IN THE GRAND COURT OF CAYMAN ISLANDS

CAUSE No.: [number]

BETWEEN:

MR XUE YUFENG

Applicant

and

THE CAYMAN ISLANDS GENERAL REGISTRY

Respondent

FIRST AFFIDAVIT OF MR XUE YUFENG

I, Xue Yufeng, residing at Room 2402, Building 11, Garden 1, Boya yuan, No. 19 Lushan Avenue Section 2, Tianfu New Area, Chengdu City, Sichuan Province, China, DO SOLEMNLY, TRULY AND SINCERELY AFFIRM AND SAY as follows:

1. I am the Applicant in the present application for restoration to registration, and I am also a creditor of One Heritage SPC (hereinafter referred to as the "**Company**"). I make this Affidavit in support of the application for the restoration of the Company to the Register of Companies.

2. This Affidavit is supplemental to the *Statement in Support of Application for Restoration* and principally sets out the following matters:
   a. The steps I have taken to object to the striking off of the Company;
   b. The background and purpose of the intended proceedings against the Company.

3. My native language is Chinese, and I am unable to converse or read in English competently. This Affidavit is drafted in Chinese and will be translated from Chinese into English by Beijing Multiling Translation Co., Ltd., a translation company appointed by me.

Yufeng Xue

4. Save as otherwise stated, the facts and matters deposed to in this Affidavit are within my personal knowledge and, to the best of my knowledge, information and belief, are true and accurate. Where facts and matters are outside my personal knowledge, I have identified my sources of information, which to the best of my knowledge and belief are true.

5. Nothing in this Affidavit is intended to waive privilege in respect of any matter, and for the avoidance of doubt, I do not waive any such privilege.

6. I produce herewith a complete set of true copy documents paginated consecutively and marked "Exhibit XY1", to which reference will be made in this Affidavit. Unless otherwise stated or the context otherwise requires, references to page numbers in this Affidavit are to the page numbers of Exhibit XY1.

Objection to the Striking Off of the Company

7. On May 27, 2025, I instructed Harney Westwood & Riegels ("**Harneys**"), a law firm in the Cayman Islands, to act on my behalf to object to the proposed strike off of the Company.

8. On June 6, 2025, Harneys filed a formal written objection with the Cayman Islands Registrar of Companies, stating that there were outstanding proceedings involving me as a creditor and that the striking off of the Company would severely prejudice the interests of the creditor. The relevant correspondence is set out at pages 1-17 of Exhibit XY.

9. Notwithstanding the objection, the Company was subsequently formally struck off, and my objection was not accepted.

10. As the Company has been struck off, I am currently unable to commence or continue substantive proceedings against it in the Grand Court of the Cayman Islands.

Investment in the Company via Trusts

Yufeng Xue

11. Between 2021 and 2023, I and other investors based in the Chinese mainland entered into trust documents with One Heritage Trust Limited ("OHTL"), entrusting funds to it for offshore investment arrangements.

12. The execution process for the relevant trust documents typically involved several steps, including engagement arrangements, trust establishment, and execution of relevant compliance documentation. For ease of reference, the attached *Deed of Discretionary Trust* is included as the core and representative trust document to reflect the establishment of the relevant trust relationship. Such document appears at pages 18-50 of Exhibit XY.

13. Pursuant to the trust documents and related investment offering materials, the investment funds were to be invested in structured investment products linked to One Heritage SPC, registered in the Cayman Islands, including the projects under "Sky Mansion Trust", "Sky Triumph Trust" and "Sky Legacy Trust". Wherein, the investment under Sky Mansion Trust was to be made into the Company.

14. The investment project under Sky Mansion was structured to be invested in UK property development projects via UK Property Development Fund SP2, a segregated portfolio of the Company. The relevant Sky Mansion Trust investment documents are attached at pages 51-100 of Exhibit XY. According to such documents, the investment funds were to be ring-fenced under the segregated portfolio structure of One Heritage SPC and used exclusively for the agreed property investment projects.

15. However, I have subsequently discovered through investigations and disclosed information that part of the investment funds was not used for the purposes stated in the investment offering materials, and there have been instances of misappropriation, diversion, or failure to manage the funds within the agreed structure.

16. Accordingly, I consider that the Company, as the vehicle for the relevant segregated portfolio and the recipient of the investment funds, should bear legal responsibility for the management and use of such investment funds.

