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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect about this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Wine's Link International Holdings Limited, you should at once hand this circular together with the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**Wine's Link International Holdings Limited**  
**威揚酒業國際控股有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 8509)**

**MAJOR TRANSACTION  
IN RELATION TO  
ACQUISITION OF PROPERTY**

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Unless the context otherwise requires, all capitalised terms used in this circular have the meanings set out in the section headed "Definitions" of this circular.

A letter from the Board is set out on pages 4 to 11 of the circular.

The Company has obtained an irrevocable and unconditional written approval for the Acquisition from a Shareholder holding more than 50% of the issued share capital of the Company. Accordingly, no general meeting of Shareholders will be convened to approve the Acquisition pursuant to Rule 19.44 of the GEM Listing Rules. This circular is being despatched to the Shareholders for information only.

23 September 2021

**GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.**

**Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions shall have the meanings set out below:*

“Acquisition”	the acquisition of the Property by the Purchaser from the Vendor pursuant to the terms and conditions of the Sale and Purchase Agreement
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors
“Brilliant Raise” or “Purchaser”	Brilliant Raise Holdings Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Business Day”	a day (other than a Saturday or Sunday) on which banks are generally open for business in Hong Kong
“Company” or “Guarantor”	Wine’s Link International Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability and the shares of which are listed on GEM of the Stock Exchange (Stock code: 8509)
“Completion”	completion of the Acquisition
“Completion Date”	on or before 30 November 2021
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the GEM Listing Rules
“Consideration”	the total consideration of HK\$129,200,000 payable by the Purchaser in relation to the Acquisition
“Director(s)”	the director(s) of the Company
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“Group”	the Company and its subsidiaries
“HK\$” or “HKD”	Hong Kong dollar, the lawful currency of Hong Kong

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## DEFINITIONS

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“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	a party independent of and not connected with the Company and its connected persons
“Investment Management Committee”	the investment management committee of the Company
“IPO Net Proceeds”	the net proceeds received by the Company from its initial public offering on GEM of the Stock Exchange on 12 January 2018
“Latest Practicable Date”	21 September 2021, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Nomination Committee”	the nomination committee of the Company
“percentage ratio(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Property”	a non-residential property comprising (1) Unit N-3 on 1st Floor and Staircases Nos. R4, R5 & R6 on Ground Floor of Block 3, Kwun Tong Industrial Centre, Nos. 448-458 Kwun Tong Road, Kowloon, Hong Kong; (2) Unit Q-4 (including the Flat-roof appurtenant thereto) on 1st Floor of Block 4, Kwun Tong Industrial Centre, Nos. 436-446 Kwun Tong Road, Kowloon, Hong Kong; and (3) Car Parking Spaces Nos. 55 and 56 on Ground Floor, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong
“Remuneration Committee”	the remuneration committee of the Company
“Sale and Purchase Agreement”	the sale and purchase agreement dated 1 September 2021 entered into among the Purchaser, the Vendor and the Company in respect of the Acquisition
“SFO”	the Securities and Futures Ordinance (Chapter 571 of laws of Hong Kong)
“Share(s)”	ordinary share(s) with nominal value of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the ordinary share(s) of the Company

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## DEFINITIONS

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“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Storage Holding” or “Vendor”	Storage Holding I Ltd, a company incorporated in the Cayman Islands with limited liability
“%”	per cent

\* *for identification purposes only*

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## LETTER FROM THE BOARD

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### Wine's Link International Holdings Limited

威揚酒業國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8509)

*Executive Directors:*

Ms. Wong Chi Lou Shirley (*Chief executive officer*)

Mr. Chan Sze Tung

*Non-executive Directors:*

Ms. Yeung Chi Hung, *SBS., B.B.S., J.P. (Chairman)*

Ms. Ho Tsz Wan

*Independent Non-Executive Directors:*

Ms. Chan Man Ki Maggie, *M.H., J.P.*

Mr. Chan Wai Yan Ronald

Mr. Wong Hin Wing, *M.H.*

*Registered office:*

PO Box 309, Ugland House

Grand Cayman, KY1-1104

Cayman Islands

*Headquarters and Principal Place of*

*Business in Hong Kong:*

26th Floor, AIA Financial Centre

712 Prince Edward Road East

San Po Kong, Kowloon

Hong Kong

23 September 2021

*To the Shareholders*

Dear Sir or Madam,

### MAJOR TRANSACTION IN RELATION TO ACQUISITION OF PROPERTY

#### INTRODUCTION

Reference is made to the announcement of the Company dated 1 September 2021 in relation to the Acquisition.

The purpose of this circular is to provide you with details of the Acquisition and other information as required under the GEM Listing Rules.

On 1 September 2021 (after trading hours), Brilliant Raise (a wholly-owned subsidiary of the Company) as purchaser, Storage Holding as vendor and the Company as guarantor entered into the Sale and Purchase Agreement, pursuant to which Brilliant Raise agreed to purchase, and Storage Holding agreed to sell, the Property at the Consideration of HK\$129,200,000.

