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仍志集團控股有限公司
WISDOMCOME GROUP HOLDINGS LIMITED

(Continued into Bermuda with limited liability)

(Stock code: 8079)

DISCLOSEABLE TRANSACTIONS

- (1) ETH ACQUISITION;**
- (2) ETH DISPOSAL; AND**
- (3) PETS NFT ACQUISITION**

THE ETH ACQUISITION

The board (“**Board**”) of directors (“**Directors**”) of Wisdomcome Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) hereby announces that in between 4 July 2022 and 25 October 2022, the Group had acquired 971.7691 units of Ether (“**ETH**”) in CoinUnited.io, a global leading crypto service provider (“**CoinUnited**”) at an aggregate consideration of approximately HK\$11.2 million (the “**ETH Acquisition**”). The consideration for the ETH Acquisition was satisfied in cash and was determined according to the selling prices of ETH as quoted in CoinUnited, and the ETH Acquisition was funded by the internal resources of the Group. Settlement of the ETH Acquisition took place immediately after the respective purchase orders were made and completed. The details of the ETH Acquisition are summarized below:

Date of ETH Acquisition	Units of ETH Acquired	Average Unit Price (HK\$)	Total Consideration (HK\$)
4 July 2022	2.0013	8,333.08	16,677
6 July 2022	5.0678	9,057.78	45,903
12 July 2022	5.1250	8,493.46	43,529
20 July 2022	101.4860	12,502.26	1,268,804
21 July 2022	93.4457	11,888.46	1,110,925
26 July 2022	194.6297	11,380.19	2,214,922
24 August 2022	154.8108	12,912.39	1,998,977
21 September 2022	322.5550	10,854.11	3,501,049
25 October 2022	<u>92.6478</u>	<u>10,793.56</u>	<u>1,000,000</u>
Total	<u>971.7691</u>	<u>11,526.18</u>	<u>11,200,786</u>

THE ETH DISPOSAL AND PETS NFT ACQUISITION

The Board further announces that in between 13 July 2022 and 25 October 2022, the Group had acquired 146 units of PETS WORLD PETS NFT (“**PETS NFT**”) in OpenSea at an aggregate consideration of approximately HK\$11.096 million (the “**PETS NFT Acquisition**”). The consideration for the PETS NFT Acquisition was satisfied in ETH (the “**ETH Disposal**”) and was determined according to the selling prices of PETS NFT as quoted in OpenSea. Settlement of the PETS NFT Acquisition took place immediately after the respective purchase orders were made and completed. The details of the PETS NFT Acquisition and the ETH Disposal are summarized below:

Date of PETS NFT Acquisition and ETH Disposal	Units of PETS NFT Acquired	Average Unit Price (ETH)	Units of ETH Disposed	Total Consideration (HK\$)
13 July 2022	3	2.62	7.87	68,483
20 July 2022	14	6.68	93.52	1,153,678
21 July 2022	14	6.68	93.52	1,114,296
26 July 2022	29	6.68	193.72	2,207,573
24 August 2022	24	6.68	160.32	2,060,089
21 September 2022	48	6.68	320.64	3,482,497
25 October 2022	<u>14</u>	<u>6.68</u>	<u>93.52</u>	<u>1,009,613</u>
Total	<u>146</u>	<u>6.60</u>	<u>963.11</u>	<u>11,096,229</u>

As the ETH Acquisition, the ETH Disposal and the PETS NFT Acquisition (collectively, the “**Transactions**”) were conducted in CoinUnited/OpenSea, the identities of the counterparties of the Transactions could not be ascertained. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the counterparties and the ultimate beneficial owners of the counterparties of the Transactions are third parties independent of the Group and its connected persons.

INFORMATION ON ETH

Ethereum blockchain is an open-source blockchain that enables developers to build, publish, and utilize smart contracts and decentralized applications (DApps) without the need for third-party services. ETH is the native cryptocurrency of the Ethereum blockchain, which can be used as a digital currency and store of value (similar to Bitcoin). It can also be used to pay for transaction costs (gas fees) of transactions on the Ethereum blockchain, or use of Ethereum based DApps over the Ethereum blockchain.

