Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

天禧海嘉控股集團有限公司

SKY CHINAFORTUNE HOLDINGS GROUP LIMITED

LISTED ON THE STOCK EXCHANGE OF HONG KONG (STOCK CODE: 141)

(Incorporated in Hong Kong with limited liability)

DECISION OF THE LISTING COMMITTEE TO CANCEL THE LISTING OF THE COMPANY'S SHARES

This announcement is made by Sky Chinafortune Holdings Group Limited (the "**Company**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated 5 October 2021, 30 November 2021, 28 February 2022, 31 May 2022, 15 June 2022, 18 August 2022, 29 November 2022 and 28 February 2023 (the "**Announcements**") in relation to, among other things, the guidance for the resumption of trading in the shares of the Company (the "**Shares**") set by the Stock Exchange (the "**Resumption Guidance**") and quarterly updates on the resumption progress, respectively. Unless otherwise specified, capitalised terms used in this announcement have the same meanings as defined in the Announcements.

DECISION OF THE LISTING COMMITTEE TO CANCEL THE LISTING OF THE SHARES

The Board wishes to inform the Shareholders and potential investors of the Company that the Company received a letter from the Listing Committee of the Stock Exchange (the "**Listing Committee**") dated 31 March 2023 (the "**Letter**"), notifying the Company that the Listing Committee has considered the Company's case and decided to cancel the Company's listing under Rule 6.01A(1) of the Listing Rules (the "**Decision**").

The Listing Committee arrived at its Decision having considered the following reasons, which have been extracted from the Letter:

1. Trading in the Shares has been suspended since 2 September 2021. Under Rule 6.01A(1) of the Listing Rules, the Stock Exchange may delist the Company if trading did not resume by 1 March 2023.

2. As explained below, the Listing Committee considered the Company had not met any of the resumption guidance.

Resumption Guidance (i) — demonstrate its compliance with Rule 13.24 of the Listing Rules

3. Since the Listing Review Committee's decision of 1 September 2021, the Retail Business (including the Convenience Store Business and the Liquor Business) and the Property Business had made no substantial improvement. For the Retail Business, it only recorded a minimal revenue of HK$3.5 million and segment loss of HK$4.3 million for the six months ended 30 June 2022. The Company also ceased the Convenience Store Business in 2022. For the Property Business, there had not been any material improvement in the scale of operation. The Company did not have any plan to improve the scale of these two businesses. Therefore, the Company remained non-compliant with Rule 13.24 and was a listed shell.

4. Now, it intended to rely on the proposed acquisition ("**Proposed Acquisition**") of a target company ("**Target Company**", with its subsidiaries, "**Target Group**") to re-comply with Rule 13.24. However, as explained below, the Company failed to demonstrate that the Proposed Acquisition would be completed within a short period of time or at all. Further, the Company failed to demonstrate that the Target Company would be able to meet the new listing requirements. Therefore, the Proposed Acquisition should be disregarded in the context of assessing the Company's compliance with Rule 13.24.

On approving the new listing application and the Proposed Acquisition

5. The Proposed Acquisition was preliminary, subject to uncertainties. The Company did not demonstrate that the Proposed Acquisition would be completed by September 2023 or at all, having regard that:

   5.1 The parties had only signed a non-legally binding term sheet on the Proposed Acquisition (the "**Term Sheet**"). It was uncertain whether they would sign a legally binding agreement and if so, when and under what terms.

5.2 In any case, even if the formal agreement were signed, the completion of the Proposed Acquisition would still be subject to, among others, (i) a due diligence review subject to the sponsor's satisfaction; (ii) financial audit by the reporting accountants; (iii) approvals by regulatory bodies including China Banking and Insurance Regulatory Commission, China Securities Regulatory Commission, Ministry of Finance, State Administration of Foreign Exchange of the PRC; (iv) approval by the independent shareholders; and (v) the Stock Exchange's approval on the new listing application. The outcome and timing of achieving these conditions are uncertain.

5.3 At this stage, the Company had not engaged the relevant professional parties such as the sponsor and reporting accountants to prepare for the new listing application. It intended to do so only after the granting of the time extension. The expected time for submitting the new listing application and completing the Proposed Acquisition by June and September 2023 respectively had neither been agreed by the sponsor nor supported by reasonable basis. It was questionable if Proposed Acquisition and the new listing application would be approved and completed by the extended deadline, or at all.

On satisfying the new listing requirements

6. For the following reasons, there was also a question on whether the Target Group was able to meet the new listing requirement of the "market capitalisation/revenue/cash flow test" under Rule 8.05(2) of the Listing Rules and the enlarged group would be able to meet the other basic listing requirements under Chapter 8 of the Listing Rules:

6.1 The Target Group only recorded an unaudited net asset value of HK$94 million as at 31 December 2021 and had been loss making during the track record period. The Company had failed to demonstrate it would be able to meet the requirement of having a minimum market capitalisation of HK$2 billion at the time of listing under Rule 8.05(2)(d) of the Listing Rules.

