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WINFULL GROUP HOLDINGS LIMITED
宏輝集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 183)

MAJOR TRANSACTION SUBSCRIPTION OF FUND

SUBSCRIPTION OF THE FUND

The Board announces that on 1 August 2024, the Subscriber, being a wholly-owned subsidiary of the Company, subscribed for a participation in the Fund with capital commitment of USD10,000,000 or equivalent JPY (equivalent to approximately HK\$78,000,000), representing approximately 0.33% of the target capital commitments of the Fund.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Subscription exceeds 25% but is less than 100%, the Subscription constitutes a major transaction under the Listing Rules and is subject to reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Under Rule 14.44 of the Listing Rules, Shareholders' approval for the Subscription and the transactions contemplated thereunder may be obtained by way of written Shareholders' approval in lieu of holding a general meeting if (1) no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Subscription; and (2) written Shareholders' approval has been obtained from a Shareholder or a closely allied group of Shareholders who together hold more than 50% of the voting rights at that general meeting to approve the Subscription.

The Company has obtained written approval for the Subscription and the transactions contemplated thereunder in accordance with Rule 14.44 of the Listing Rules from Mr. Pong (for himself and on behalf of Virtue Partner), who is the beneficial owner of 49,407,600 Shares and is deemed to be interested in 334,641,966 Shares held by Virtue Partner, which in aggregate represents approximately 67.74% of the entire issued share capital of the Company as at the date of this announcement.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder or any of their respective close associates have any material interest in the Subscription and the transactions contemplated thereunder, and none of them is required to abstain from voting on the Subscription and the transactions contemplated thereunder. Accordingly, no general meeting will be held by the Company for approving the Subscription and the transactions contemplated thereunder as is permitted under Rule 14.44 of the Listing Rules.

GENERAL

In accordance with Rule 14.41(a) of the Listing Rules, a circular containing, among other things, (i) details of the Subscription and the transactions contemplated thereunder; and (ii) other information required to be included in the circular under the requirements of the Listing Rules shall be despatched to the Shareholders within fifteen (15) business days after the publication of this announcement.

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The salient terms of the Fund are set out below:

Name of the Fund:	BentallGreenOak Asia IV, LP., a Cayman Islands exempted limited partnership
General partner (“ General Partner ”):	BentallGreenOak Asia GP IV, LP, a Cayman Islands exempted limited partnership
Investment adviser (“ Investment Adviser ”):	BentallGreenOak Asia Advisor LP, a Cayman Islands exempted limited partnership
Target Fund size:	The Fund will have a target size of approximately US\$3 billion with a hard cap of US\$5 billion

Investment objective:	The Fund’s investment objective is to seek risk-adjusted returns through value-add and opportunistic investments in real estate assets primarily located in Japan, Korea and selectively in Australia, Hong Kong and Singapore
General Partner commitment:	Minimum 1% of the aggregate capital commitments
Target sectors:	Office, logistics, hospitality, multifamily residential, urban vertical retail and data centers
Investment period (“ Investment Period ”):	4 years from the Effective Date (as defined below), provided that it may be (i) terminated earlier by the General Partner in its sole discretion, by notice to the Limited Partners, at any time after at least 90% of the aggregate capital commitments have been invested or committed or reserved for additional investment in an existing investment as part of the underwriting; (ii) by notice given by consent of 75%-in-interest of the Limited Partners; or (iii) suspended or terminated upon a key person event
Effective date of the Investment Period (“ Effective Date ”)	A date determined by the General Partner in its sole discretion
Term of the Fund:	Seven (7) years from the final closing date of the Fund plus two one (1)-year extension with the approval of the advisory committee for each extension
Distributions:	<p>After establishment of reserves for Fund operations and liabilities, proceeds available for distributions will be apportioned amongst the partners pro rata in accordance with their commitments. The amount apportioned to a limited partner will be further apportioned and distributed between such limited partner and the General Partner as follows:</p> <ol style="list-style-type: none"> i. 100% to such limited partner until it has received cumulative distributions equal to its cumulative capital contributions; ii. 100% to such limited partner until it has achieved 9% internal rate of return; iii. 50% to such limited partner and 50% to the General Partner until cumulative distributions to the General Partner with respect to such limited partner equals 20% of aggregate amounts distributed pursuant to (ii) and (iii); and iv. 80% to such limited partner and 20% to the General Partner.

Management fee: 1.5% per annum on the committed capital during the Investment Period; and thereafter 1.5% per annum on the lower of cost or fair market value of the investments

Withdrawal: Limited partners of the Fund generally will not be entitled to withdraw all or any portion of their interest in the Fund, unless in certain limited circumstances (such as default of the limited partner) where the General Partner may mandatorily redeem or withdraw a limited partner's interest in the Fund

The capital commitment of USD10,000,000 or equivalent JPY (equivalent to approximately HK\$78,000,000) for the Subscription shall be payable by the Subscriber by way of cash which is intended to be financed by bank financing of the Group. The said amount of capital commitment was determined on normal commercial terms after considering (1) the investment terms and the potential capital appreciation and return of the Fund; and (2) the minimum amount of capital commitment where no extra up-front fee for the distributor of the Fund would be payable by the Subscriber.