Correspondence with the Hong Kong Liquidator of OHTL

Xufeng Xue

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17. Further, OHTL is in liquidation (see pages 101-119 of Exhibit XY), and Vision A. S. Limited ("**the Hong Kong Liquidator**") has been appointed by the Hong Kong court to conduct its liquidation. My English solicitors have had written communications with the Hong Kong Liquidator on my behalf (see pages 120-124 of Exhibit XY).

18. By letter dated 11 February 2026 from the Hong Kong Liquidator (see pages 125-12[illegible] of Exhibit XY), the Liquidator confirmed the following matters:

(1) There have been substantial abnormal fund flows and unaccounted-for movements of funds in OHTL, including the transfer of trust monies to various accounts and third parties, the full whereabouts of which require further investigation;
(2) The Hong Kong Liquidator expressly stated that, due to the large volume of transactions in OHTL's accounts and the complexity of fund flows;
(3) The Hong Kong Liquidator has identified the use of funds from new investors to pay returns or redemption monies to existing investors, and expressly stated that such fund operations exhibit the hallmarks of a Ponzi scheme;
(4) The Hong Kong Liquidator has reported the matter to the Hong Kong Police Force, which has launched an investigation into the suspected Ponzi scheme;
(5) Further, the Hong Kong Liquidator stated that approximately HKD 8,000,000 is currently frozen in the bank account of One Heritage Multi Strategy SPC - Global Quantum Alpha Fund SP, such funds having been transferred from the Company's client accounts (i.e. trust monies) to the account of that SPC;
(6) The Liquidator further indicated that it is considering commencing legal proceedings against the aforesaid SPC and the Company to recover the relevant trust assets, as one of its potential recovery avenues.

19. The above matters demonstrate that there have been serious improper fund operations and potential fraud in the Company and its associated investment structures, further confirming that investment funds were not used for their agreed purposes and that there is a significant risk of asset loss.

20. Against this background, it is highly necessary to pursue recovery of assets held by the Company and its segregated portfolios, investigate the flow of funds, and seek

Yufeng Xue

appropriate remedies, which can only be achieved by way of civil proceedings in the Grand Court of the Cayman Islands.

Criminal Proceedings in Relation to the Ultimate Beneficial Controllers of the Company

21. Mr Cheung Yiu Tak and Mr Lee Chung Wah, the key individuals responsible for the aforementioned investment structures, were placed under criminal investigation by the public security authorities in the People's Republic of China in 2023.

22. According to a Court Hearing Notice issued by the People's Court of Siziwang Banner on 22 September 2025, the Court held a public hearing in Courtroom No. 1 of the People's Court of Siziwang Banner, Inner Mongolia Autonomous Region, from 28 September to 9:30 a.m. on 28 September 2025, in respect of the defendants Mr Cheung Yiu Tak and Mr Lee Chung Wah, who were charged with the offence of illegally absorbing public deposits. The Hearing Notice is attached at pages 130-131 of Exhibit XY.

23. To the best of my knowledge, the two individuals are accused of criminal offences including illegally absorbing public deposits, which are directly connected with the aforesaid trust and investment structures.

24. The relevant criminal case has proceeded to trial before the court, and a guilty verdict has been rendered.

25. The aforementioned criminal proceedings further confirm that serious irregularities exist in the investment structures and demonstrate that investors have indeed suffered substantial losses.

26. However, criminal proceedings cannot substitute for civil recovery proceedings against the Company in the Cayman Islands. Recovery of assets held by the Company and its segregated portfolios still requires the commencement of civil proceedings in the Grand Court of the Cayman Islands.

Intended Proceedings

Yufeng Xue

27. Upon the restoration of the Company to the Register, I intend to commence civil proceedings against the Company in the Grand Court of the Cayman Islands.

28. The intended proceedings shall include, without limitation, claims for damages arising from breach of trust and fiduciary duties, tracing and proprietary claims in respect of funds held by the Company or its segregated portfolios, claims for relief based on constructive trusts or equitable principles, and such other relief as the Court may consider just and appropriate.

29. Restoration of the Company to the Register is necessary for the commencement and prosecution of the aforesaid proceedings. In the absence of such restoration, I will be unable to commence proceedings against the Company in accordance with the law, nor will I be able to apply for disclosure orders or other necessary relief.

30. I confirm that the aforesaid intended proceedings are founded on genuine investment relationships and actual loss, and are brought bona fide, truthfully and with a proper legal basis, and are not hypothetical or speculative claims.

Confirmed in)
On 17 April 2026)
before me,)
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Yufeng Xue

Mr Xue Yufeng

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Notary Public / Commissioner for Oaths