INFORMATION ON PETS NFT

“Non-Fungible Tokens” or “NFTs” are unique and non-interchangeable units of data stored on a blockchain, which typically represent a right, a virtual or a tokenized physical asset.

The PETS NFTs were issued in February 2022, with initial issuance size of 264,000 NFTs at issuance price ranging from US\$99 to US\$99,000 per NFT based on the tiers as stated below which are priced in ETH. The market price of the PETS NFT is currently unavailable due to inactive trading.

The PETS NFTs are classified into various tiers i.e. Diamond, Ruby, Emerald, Paraiba, Sapphire, Aquamarine and Garnet which represents a tiered membership system of the PETS WORLD, a theme park and membership club which leverages leading edge Distributed Ledger Technology (DLT) to scale customer engagement, raise funding, operate club memberships, rewards, access control and internal club payments. Members are offered different discounts to the purchase of products and services offered by the PETS WORLD based on their membership tiers. Access to certain events and facilities on the PETS WORLD are granted to premium members only. The PETS WORLD ecosystem is still under development as at the date of this announcement and is expected to complete in coming years.

So far the Company is aware, the nominal issuer of the PETS NFT is Global Pets World Group Limited (“**Pets World HK**”), and the actual issuer of the PETS NFT is Ammbr Limited.

Pets World HK is a limited liability company incorporated in Hong Kong which is principally engaged in provision of pet health care services and products and wholly owned by Mr. Chan Yan Tak, the beneficial owner of the controlling shareholder of the Company, Best Richest Management Company Limited. The design of tokenomics of the PETS NFT and its issuance is controlled by Ammbr Limited. All relevant right and ownership of PETS NFT and its issuance proceeds is entirely belong to Ammbr Limited.

Ammbr Limited is a company incorporated in UAE which is principally engaged in the business of (i) creation of decentralized infrastructure, (ii) evaluation, advice and building of tokenised systems for projects that enhance business models in terms of capitalisation, distribution and governance, and (iii) design and building of marketplaces using tokenisation and data science to activate, accelerate and optimise sales. Ammbr Limited was founded by its Chief Executive Officer, Mr. Derick Smith and Chief Strategy Officer, Mr. Rakesh Rajagopal, and each of them holds 50% of the issued share capital of Ammbr Limited. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Ammbr Limited and its beneficial owners are not the connected persons of the Company and are independent of and not connected with the Company and/or its connected persons.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The ETHs were purchased solely for the purpose of the PETS NFT Acquisition. The Company recognized a net gain on the ETH Disposal of approximately HK\$1,000.

The PETS NFTs were purchased during the time when digital assets market was blooming. The trading of non-fungible tokens have been gaining popularity since 2021. Major brands and corporations have also started tinkering with non-fungible tokens to engage and expand their customer bases.

According to GfK SE survey (Gesellschaft für Konsumforschung or Society for Consumer Research) published in Petfood Industry.com, approximately 57% of consumers own pets. According to the latest data from the Hong Kong Agriculture, Fisheries and Conservation Department, approximately 11% of the households in Hong Kong currently keep a pet dog or cat. The statistics are showing a steady increase in pet ownership globally, and the amount spent on their upkeep.

The Board believes that the market potential of PETS WORLD is not limited to traditional pet markets, but also includes a growing number of online pet owners and metaverse players. As people's demand for online socializing and entertainment continues to increase, more and more people are starting to keep pets in virtual spaces. This provides PETS WORLD with enormous market potential, allowing it to attract these users by providing more diverse, fun, and challenging virtual pet experiences.

The Board was of the view that that return can be made by trading PETS NFT, and further expansion of the then existing business and diversification of business into new, high potential business of trading non-fungible tokens was important for the continuing growth and sustainability of the operations of the Group, especially during 2022 where the economy was still recovering from the effect of COVID restrictions.