The Group will account for the investment in the Fund as non-current asset under the classification of financial instruments at fair value through profit or loss. The Subscription will increase non-current asset of the Group and will decrease cash and bank balances of the Group. The income from the Subscription of the Fund and change in fair value will be recognised in profit or loss of the Group.

The Subscription shall also be subject to the obtaining of approval from the majority of the Shareholders. The Company has obtained written approval for the Subscription and the transactions contemplated thereunder in accordance with Rule 14.44 of the Listing Rules from Mr. Pong (for himself and on behalf of Virtue Partner), who is interested in an aggregate of approximately 67.74% of the entire issued share capital of the Company as at the date of this announcement.

REASONS FOR AND BENEFITS OF SUBSCRIBING FOR THE FUND

The Company is principally engaged in the investment, trading and development of properties and securities investment and trading.

In order to complement the risk and increase the yield of the real estate portfolio of the Group, the Board decides to diversify and expand its existing investment into different real estate markets in different jurisdictions. The Fund will be managed by the General Partner and the Investment Adviser, which are all affiliates of BGO. The Company understands that BGO is considered one of the largest real estate investment firms in North America with extensive knowledge and experience in the real estate market through the United States, Canada, Europe and Asia. Accordingly, the Company considers the Subscription to be an attractive opportunity to leverage on the expertise of the General Partner and the Investment Adviser to invest in the property markets around the world.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Fund are determined on normal commercial terms and are fair and reasonable, and that the entering into of the said transactions is in the interests of the Company and the Shareholders as a whole.

INFORMATION ABOUT THE PARTIES AND THE FUND

The Group

The Group is principally engaged in the investment, trading and development of properties and securities investment and trading and the Company is principally engaged in investment holding. The Subscriber is principally engaged in the investment and treasury function of the Group.

The Fund

The Fund was incorporated on 27 September 2022. Based on the information provided by the Fund, the Fund is registered as an exempted limited partnership in the Cayman Islands.

The General Partner of the Fund, namely BentallGreenOak Asia GP IV, LP, was established in the Cayman Islands as exempted limited partnership. Its general partner, GreenOak Japan GP Ltd., is established in the Cayman Islands as an exempted company which is ultimately owned by Sun Life Financial (U.S.) Holdings, Inc.

The Investment Adviser of the Fund is BentallGreenOak Asia Advisor LP, which is an exempted limited partnership registered in the Cayman Islands.

BGO and Sun Life

BGO was established on 1 July 2019 in the State of Delaware, the United States and is a global real estate investment management advisor and provider of real estate services. It is also a part of the alternatives asset management business of Sun Life.

Sun Life is an international financial services organization founded in Canada and providing insurance, wealth and asset management solutions to individual and corporate clients. Sun Life is a company listed on the Toronto Stock Exchange and the New York Stock Exchange.

To the best of their knowledge, information and belief and having made all reasonable enquiries, the Directors confirm that the Fund, the General Partner, the Investment Adviser, BGO and their respective ultimate beneficial owners or partners are third parties independent of the Group and its connected persons (as defined under the Listing Rules), and none of them have any prior relationship (whether financial, business or other) with the Company or the Group.

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To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder or any of their respective close associates have any material interest in the Subscription and the transactions contemplated thereunder, and none of them is required to abstain from voting on the Subscription and the transactions contemplated thereunder. Accordingly, no general meeting will be held by the Company for approving the Subscription and the transactions contemplated thereunder as is permitted under Rule 14.44 of the Listing Rules.

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DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“BGO”	BentallGreenOak Real Estate Advisors LP and its controlled affiliates, which is a part of the alternatives asset management business of Sun Life
“Board”	the board of Directors
“Company”	Winfull Group Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 183)
“Director(s)”	the director(s) of the Company
“Fund”	BentallGreenOak Asia IV, LP., a Cayman Islands exempted limited partnership
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“JPY”	Japanese yen, the lawful currency of Japan
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Pong”	Mr. Pong Wilson Wai Sun, the chairman of the Board and an executive Director
“Share(s)”	the ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	August Ally Limited, being a company incorporated in the British Virgin Islands with limited liability, which is a wholly-owned subsidiary of the Company
“Subscription”	the subscription of the Fund by the Subscriber with capital commitment of USD10,000,000 or equivalent JPY (equivalent to approximately HK\$78,000,000)

“Sun Life”	Sun Life Financial, Inc., a company founded in Canada
“USD”	US dollars, the lawful currency of the United States of America
“Virtue Partner”	Virtue Partner Group Limited, a company incorporated in the British Virgin Islands with limited liability and wholly owned by Mr. Pong
“%”	per cent

In this announcement, amounts in USD are translated into HK\$ on the basis of USD1.00 = HK\$7.8. The conversion rate is for illustration purposes only and should not be taken as a representation that USD could actually be converted into HK\$ at such rate or at all.

By order of the Board
Winfull Group Holdings Limited
Pong Wilson Wai San
Chairman

Hong Kong, 1 August 2024

As at the date of this announcement, the Company’s executive directors are Mr. Pong Wilson Wai San and Mr. Lee Wing Yin, the Company’s non-executive director is Mr. Lai Hin Wing, Henry and the Company’s independent non-executive directors are Mr. Koo Fook Sun Louis, Ms. Yeung Wing Yan Wendy and Mr. Liu Tsee Ming respectively.