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## LETTER FROM THE BOARD

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### THE SALE AND PURCHASE AGREEMENT

Major terms of the Sale and Purchase Agreement are set out as follows:–

Subject matter: The Purchaser agreed to purchase, and the Vendor agreed to sell, a non-residential property comprising:–

- (i) Unit N-3 on 1st Floor and Staircases Nos. R4, R5 & R6 on Ground Floor of Block 3, Kwun Tong Industrial Centre, Nos. 448-458 Kwun Tong Road, Kowloon, Hong Kong;
- (ii) Unit Q-4 (including the Flat-roof appurtenant thereto) on 1st Floor of Block 4, Kwun Tong Industrial Centre, Nos. 436-446 Kwun Tong Road, Kowloon, Hong Kong; and
- (iii) Car Parking Spaces Nos. 55 and 56 on Ground Floor, Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon, Hong Kong.

The Property shall be sold to the Purchaser on an “as-is” basis and free from all encumbrances.

It is estimated that the total cost of the Acquisition, together with the transaction costs such as stamp duty, will be approximately HK\$135,553,000.

Consideration and payment terms: The Consideration of HK\$129,200,000 shall be settled by the Purchaser to the Vendor in the following manner:–

- (i) an initial deposit of HK\$6,460,000 shall be paid upon execution of the Sale and Purchase Agreement;
- (ii) a further deposit of HK\$6,460,000 shall be paid on or before 27 September 2021; and
- (iii) the balance of the Consideration (i.e. HK\$116,280,000) shall be paid on or before the Completion Date, and before 5:00 p.m.



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## LETTER FROM THE BOARD

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Completion: Completion shall take place on or before 30 November 2021.

Liability for default: Should the Purchaser fail (other than due to the default of the Vendor) to complete the sale and purchase of the Property in accordance with the terms and conditions under the Sale and Purchase Agreement, the Vendor may forthwith determine the Sale and Purchase Agreement by giving notice of termination in writing to the Purchaser or its solicitors to such effect and shall be entitled to re-enter upon and repossess the Property. The Vendor shall be entitled to forfeit all parts of the Consideration paid to the Vendor absolutely without prejudice to any other rights and remedies of the Vendor.

Upon determination or rescission of the Sale and Purchase Agreement, the Vendor may resell the Property as it may think fit and any increase in price on resale shall belong to the Vendor. Without prejudice to the Vendor's right to recover the actual loss which may flow from the Purchaser's breach of the Sale and Purchase Agreement, should any deficiency in price arise from such resale, the Purchaser shall recover such deficiency (after taking into account the amount, if any, forfeited by the Vendor) and all expenses attending such resale or any attempted resale to the Vendor. The Vendor may also recover any other damages which it may have suffered, including but not limited to, damages representing interest paid or lost by it by reason of the Purchaser's failure.

Without prejudice to other provisions contained in the Sale and Purchase Agreement, if the Purchaser fails to complete the purchase of the Property on the Completion Date and the Vendor elects to accept late completion in lieu of its rights contained in other provisions in the Sale and Purchase Agreement, the Purchaser shall pay interest calculated from day to day on the balance of the Consideration due at the rate of 3% per annum above the prime rate of The Hongkong and Shanghai Banking Corporation Limited prevailing from time to time until the actual date of completion.

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## LETTER FROM THE BOARD

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Should the Vendor (other than due to the default of the Purchaser) fail to complete the sale of the Property in accordance with the terms and conditions of the Sale and Purchase Agreement, the Vendor shall return all deposits and other moneys paid by the Purchaser within five (5) business days upon demand. The Purchaser shall also be entitled to recover from the Vendor damages (if any) which the Purchaser may sustain by reason of such failure on the part of the Vendor.

Guarantee:

Subject to the maximum liability of the Guarantor being limited to the principal sum of the amount of further deposit payable by the Purchaser under the Sale and Purchase Agreement, the Guarantor guarantees, unconditionally and irrevocably as primary obligor and not merely as surety, to the Vendor the due observance and performance of the Purchaser's obligations in respect of the payment of further deposit in accordance with the terms of the Sale and Purchase Agreement.

The Guarantor guarantees to pay, by way of indemnity, on demand, the further deposit payable under the Sale and Purchase Agreement or any part thereof which the Purchaser fails to pay to the Vendor in accordance with the terms of the Sale and Purchase Agreement.

If the Guarantor fails to pay any sum under the Sale and Purchase Agreement as detailed under the paragraph headed "The Sale and Purchase Agreement – Guarantee" in this circular on its due date for payment, the Guarantor shall pay default interest on such sum from the due date to the date of payment (both before and after judgment) at the rate of 3% per annum above the prime rate of The Hongkong and Shanghai Banking Corporation Limited prevailing from time to time. Such interest shall accrue and be calculated daily (on a 365 day year basis), be payable on demand and be compounded monthly on the first day of each calendar month and will itself bear interest accordingly, provided that there shall not be any double counting of default interest payable by the Purchaser and/or the Guarantor.

