRC, with his businesses covering the field of import and export trading, property investment and medical investment. He has over 10 years of experience in investment and import and export trading. He is currently the controlling shareholder and a director of 深圳市中港創富投資發展有限公司 (Shenzhen Zhonggang Chuangfu Investment Development Company Limited\*), a company established in the PRC and principally engaged in investment and import and export trading. He is also the sole shareholder and a director of 粵港澳融熙(廣州)投資有限公司 (YueGangAo Rongxi (Guangzhou) Investment Company Limited\*), a company established in the PRC and principally engaged in property and other investment and import and export trading. As disclosed in the Offer Document, the Offeror confirmed that, as at the Offer Document LPD, the Offeror and parties acting in concert with him were not interested directly or indirectly in any voting rights over any Share, convertible securities, warrant, option the Company or any derivative in respect of such securities.

According to the information disclosed in the Offer Document, the Offeror believes that the stock market in Hong Kong is currently in a valuation depression when compared with the global capital market. The Offeror has confidence in the long-term development of Hong Kong's capital market, and is keen to make long-term investments in the Hong Kong stock market. The Offeror believes that the Company's business in property development and sand mining has long term development potential. In particular, the property development business in the PRC has been adversely affected by the depressed property development market and poor sentiment in the PRC. Closely monitoring the business development of the Group and the industry development trend in the PRC, the Offeror is of the view that the property development market will turnaround and the Group will benefit from the industry-wide support from both national and local governments.

Based on the Offeror's assessment, the market price of the Shares is extremely undervalued. The closing price of the Shares was HK\$0.032 per Share on the Last Trading Day, representing a deep discount of approximately 97.30% to the unaudited consolidated net asset value attributable to the Shareholders of approximately HK\$1.1854 per Share as at 30 June 2023. Therefore, the Offeror considers that the Offer represents an opportunity for him to acquire the shares of the Company, which has value in its assets notwithstanding the risk that the Shares may be subject to prolonged trading suspension or even delisting if the 2023 Annual Results could not be published as scheduled.

While balancing with the risk posed by the suspension of trading of the Shares on the Stock Exchange (the "Trading Suspension") and considering his own financial resources needed for the Offer, the Offeror did not make a full general offer for all the Shares and intends to acquire approximately 4.71% of the issued share capital of the Company. However, the Trading Suspension and the low trading liquidity of the Shares make it difficult for the Offeror to acquire such number of the Shares in the open market. As such, the Offeror initiated the Offer instead of a full general offer for the purpose of investment.

#### **INTENTION OF THE OFFEROR ON THE GROUP**

The Offer is uninvited and as at the Latest Practicable Date, the Offeror and the Board have not had any discussion on the long-term strategic and development plan on the Group. Further, no concrete or detailed plan was provided by the Offeror in the Offer Document for the business of the Group.

#### **COMPULSORY ACQUISITION AND MAINTAINING THE LISTING STATUS OF THE COMPANY**

The Offeror will not have the power of compulsory acquisition of any Offer Shares outstanding and not acquired under the Offer after the close of the Offer.

As disclosed in the Offer Document, the Offeror intends that the Company remains listed on the Stock Exchange. The Offeror also undertakes to the Stock Exchange to take appropriate steps if required to ensure that sufficient public float exists in the Shares as a result of the Offer.



## **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

Pursuant to Rule 2.8 of the Takeovers Code, the Independent Board Committee, comprising all independent non-executive Directors, being Mr. Zheng Zhaojun, Mr. Wang Ning and Mr. Chan Kwong On, was formed to give advice to the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and whether the Offer is in the interests of the Independent Shareholders and as to the acceptance of the Offer.

The Independent Board Committee has appointed Messis Capital, a corporation licensed under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities, as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer and, in particular, as to whether the Offer is fair and reasonable and as to the acceptance of the Offer. The appointment of Messis Capital as the Independent Financial Adviser has been approved by the Independent Board Committee in accordance with Rule 2.1 of the Takeovers Code. The letter of advice from the Independent Financial Adviser in respect of the Offer and the recommendations to the Independent Board Committee and the Independent Shareholders is included in this Response Document.

## **RECOMMENDATION**

Your attention is drawn to (i) the letter from the Independent Board Committee set out on pages 16 to 17 of this Response Document which contains its recommendation to the Independent Shareholders in respect of the Offer; and (ii) the letter from the Independent Financial Adviser set out on pages 18 to 38 of this Response Document which contains its advice to the Independent Board Committee in connection with the Offer, as well as the principal factors and reasons considered by it in arriving at its recommendation. Independent Shareholders should read these letters in conjunction with the Offer Document carefully before taking any action in respect of the Offer.

The Independent Financial Adviser is of the view that the terms of the Offer (including the Offer Price) are fair and reasonable so far as the Independent Shareholders are concerned and accordingly advised the Independent Board Committee to recommend the Independent Shareholders to accept the Offer.

Having considered the terms of the Offer and the advice from the Independent Financial Adviser, the Independent Board Committee considers that the Offer is fair and reasonable so far as the Independent Shareholders are concerned and accordingly recommends the Independent Shareholders to accept the Offer.


The executive Directors concur with the views of the Independent Board Committee and the Independent Financial Adviser and are of the view that the Offer is fair and reasonable so far as the Independent Shareholders are concerned and accordingly recommend the Independent Shareholders to accept the Offer.

**ADDITIONAL INFORMATION**

Your attention is drawn to the additional information contained in the appendices to this Response Document. You are also recommended to read carefully the Offer Document and the accompanying Form of Acceptance for further details in respect of the procedures for acceptance of the Offer.

By order of the Board

**Wisdom Wealth Resources Investment Holding Group Limited**



**Xu Shiping**

*Chairman and Executive Director*