6.2 The audit of the financial year ended 31 December 2022 (the "**FY2022**") results had not been completed. The confirmation on the revenue and operating cash flow for FY2022 was not supported by any assurance. It was uncertain whether the Target Company could indeed meet the revenue and operating cash inflow requirements under Rule 8.05(2)(e) and (f) of the Listing Rules.

6.3 Given the substantial differences in scale and operating history between the Target Group and the three Main Board issuers quoted in the Company's submission, the Listing Committee considered that the Company had yet to provide a meaningful analysis with evidence to demonstrate sufficient public interest in the business of the Target Group and the enlarged group under Rule

8.07 of the Listing Rules. Further, the Company had yet to demonstrate that it had a feasible proposal to restore the public float in compliance with Rule 8.08(1)(a) following the Proposed Acquisition.

Resumption Guidance (ii) — re-comply with Rules 3.10(1), 3.10A and 3.21 of the Listing Rules

7. The Company remained non-compliant with Rules 3.10(1), 3.10A and 3.21 of the Listing Rules.

Resumption Guidance (iii) — inform the market of material information

8. Fulfilment of this condition was to be assessed when the Company had met all the other resumption guidance. For the above reasons, the Listing Committee was not satisfied that the Company had met this condition.

The Listing Committee's view on the extension of remedial period

9. Regarding the Company's application for extending the resumption deadline, paragraph 22 of the guidance letter HKEX-GL95–18 issued by the Stock Exchange, clearly states that an extension of time may be given only in "exceptional circumstances", generally limited to a scenario where a company has resolved all the substantive issues and has substantially implemented all relevant steps towards trading resumption, but for factors outside its control (generally expected to be administrative in nature), it requires a short extension of time to finalise matters.

10. For the reasons set out from paragraphs 3 to 8 above, the Listing Committee was not satisfied that the Company had addressed the substantive issues underlying the resumption guidance and shown sufficient certainty on trading resumption. Therefore, its situation did not fall within the "exceptional circumstances".

Alleged impact of COVID-19

11. The Company claimed that the progress of the Proposed Acquisition had been affected by COVID-19. Again, the Listing Committee did not consider that this provides a valid justification for extending the resumption deadline as requested or at all based on the following:

    11.1 The Company had ceased its Convenience Store Business and had been operating the Property Business and Liquor Business at a minimal scale. The Company did not meet Rule 13.24 of the Listing Rules and was a listed shell. Granting an extension of the remedial period would be inconsistent with our general policy to discourage shell activities.

11.2 The Company also failed to establish that the failure to meet the resumption guidance by the resumption deadline was caused directly by COVID-19 but not other factors. Factors that the Listing Committee had considered included:

(i) The alleged impact of COVID-19 on the Proposed Acquisition was generic, without factual basis. For example, in the quarterly announcements of 18 August and 29 November 2022, the Company announced that it was still exploring different business opportunities to improve its financial performance but no definitive agreement in relation to any acquisition had been reached at that time. It was only until January 2023 that the Company had entered into the Term Sheet. The Company had not mentioned any impact of COVID-19 on its potential acquisition plan in the quarterly announcements;

(ii) Since the Term Sheet was signed in January 2023, the Company had yet to enter into formal sales and purchase agreement. It would engage the professional parties and submit the new listing application only after the granting of the time extension. These factors prolonging the acquisition plan were unrelated to COVID-19.

12. In these circumstances, the Stock Exchange was entitled to delist the Company under Rule 6.01A(1) of the Listing Rules.

RIGHT OF REVIEW

Under Rules 2B.06(2) and 2B.08(1) of the Listing Rules, the Company has the right to have the Decision referred to the Listing Review Committee (as defined in the Listing Rules) for review within seven business days from the date of the Decision (i.e., on or before 14 April 2023), otherwise, the last day of listing of the Shares will be on 19 April 2023 (the "**Last Listing Date**") and the listing of the Shares will be cancelled with effect from 9:00 a.m. on 20 April 2023.

Having considered the Decision and after discussions internally and with professional advisers, the Company has decided not to lodge a request for the Decision to be referred to the Listing Review Committee for review.

Further announcement(s) will be made by the Company as and when appropriate and in accordance with the requirements of the Listing Rules.

CONSEQUENCES TO THE SHAREHOLDERS

All Shareholders and investors of the Company should note that after the Last Listing Date, whilst the share certificates of the Shares will remain valid, the Shares will not be listed on, and will not be tradeable on the Stock Exchange. Thereafter, the Company will no longer be subject to the Listing Rules.

Shareholders who have any queries about the implications of the Decision are advised to obtain appropriate professional advice. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

On behalf of the Board
Sky Chinafortune Holdings Group Limited
Mr. JIANG Tian
Chairman of the Board

Hong Kong, 14 April 2023

As at the date of this announcement, the Board comprises four executive Directors, namely, Mr. JIANG Tian, Ms. HOU Yingxuan, Mr. GONG Biao and Ms. JIANG Jiabao; one non-executive Director, namely, Mr. CHAI Yuet; and two independent non-executive Directors, namely, Mr. TSEUNG Yuk Hei Kenneth and Mr. JI Qing.