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## **LETTER FROM THE BOARD**

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### **BASIS OF DETERMINATION OF CONSIDERATION**

The Consideration was determined after arm's length negotiations between the Purchaser and the Vendor on normal commercial terms with reference to the followings:–

- (i) the prevailing market price of comparable properties in the vicinity of the Property;
- (ii) the location and quality of the Property; and
- (iii) the preliminary property valuation on the Property in the amount of HK\$129,600,000 carried out by an independent professional valuer as at 31 July 2021.

The Consideration shall be funded as to approximately 50.0%, 30.1%, 19.2% and 0.7% by mortgage of the Property, a portion of the IPO Net Proceeds, a revolving loan and internal resources of the Group, respectively. The portion of IPO Net Proceeds to be used for settlement of the Consideration was allocated for the purpose of settling the down payment for the acquisition of a warehouse in Hong Kong, and is in line with the intended use of the IPO Net Proceeds as stated in the prospectus of the Company dated 29 December 2017.

### **REASONS FOR AND BENEFITS OF THE ENTERING INTO OF THE SALE AND PURCHASE AGREEMENT**

The Group is primarily engaged in the wholesale and retail of a wide spectrum of wine products and other alcoholic beverages in Hong Kong. The Group has been leasing warehouse for wholesale and retail purposes but as the nature of the Group's business model requires the stocking up of considerably high level of wine inventories of various types and price ranges so that it can swiftly fulfil the diverse needs of the customers, the utilisation rates of the Group's existing leased warehouse are considerably high and close to reach the maximum storage capacity.

In light of the growing demand of wine products, the existing leased warehouse might not have extra storage capacity to accommodate the Group's anticipated sales growth and its plan to expand the retail network, of which new purchases of different varieties of wine products would be required to meet the diverse needs of its customers. The Directors are of the view that the Acquisition of the Property as a new warehouse will expand the storage capacity, thereby supporting the Group's anticipated business growth and in line with its long-term development plan.

Furthermore, since the quality of wine products is susceptible to, among other things, temperature change, humidity level and light, it is important for the Company to have a warehouse that is equipped with advanced automatic temperature and humidity control systems and installed with proper insulation and anti-vibration materials to ensure the quality of the Company's wine products. As such, the Company has incurred large costs for renovating and improving the existing leased warehouse. Currently, the Company is also incurring HK\$180,000 monthly rental fee for the existing leased warehouse.

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## LETTER FROM THE BOARD

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Such renovation and improvement costs, however, could not be recouped from the landlord should the Company be required to relocate due to expiration or termination of the relevant lease agreement. The Acquisition would therefore not only prevent the Company from repeatedly incurring significant renovation expenses and time costs upon relocation due to the expiration of leases, but also reduce its operational risk and enhance the cost efficiency.

Accordingly, the Directors (including the independent non-executive Directors) consider that the Acquisition is carried out on normal commercial terms, and the terms of the Sale and Purchase Agreement are fair and reasonable and in the best interest of the Company and its Shareholders as a whole.

### INFORMATION OF THE PROPERTY

The Property is in vacant possession as at the date of the Sale and Purchase Agreement but had been leased out during the previous years. The unaudited net rental income generated from the Property before and after taxation for the two financial years immediately preceding the Acquisition are as follows:

	<b>For the year ended</b>	
	<b>31 March</b>	
	<b>2020</b>	<b>2021</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Net rental income before taxation	1,731	1,600
Net rental income after taxation	1,445	1,336

### GENERAL INFORMATION OF THE PARTIES

#### **The Group**

The Company is an exempted company incorporated in the Cayman Islands with limited liability, and the shares of which are listed on GEM of the Stock Exchange. The Group primarily engages in the wholesale and retail of a wide spectrum of wine products and other alcoholic beverages in Hong Kong.

The Purchaser is a company incorporated under the laws of Hong Kong with limited liability, and a wholly-owned subsidiary of the Company. The Purchaser principally engages in the business of property investment.

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## LETTER FROM THE BOARD

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### **The Vendor**

The Vendor is an exempted company incorporated in the Cayman Islands with limited liability and principally engages in the business of property investment. As at the date of the Sale and Purchase Agreement, the Vendor is indirectly wholly-owned by Hanison Construction Holdings Limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 896).

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Vendor and its ultimate beneficial owner(s) are Independent Third Parties.

### **FINANCIAL EFFECT OF THE ACQUISITION**

The Company has submitted application for mortgage financing with a bank and planned to finance approximately 50.0% of the Consideration (being HK\$64,600,000) with bank mortgage. If such mortgage financing becomes available to the Group, it is expected that upon Completion, there will be an increase in total assets of approximately HK\$95,791,000, comprising an increase in property, plant and equipment of approximately HK\$135,553,000 (being the Consideration of HK\$129,200,000 together with other directly attributable costs of the Acquisition of approximately HK\$6,353,000, comprising stamp duty of approximately HK\$5,491,000, legal and professional fee of approximately HK\$600,000 and estimated referral fee of HK\$262,000), and netted off by a decrease in bank balances and cash of approximately HK\$39,762,000.