Despite that the liquidity and bid-ask spread of the PETS NFT was relatively low at the time of PETS NFT Acquisition in the early stage after its issuance, in view of the huge market potential of PETS NFT which offers exclusive membership of PETS WORLD to its holders and the popularity of trading non-fungible tokens mentioned above, the Directors are of the view that terms of the Transactions are fair and reasonable and on normal commercial terms and the diversifying into investing in PETS NFT with ETH are in the interests of the Company and its shareholders as a whole.

INFORMATION ON THE GROUP

The Company is a company continued in Bermuda with limited liability with its shares listed on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The Group is principally engaged in money lending business, retail and wholesale business, financial instruments and quoted shares investment in Hong Kong.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the “**GEM Listing Rules**”) in respect of each of the Transactions exceed 5% but all are less than 25%, each of the Transactions constitutes a discloseable transaction for the Company and is subject to the announcement and reporting requirements under Chapter 19 of the GEM Listing Rules.

BREACH OF THE LISTING RULES

During approval of the Transactions by the Company at the relevant time, the Company was informed by its advisers that trading of ETH and PETS NFT could be considered as trading of inventories and that the Transactions were part of the Group’s ordinary and usual course of business and were therefore exempt from compliance with the requirements under Chapter 19 of the GEM Listing Rules.

After having received the guidance and clarification from the Stock Exchange, the Company acknowledged that each of the Transactions should have constituted a discloseable transaction for the Company, and regrettably admitted that it had unintentionally breached Rules 19.33 of the GEM Listing Rules.

REMEDIAL MEASURES

The Company deeply regrets its non-compliance with the GEM Listing Rules and would like to stress that such non-compliance was a single incident and purely inadvertent and the Company had no intention to withhold any information relating to the Transactions from disclosure.

In order to prevent the reoccurrence of the current instance of non-compliance, the Company has adopted and implemented the following remedial measures:

- (i) The Company has enhanced the training provided to the Directors and the senior management to reinforce their understanding of and to emphasize the importance of compliance with the GEM Listing Rules.
- (ii) The Company has strengthened the implementation of its internal control system on transactions including but not limited to strengthening the coordination and reporting arrangements for notifiable transactions among the various departments of the Company. Before entering into each agreement in the future, the senior management together with a dedicated staff member will review the relevant agreement to ensure compliance with the GEM Listing Rules.
- (iii) The Company has strengthened its cooperation and will continue to maintain close cooperation with its professional advisers in relation to regulatory compliance.
- (iv) In the event that the Company conducts similar transactions, it will seek advice from its external legal advisers on whether this will trigger any disclosure or compliance requirements under the GEM Listing Rules. If necessary, the Company will consult the Stock Exchange about the proper treatment of the proposed transaction.

The Company would like to take this opportunity to emphasize that the Group shall continue to enhance its internal control management on purchasing or disposing any assets regardless of its nature. Going forward, the Group will make appropriate disclosure in a timely manner to ensure compliance with the GEM Listing Rules.

Shareholders and potential investors of the Company should note that any cryptocurrencies that the Group may purchase or sell will depend on market conditions and will be made at the Board’s discretion. The cryptocurrency market is volatile in the near-term and the prices of cryptocurrencies may be subject to fluctuations. There is therefore no assurance as to the timing, quantity, type or price of any cryptocurrencies to be purchased or sold by the Group. Accordingly, shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Wisdomcome Group Holdings Limited
Chan Yan Tak
Chairman

Hong Kong, 9 February 2024

As at the date of this announcement, the board of directors of the Company comprises Mr. Chan Yan Tak, Mr. Lim Ming Shing, Tony, Ms. Siu Yeuk Hung, Clara and Mr. Law Ka Kei as executive directors; Mr. Lee King Fui, Mr. Joseph Rodrick Law, Ms. Ho Sau Ping Pia and Mr. Cheung Leung as independent non-executive directors.

This announcement, for which the directors of the Company 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 of the Company 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 “Latest Listed Company Information” page of the website of the GEM at www.hkgem.com for at least seven days from the date of its posting and on the Company’s website at www.ecrepay.com.