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NOBLE ENGINEERING GROUP HOLDINGS LIMITED

怡康泰工程集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8445)

CLARIFICATION ANNOUNCEMENT REGARDING THE DISCLOSEABLE TRANSACTION

Reference is made to the announcement (the “**Announcement**”) of Noble Engineering Group Holdings Limited (the “**Company**”) dated 19 January 2023 regarding the discloseable transaction in relation to the acquisition of 37.88% of the issued share capital of the Target Company involving the issue of the Convertible Bond under the General Mandate. Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement unless the context requires otherwise.

VALUATION OF SHAP

The Company would like to clarify that under the sub-section headed “Basis of Consideration and Conversion Price” on page 4 of the Announcement, the valuation of SHAP of approximately HK\$220,000,000 as at 30 November 2022 was based on the “income approach” instead of “market approach” (the “**Valuation**”).

The key assumptions of the Valuation are as follows:

1. General assumptions

- (a) **Trading assumption:** Assuming that all the assets to be valued have already been in the transaction process, the valuer conducts the valuation based on the simulated market conditions such as the transaction conditions of the assets to be valued.
- (b) **Open market assumption:** The open market assumption is an assumption about the conditions of the market in which the asset is intended to enter and the effects that the asset will receive under such market conditions.

- (c) Continuous usage assumption: The continuous usage assumption is an assumption about the conditions under which an asset is intended to enter the market and the status of the asset under such market conditions. Firstly, the assets to be valued are in use, and secondly, it is assumed that such assets will continue to be used.
- (d) Business continuity assumption: It is a valuation assumption by taking the overall assets of the company as a valuation object. The company, as the main operation body, continues to operate in accordance with the company's objectives in the external environment. The company's operator is responsible and can take responsibility; the business operates legally and can obtain appropriate profits to maintain the ability to continue the business.

2. Income approach valuation assumptions

- (a) There are no material changes in the PRC's current relevant laws, regulations and policies, and the PRC's macroeconomic situation; there are no material changes in the politics, economy and social environments of the regions where the parties to this transaction are located at; there are no material adverse effects caused by other unpredictable and force majeure factors.
- (b) In view of the actual status of the assets on the valuation base date, it is assumed that the company continues to operate.
- (c) It is assumed that the company's operators are responsible and that the company's management and operation teams are competent in their roles commensurate with future forecasts.
- (d) Unless otherwise specified, it is assumed that the company is fully complied with all relevant laws and regulations.
- (e) It is assumed that the accounting policies adopted by the company in future are consistent in all material respects with the accounting policies adopted at the time of preparation of the Valuation.
- (f) It is assumed that on the basis of the company's existing management methods and management levels, the business scope and management methods are consistent with the current situation.
- (g) There will be no material changes in interest rates, exchange rates, tax bases and tax rates, and policy-related charges.
- (h) There are no other force majeure factors and unforeseeable factors to lead to a significant adverse impact on the company.

The Directors have performed the following assessments on the fairness and reasonableness of the valuation methodology and the key assumptions adopted in the Valuation:

1. Checked the independent valuer's professional certification/license and experience.
2. Enquired the independent valuer for credentials and cross-checked with the public search results to ensure that listed companies in the PRC have adopted their valuation for respective transaction in the past.
3. Reviewed the objectivity of the Valuation.
4. Reviewed and enquired about the valuation methodology used by the independent valuer.
5. Reviewed and assessed the inputs and assumptions used by the independent valuer.

FINANCIAL INFORMATION OF THE TARGET GROUP

The Company would like to further disclose the financial information regarding the Target Group. As at 31 December 2021, the net asset (liabilities) value of the Target Company and SHAP were HK\$10,000 and approximately (RMB2.7 million), respectively. SLMC was established in the PRC after 31 December 2021.

For the year ended 31 December 2022 and as at 31 December 2022, the financial information of the Target Company, SLMC and SHAP are as follows:

	Revenue	Net loss	Total assets	Net assets (liabilities) value
Target Company	Nil	Nil	HK\$10,000	HK\$10,000
SLMC	Nil	Nil	Nil	Nil
SHAP	Approximately RMB0.8 million	Approximately RMB0.9 million	Approximately RMB10.5 million	Approximately (RMB3.7 million)

Save as disclosed herein, all other contents of the Announcement remains unchanged.

Shareholders and potential investors of the Company should note that Completion is subject to the fulfilment of the conditions precedent under the Sale and Purchase Agreement. The Acquisition may or may not complete. Shareholders and potential investors of the Company are therefore urged to exercise caution when dealing in the Shares and other securities of the Company.

By order of the Board
Noble Engineering Group Holdings Limited
Tse Chun Yuen
Chairman and executive Director

Hong Kong, 8 February 2023

As at the date of this announcement, the executive Directors are Mr. Tse Chun Yuen, Mr. Tse Chun Kuen, Mr. Tam Wing Yuen and Mr. Cao Yaqun, the non-executive Director is Ms. Dang Hongying, and the independent non-executive Directors are Mr. Wong Yiu Kwong Kenji, Ms. Chung Lai Ling and Mr. Tang Chi Wai.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the website of the Stock Exchange at www.hkexnews.hk on the “Latest Company Announcements” page for at least 7 days from the date of its posting and will be published on the Company’s website at www.nobleengineering.com.hk.