On the other hand, it is expected that there will be an increase in total liabilities of approximately HK\$95,791,000, being the mortgage of approximately HK\$64,600,000, and the directly attributable costs of the Acquisition and revolving loans of HK\$31,191,000. For further details, please refer to the unaudited pro forma statement of assets and liabilities of the Group upon Completion as set out in Appendix III to this circular. Moreover, based on preliminary proposed term sheet offered by the bank, the mortgage loan interest rate is expected to be approximately 3% per annum. Accordingly, the estimated monthly mortgage loan interest expense will be approximately HK\$161,500.

### **GEM LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratio(s) (as defined in the GEM Listing Rules) in respect of the Acquisition exceeds 25% but is less than 100%, such transaction constitutes a major transaction of the Company and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

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## LETTER FROM THE BOARD

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No Shareholder has a material interest in the Acquisition and is required to abstain from voting if the Company were to convene a general meeting for approving the Acquisition. The Company has obtained a written approval from Shirz Limited, the controlling shareholder of the Company, which held 280,000,000 Shares (representing approximately 70% of the entire issued share capital of the Company as at the date of this circular) carrying rights to vote at a general meeting of the Company. Accordingly, such written shareholder's approval has been accepted in lieu of holding a general meeting for the approval of the Acquisition pursuant to Rule 19.44 of the GEM Listing Rules. As such, no general meeting of the Company will be convened to approve the Acquisition.

### RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the Acquisition is carried out on normal commercial terms, and the terms of the Sale and Purchase Agreement are fair and reasonable and in the interests of the Company and its Shareholders as a whole. Accordingly, the Directors (including the independent non-executive Directors) would recommend the Shareholders to vote in favour of the relevant resolution regarding the Acquisition if the Company were to convene an extraordinary general meeting for the approval of the Acquisition.

### ADDITIONAL INFORMATION

Your attention is also drawn to the information as set out in the appendices to this circular.

Yours faithfully  
By order of the Board  
**Wine's Link International Holdings Limited**  
**Yeung Chi Hung**  
*Chairman and non-executive Director*

**I. FINANCIAL INFORMATION OF THE GROUP**

Details of the financial information of the Company for the years ended 31 March 2019, 2020 and 2021 are disclosed in the annual reports of the Company for the years ended 31 March 2019, 2020 and 2021, respectively. These annual reports, together with the relevant notes thereto, have been published on both the website of the Stock Exchange (<http://www.hkgem.com/>) and the website of the Company ([www.wines-link.com](http://www.wines-link.com)) with page references as follows:–

- (i) the audited consolidated financial statements of the Group for the year ended 31 March 2019 are set out on pages 86 to 191 of the annual report of the Company for the year ended 31 March 2019 (<https://www1.hkexnews.hk/listedco/listconews/gem/2019/0702/gln20190702407.pdf>);
- (ii) the audited consolidated financial statements of the Group for the year ended 31 March 2020 are set out on pages 104 to 211 of the annual report of the Company for the year ended 31 March 2020 (<https://www1.hkexnews.hk/listedco/listconews/gem/2020/0630/2020063000705.pdf>);
- (iii) the audited consolidated financial statements of the Group for the year ended 31 March 2021 are set out on pages 105 to 199 of the annual report of the Company for the year ended 31 March 2021 (<https://www1.hkexnews.hk/listedco/listconews/gem/2021/0801/2021080100019.pdf>);

**II. INDEBTEDNESS STATEMENT**

At the close of business on 31 August 2021, being the Latest Practicable Date for the purpose of preparing this indebtedness statement prior to the printing of this circular, the Group had outstanding debts as follows:

- (i) bank and other borrowings of approximately HKD93,577,000, comprising unsecured and guaranteed bank loans and bank overdrafts of approximately HKD89,935,000 and approximately HKD3,642,000, respectively; and
- (ii) unsecured and non-guaranteed current and non-current lease liabilities of approximately HKD4,221,000 and approximately HKD16,000; respectively.

Save as aforesaid or otherwise disclosed herein, and except for intra-group liabilities and normal trade payables in the ordinary course of business, the Group did not have any other material mortgages, charges, debentures, loan capital, debt securities, loans, bank overdrafts or other similar indebtedness, finance leases or hire purchase commitments, liabilities under acceptances or acceptance credits (whether secured, unsecured, pledged or unpledged) or any guarantees or other contingent liabilities at the close of business on 31 August 2021.

### **III. WORKING CAPITAL**

The Directors are of the opinion that, after having taken into account the financial resources available to the Group including the internally generated funds and the present available bank facilities, as well as the impact of the Acquisition, the Group will have sufficient working capital for its requirements for at least the next 12 months from the date of this circular.

### **IV. MATERIAL ADVERSE CHANGE**

As at the Latest Practicable Date, the Directors confirmed that there has not been any material adverse change in the financial or trading position or outlook of the Group since 31 March 2021, being the date to which the latest published audited consolidated financial statements of the Group were made up.

