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## **SOMERLEY CAPITAL HOLDINGS LIMITED**

### **Somerley Capital Holdings Limited**

### **新百利融資控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8439)**

## **DISCLOSEABLE TRANSACTION PARTIAL REDEMPTION OF INTEREST IN A FUND**

### **REDEMPTION REQUEST**

Reference is made to the announcement of Somerley Capital Holdings Limited (the “Company” and with its subsidiaries, the “Group”) on 27 December 2019 (the “Announcement”) in relation to the Company’s subscription of Class A shares of The Climate Impact Asia Fund, a sub-fund of Milltrust International Managed Investments ICAV (the “Sub Fund”). Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

The board (the “Board”) of directors (the “Director(s)”) of the Company announce that on 25 November 2020, the Company received confirmation from the Administrator with respect to the Company’s request to redeem its entire interest in the Sub Fund (the “Redemption Request”) in cash at the redemption price as at 30 November 2020, which is equivalent to the net asset value per share of the Sub Fund at that date.

Based on the latest information provided by the Administrator, as at 30 October 2020, the Group is interested in approximately 26.6% of the Sub Fund and the fair value of such interest held by the Group was approximately HK\$24.5 million.

Pursuant to the supplement to the prospectus of Milltrust International Managed Investments ICAV dated 28 November 2019, if total requests for redemption on any dealing day in respect of the Sub Fund exceed 10% of the net asset value of the Sub Fund, each redemption request in respect of shares in the Sub Fund may, at the discretion of the directors the Sub Fund, be reduced pro rata so that the total number of shares for redemption on that dealing day shall not exceed 10% of the net asset value of the Sub Fund. Any redemption so reduced shall be carried forward to the next dealing day and effected in a manner consistent with requirements of The Central Bank of Ireland. The Company has been informed that such reduction has been imposed by the directors of the Sub Fund. This will result in approximately 32% of the Company’s

interest in the Sub Fund being redeemed pursuant to the Redemption Request (the “November Redemption”), with the remaining portion being carried forward to December 2020.

## **THE SUB FUND**

The Sub Fund is an open-ended sub-fund of Milltrust International Managed Investments ICAV, a collective asset-management vehicle with variable capital having segregated liability between its sub-funds and registered in Ireland with limited liability.

As at the date of this announcement, Environmental Investment Services Asia Limited (“EISAL”), a non-wholly owned subsidiary of the Company, is the Investment Manager of the Sub Fund. The Sub Fund’s portfolio has performed satisfactorily, but has not achieved a sufficient size to justify EISAL devoting its resources indefinitely to the management of the Sub Fund. Consequently, EISAL has informed the Sub Fund of its intention to resign as investment manager of the Sub Fund with effect from mid-February 2021. EISAL is in the course of exploring other fund management opportunities and further announcements will be made in due course if such opportunities progress. Mr. SABINE Martin Nevil, one of the controlling shareholders of the Company and Mr. HIGGS Jeremy James, the director of EISAL, are among the ultimate benefit owners of the Sub Fund. Mr. CHEUNG Tei Sing Jamie and Mr. FLETCHER John Wilfred Sword, the other controlling shareholders of the Company, are indirect ultimate beneficial owners of the Sub Fund. To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the directors of the Sub Fund and other ultimate beneficial owners are third parties independent of the Company and its connected persons.

## **FINANCIAL EFFECT OF THE REDEMPTION AND USE OF NET PROCEEDS**

As disclosed in the interim report of the Group dated 6 November 2020, during the six months ended 30 September 2020, the Group recorded an unrealised fair value gain of approximately HK\$5.6 million in relation to its interest in the Sub Fund. As at 30 September 2020, the fair value of the Group’s interest in the Sub Fund amounted to approximately HK\$23.3 million.

Upon completion of the November Redemption, the Group will continue to hold approximately 68% of the Company’s original interest in the Sub Fund. Based on the latest information provided by the Administrator, as at 30 October 2020, the estimated redemption value of the November Redemption would be approximately HK\$7.8 million and it is expected that the November Redemption would result in a fair value gain of approximately HK\$2.2 million for the year ending 31 March 2021. The actual gain as a result of the November Redemption to be recorded by the Group is subject to audit.

The net proceeds to be received by the Company from the November Redemption and the subsequent redemptions will be used for general working capital purpose and to fund EISAL's future development. Further monthly announcements will be made as redemptions proceed.

## **REASONS FOR AND BENEFITS OF THE REDEMPTION**

As at the date of this announcement, the Group is an integrated financial services provider licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") and is principally engaged in providing (i) corporate finance advisory services in Hong Kong and through its subsidiaries in Hong Kong and Beijing; and (ii) asset management services in Hong Kong.

The original cost of investment in the Sub Fund was approximately HK\$21.8 million which was committed to assist the launch of the Sub Fund managed by EISAL. Given EISAL's intention to resign as the Sub Fund's investment manager, there is no longer a strategic reason for the Company's investment. The Directors consider that the Redemption Request represents a good opportunity to realise the Group's fair value gain on the Sub Fund. As mentioned above, EISAL is in the course of exploring other business opportunities and the Directors may consider utilising some or all of the net proceeds to support EISAL's development.

Taking account of the above, the Board considers that the November Redemption is on normal commercial terms, fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the Redemption Request is more than 5% but less than 25%, the Redemption Request constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules. Therefore, the Redemption Request is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules but exempt from the shareholders' approval requirement.

for and on behalf of  
**Somerley Capital Holdings Limited**  
**SABINE Martin Nevil**  
*Chairman*

Hong Kong, 1 December 2020

*As at the date of this announcement, the executive Directors are Mr. SABINE Martin Nevil, Mr. CHEUNG Tei Sing Jamie and Mr. CHOW Wai Hung Kenneth; the independent non-executive Directors are Mr. CHENG Yuk Wo, Mr. YUEN Kam Tim Francis and Mr. LAW Cheuk Kin Stephen.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange 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 “Latest Listed Company Information” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its posting and will also be published on the Company’s website at [www.somerleycapital.com](http://www.somerleycapital.com).*