### **V. FINANCIAL AND TRADING PROSPECT OF THE GROUP**

The business of the Group primarily involves the wholesale and retail of a wide spectrum of wine products and other alcoholic beverages in Hong Kong with a focus on premium collectible red wine, i.e. red wine with selling prices at or above HK\$1,000 per bottle. The Group has a comprehensive product portfolio consisting of (i) wine products such as premium collectible red wine, fine red wine and white wine; (ii) other alcoholic beverages such as champagne, whisky and sake; and (iii) wine accessory products such as wine decanters, wine glasses and wine openers, for customers' selection.

The wine industry in Hong Kong has seen an increasing trend, driven by the expansion of off-trade distribution channels such as grocery stores and convenience stores, allowing low to medium priced wine products to increasingly penetrate into the market. The rising interest of general customers in wine, resulting from the proven health benefits and high affordability of wine products, is expected to benefit the wine industry and the Group.

The Group is enriching its product portfolio with wineries to offer more selection to the market, especially from French regions. The Group aims to continue strengthening the leading position in the wine industry, at the same time, looking for expansion opportunity to penetrate the Group's market share into different countries worldwide.



To accelerate the advantages of the Group and develop sustainable future for its business, the Group is also strengthening the warehouse storage capability and the operation efficiency, including leasing new warehouses in Hong Kong and acquiring a professional warehouse management system, which is designed specifically for warehouses operation for the wine industry. The Group has been closely monitoring the development of the COVID-19 outbreak and will take prudent approach and adjust its business strategies to face the challenges when appropriate. The Group will also continue to evaluate the impact of the COVID-19 outbreak on its financial position and operating results from time to time.

In light of the above, it is believed that the Group can capture the opportunity arising from the increasing trend in the wine industry.

**UNAUDITED PROFIT AND LOSS STATEMENTS OF THE PROPERTY**

In accordance with Rule 19.67(6)(b)(i) of the GEM Listing Rules, the Company is required to include in this Circular a profit and loss statement for the three preceding financial years on the identifiable net income stream in relation to such assets which must be reviewed by the reporting accountants to ensure that such information has been properly compiled and derived from the tenancy agreements provided by the Vendor from the Directors (the “**Tenancy Agreements**”).

The unaudited profit and loss statements (the “**Unaudited Profit and Loss Statements**”) of the Property for the years ended 31 March 2019, 2020 and 2021 and five months ended 31 August 2021 (the “**Relevant Periods**”) prepared by the Directors based on the information provided by the Vendor are set out below:

	<b>Year ended 31 March</b>			<b>Five months ended 31 August</b>
	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2021</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Gross Rental income	2,160	1,731	1,600	–
Rent and rates	(157)	(166)	(147)	–
Building management fee	(247)	(311)	(317)	–
	<u>1,756</u>	<u>1,254</u>	<u>1,136</u>	<u>–</u>

Pursuant to Rule 19.67(6)(b)(i) of the GEM Listing Rules, the Directors engaged Zhonghui Anda CPA Limited, the auditor of the Company, to perform certain factual finding procedures on the compilation of the Unaudited Profit and Loss Statements as shown above in accordance with Hong Kong Standard on Related Services 4400 “Engagements to perform Agreed-Upon Procedures Regarding Financial Information” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). The procedures are performed solely to assist the Directors to assess whether such information was in agreement with the Tenancy Agreements and are summarised as follows:

1. The auditor obtained the Unaudited Profit and Loss Statements of the Property from the Directors which set out the gross rental income and administrative expenses for the Relevant Periods.

2. The auditor obtained the schedule setting out the names and addresses of lessors and lessees, rental periods and monthly rent and administrative expenses pertaining to the Property for the Relevant Periods (the “**Gross Rental Income Summary**”) from the Directors and checked the arithmetical accuracy of the calculation of gross rental income for the Relevant Periods.
3. The auditor obtained the copies of the Tenancy Agreements and compared the names and addresses of the lessors and lessees, rental periods and monthly rent and the expense responsibility clause of the Property (the “**Particulars**”) as shown in the Gross Rental Income Summary to the corresponding details in the Tenancy Agreements.
4. The auditor compared the gross rental income and administrative expenses for the Relevant Periods as shown in the Gross Rental Income Summary to the respective amounts of gross rental income and administrative expenses shown in the Unaudited Profit and Loss Statements.

The auditor’s factual findings are as follows:

- a. With respect to procedure 1, the auditor obtained the Unaudited Profit and Loss Statements from the Directors which set out the gross rental income and administrative expenses for the Relevant Periods.
- b. With respect to procedure 2, the auditor obtained the Gross Rental Income Summary from the Directors and found the calculation of gross rental income for the Relevant Periods to be arithmetically accurate.
- c. With respect to procedure 3, the auditor obtained the Tenancy Agreements from the Directors and found the Particulars as shown in the Gross Rental Income Summary to be in agreement with the corresponding details in the Tenancy Agreements.
- d. With respect to procedure 4, the auditor found the gross rental income and administrative expenses for the Relevant Periods as shown in the Gross Rental Income Summary to be in agreement with the respective amounts of gross rental income and administrative expenses as shown in the Unaudited Profit and Loss Statements.

The auditor has performed the above agreed-upon procedures set out in the relevant engagement letter with the Company and reported its factual findings based on the agreed-upon procedures to the Directors. Pursuant to the terms of the relevant engagement letter between the Company and the auditor, the reported factual findings should not be used or relied upon by any other parties for any purpose.

In the opinion of the Directors, the Unaudited Profit and Loss Statements have been properly compiled and derived from the Tenancy Agreements.

The work performed by the auditor in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements, Hong Kong Standards on Assurance Engagements or Hong Kong Standards on Investment Circular Reporting Engagements issued by the HKICPA and consequently no assurance has been expressed by Zhonghui Anda CPA Limited on the profit and loss statements of the Property.

**(A) THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP****1. Introduction**

The following is the unaudited pro forma financial information of Wine's Link International Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group"), comprising the unaudited pro forma consolidated statement of assets and liabilities as at 31 March 2021 and related notes (collectively, the "Unaudited Pro Forma Financial Information").

The Unaudited Pro Forma Financial Information is prepared by the directors of the Company in accordance with Rule 7.31 of the GEM Listing Rules and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), for the purpose of illustrating the effect of the proposed major acquisition of property (the "Acquisition") as described in the section headed "Letter from the Board" in this circular.

The Unaudited Pro Forma Financial Information presented below is prepared to illustrate the consolidated statement of assets and liabilities of the Group as at 31 March 2021 as if the Acquisition had been completed on 31 March 2021.

The Unaudited Pro Forma Financial Information of the Group is based upon the consolidated financial information of the Group for year ended 31 March 2021, which has been derived from the Company's published annual report for the year then ended, dated 30 July 2021, after taking pro forma adjustments as summarised in the accompanying notes that are clearly shown explained, factually supportable and directly attributable to the Acquisition.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only and is based on certain assumptions, estimates and current available information. Accordingly, because of its hypothetical nature, it may not give a true picture of the assets and liabilities of the Group had the Acquisition been completed as at the specified dates or any other dates.

The Unaudited Pro Forma Financial Information of the Group should be read in conjunction with the historical financial information of the Group as set out in the published annual report of the Company for the year ended 31 March 2021 and other financial information included elsewhere in this circular.

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**APPENDIX III    UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP**

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**2.    Unaudited pro forma consolidated statement of assets and liabilities of the Group as at 31 March 2021**

	<b>Audited consolidated statement of assets and liabilities of the Group as at 31 March 2021 HK\$'000 Note (a)</b>	<b>Pro forma adjustment HK\$'000 Note (b)</b>	<b>Unaudited Pro Forma consolidated statement of assets and liabilities of the Group as at 31 March 2021 HK\$'000</b>
<b>Non-current assets</b>			
Property, plant and equipment	3,751	135,553	139,304
Right-of-use assets	5,741		5,741
Deferred tax assets	774		774
Deposits	2,177		2,177
	12,443	135,553	147,996
<b>Current assets</b>			
Inventories	191,817		191,817
Trade receivables	37,758		37,758
Other receivables, deposits and prepayments	60,369		60,369
Amounts due from shareholders	32		32
Amounts due from related companies	471		471
Bank balances and cash	46,780	(39,762)	7,018
	337,227	(39,762)	297,465

**APPENDIX III    UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP**

	<b>Audited consolidated statement of assets and liabilities of the Group as at 31 March 2021 HK\$'000 Note (a)</b>	<b>Pro forma adjustment HK\$'000 Note (b)</b>	<b>Unaudited Pro Forma consolidated statement of assets and liabilities of the Group as at 31 March 2021 HK\$'000</b>
<b>Current liabilities</b>			
Trade payables	11,582		11,582
Other payables and accrued charges	5,987		5,987
Contract liabilities	5,330		5,330
Tax payable	5,460		5,460
Bank borrowings	88,124	35,490	123,614
Lease liabilities	4,732		4,732
Provisions	140		140
	<u>121,355</u>	<u>35,490</u>	<u>156,845</u>
<b>Net current assets</b>	<u>215,872</u>	<u>(75,252)</u>	<u>140,620</u>
<b>Total assets less current liabilities</b>	<u>228,315</u>	<u>60,301</u>	<u>288,616</u>
<b>Non-current liabilities</b>			
Lease liabilities	1,444		1,444
Bank borrowings	–	60,301	60,301
Provisions	500		500
	1,944	60,301	62,245
<b>Net assets</b>	<u><u>226,371</u></u>	<u><u>–</u></u>	<u><u>226,371</u></u>

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## APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

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Notes to the Unaudited Pro Forma Financial Information of the Group:

- (a) The Group's financial information is based upon the consolidated financial information of the Group for the year ended 31 March 2021, which has been derived from the Group's published annual report for the year then ended, dated 30 July 2021.
- (b) The adjustments are to reflect the Acquisition which included (i) the cash consideration of HK\$129,200,000; and (ii) other directly attributable costs of the Acquisition of approximately HK\$6,353,000, comprising stamp duty of approximately HK\$5,491,000, estimated referral fee of approximately HK\$262,000 and estimated legal fee of approximately HK\$600,000.

The property is classified as property, plant and equipment as the Group intends to hold the property for self-use. The Group will settle the purchase consideration and direct attributable costs as to approximately HK\$135,553,000 by (I) IPO proceed of HK\$38,900,000, (II) bank borrowing of HK\$95,791,000 and (III) Company's cash balance of HK\$862,000.

- (c) No adjustment has been made to reflect any trading results or other transaction of the Group entered into subsequent to 31 March 2021 for the unaudited pro forma consolidated statement of assets and liabilities.



*The following is the text of a letter and valuation report prepared for the purpose of incorporation in this circular received from Roma Appraisals Limited, an independent valuer, in connection with its valuation of the property to be acquired by the Group.*



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139 Hennessy Road, Wan Chai, Hong Kong  
Tel (852) 2529 6878 Fax (852) 2529 6806  
E-mail info@romagroup.com  
<http://www.romagroup.com>

23 September 2021

The Board of Directors  
**Wine's Link International Holdings Limited**  
26th Floor, AIA Financial Centre,  
No.712 Prince Edward Road East,  
San Po Kong, Kowloon,  
Hong Kong

Dear Sirs/Madams,

**Re: Valuation of Unit N3 on 1/F and staircases Nos. R4, R5 & R6 on G/F of Block 3 Kwun Tong Industrial Centre; Unit Q4 on 1/F including flat roof appurtenant thereto of Block 4 Kwun Tong Industrial Centre; and Car Parking Space Nos. 55 & 56 on G/F of Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon (the "Property")**

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#### **INSTRUCTIONS, PURPOSE AND VALUATION DATE**

In accordance with your instructions for us to assess the market value of the captioned Property to be acquired by Wine's Link International Holdings Limited (the "Company") and/or its subsidiaries (together with the Company referred to as the "Group") situated in the Hong Kong Special Administrative Region of the People's Republic of China ("Hong Kong"), we confirm that we have carried out inspection, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion on the market value of the Property as at 31 July 2021 (the "Valuation Date").

#### **VALUATION BASIS**

Our valuation has been carried out on the basis of market value which is defined by the International Valuation Standards as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

**VALUATION STANDARDS**

Our valuation is prepared in accordance with the RICS Valuation – Global Standards published by the Royal Institution of Chartered Surveyors and the International Valuation Standards published by the International Valuation Standards Council; and complied with the requirements set out in Chapter 8 of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange of Hong Kong Limited published by the Stock Exchange of Hong Kong Limited.

**VALUATION METHODOLOGY**

We have valued the Property by the market approach, which is universally considered as the most accepted valuation approach for valuing most forms of property, assuming sale of the subject property under valuation in its existing state with the benefit of vacant possession and by making reference to relevant market evidences. Recent market transaction evidences of properties with similar characteristics to the subject property, such as usage, location, building quality, etc., were analyzed and adjustments were made to reflect the differences of the features between the comparable properties and the subject property on various factors such as time, location, building age, building quality, etc., to achieve a fair comparison and arrive at the market value conclusion.

**VALUATION ASSUMPTIONS**

Our valuation has been made on the assumptions that the owner sells the Property in the open market as at the Valuation Date in its existing state without the benefit of deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangements which would serve to affect the market value of the Property. No account has been taken of any option or right of pre-emption concerning or affecting the sale of the Property. No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Property nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, we have assumed that the Property is free from encumbrances, restrictions and outgoings of an onerous nature which could affect the market value; and the owner of the Property has free and uninterrupted rights to occupy and use the Property during the whole of the remaining land lease term.

**SOURCE OF INFORMATION**

In the course of our valuation, we have relied to a very considerable extent on the information obtained from public domains and provided by the Group; and have accepted advice given to us by the Group on matters such as identification of the Property, occupation particulars, floor areas, planning approvals or statutory notices, easements, tenure, building age and all other relevant matters which could affect the market value of the Property. All documents have been used for reference only. We have no reason to doubt the truth and accuracy of the information provided to us which is material to the valuation. We have also been advised that no material facts have been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view of valuation, and have no reason to suspect that any material information has been withheld.

**TITLE INVESTIGATION**

We have carried out land searches at the Land Registry. However, we have not scrutinized all the original documents to verify ownership or to ascertain the existence of any amendments which may not appear on the copies handed to us. All legal documents disclosed in this valuation report are for reference only. We assume no liability for any existing or potential legal matters in relation to the title of the Property.

**INSPECTION AND INVESTIGATIONS**

We have inspected the exterior and endeavored to inspect the interior of the Property where possible. During the course of our inspection, no structural survey has been made in respect of the Property and we did not notice any serious defects. We are not able to report that the Property is free from rot, infestation or any other structural defects. No test was carried out on any of the building services. We have not carried out any land investigation or environmental surveys but during our inspection we did not notice and have not been advised of any evidence of environmental concerns such as existing or potential contamination or any form of hazard, and therefore we assumed none of such exists. We have not carried out on-site measurement to verify the floor areas of the Property but we have assumed the information shown on the documents handed to us are correct.

Except as otherwise stated, all dimensions, measurements and areas reported in this valuation report are based on information contained in the documents provided to us and are therefore approximations.

**CURRENCY**

Unless otherwise stated, all monetary figures stated in this report are in Hong Kong Dollars (“HKD”), the lawful currency of Hong Kong.

Our valuation certificate is attached hereto.

Yours faithfully,

For and on behalf of

**Roma Appraisals Limited**

**Frank F. Wong**

*BA (Business Admin in Acct/Econ) MSc (Real Est)*

*MRICS Registered Valuer MAusIMM ACIPHE*

**Director**

*Note:* Mr. Frank F. Wong is a Chartered Surveyor, Registered Valuer, Member of the Australasian Institute of Mining & Metallurgy and Associate of Chartered Institute of Plumbing and Heating Engineering with over 22 years of valuation, transaction advisory and project consultancy experience of properties in Hong Kong and 14 years of experience in valuation of properties in the PRC as well as relevant experience in the Asia-Pacific region, Australia and Oceania-Papua New Guinea, Thailand, France, Germany, Poland, United Kingdom, United States, Abu Dhabi (UAE), Ukraine and Jordan.

## Property to be acquired by the Group for owner occupation purpose in Hong Kong

## VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 July 2021
Unit N3 on 1/F and staircases Nos. R4, R5 & R6 on G/F of Block 3 Kwun Tong Industrial Centre ("Unit N3"); Unit Q4 on 1/F including flat roof appurtenant thereto of Block 4 Kwun Tong Industrial Centre ("Unit Q4"); and Car Parking Space Nos. 55 & 56 on G/F of Kwun Tong Industrial Centre, Nos. 436-484 Kwun Tong Road, Kowloon	The Property comprises two adjacent workshop units situated on the 1/F of Block 3 and Block 4 Kwun Tong Industrial Centre with the flat roofs appurtenant thereto and the three staircases connecting Unit N3 and G/F; and two car parking spaces situated on the G/F of Kwun Tong Industrial Centre. The floorplates of the 1/F of Block 3 and Block 4 Kwun Tong Industrial Centre are interconnected and Unit N3 and Unit Q4 are accessible from a common corridor.	As advised by the Group, the Property was vacant as at the Valuation Date.	HKD129,600,000 (Hong Kong Dollar One Hundred Twenty Nine Million Six Hundred Thousand)
287/20,623rd equal and undivided shares of and in Kwun Tong Inland Lot No. 94	As per measurement of the approved building plans, Unit N3 has a saleable area of approximately 17,355.2 sq.ft. and an ancillary flat roof area of approximately 61.6 sq.ft.; Unit Q4 has a saleable area of approximately 2,465.3 sq.ft. and an ancillary flat roof area of approximately 64.2 sq.ft..	Kwun Tong Industrial Centre is an industrial development comprising four adjacent 13-storey industrial blocks with a 1-storey basement. The Occupation Permits were issued between 1978 and 1980.	Kwun Tong Inland Lot No. 94 is held under a Government Lease for a term of 21 years renewable for 21 years commencing from 1 July 1955 and statutorily renewed until 30 June 2047.

*Notes:*

1. The registered owner of the Property is Storage Holding I Limited pursuant to an Assignment dated 10 March 2015 registered in the Land Registry vide Memorial No.15033002040223. As advised by the Group, Storage Holding I Limited is an independent third party from the Group.
2. According to the records obtained from the Buildings Department, Occupation Permit No.NK74/79 was issued to Block 3 Kwun Tong Industrial Centre on 21 September 1979 and Occupation Permit No.NK6/80 was issued to Block 4 Kwun Tong Industrial Centre on 15 January 1980.
3. The Property is subjected to the following material encumbrances:
  - i. Deed of Variation of Crown Lease dated 14 December 1976 registered in the Land Registry vide Memorial No.UB1327508; and
  - ii. Deed of Mutual Covenant dated 27 February 1979 registered in the Land Registry vide Memorial No.UB1690730.
4. The Property falls within an area zoned “Other Specified Uses” under Kwun Tong (South) Outline Zoning Plan No. S/K14S/23 gazetted under section 5 of Town Planning Ordinance on 19 March 2021.
5. The Property is situated in Kwun Tong District, a major industrial area in Kowloon which is redeveloping into a business area. The vicinity of the Property is predominated by a mix of aged industrial and residential developments as well as modern high-rise office, retail, hotel and residential developments. An entrance of Kwun Tong MTR station is situated next to the Kwun Tong Industrial Centre entrance and various franchised bus routes are readily available along Kwun Tong Road.
6. The Property was inspected on 19 August 2021 by Mr. Alex C.Y. Ma *MRICS* with over 8 years of property valuation experience in Hong Kong.
7. This valuation and valuation certificate was prepared by Mr. Frank F. Wong *MRICS Registered Valuer MAusIMM ACIPHE* and Mr. Alex C.Y. Ma *MRICS Registered Valuer*.

## 1. RESPONSIBILITY STATEMENT

This circular, 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 circular 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 circular misleading.

## 2. DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at the Latest Practicable Date, the interests of the Directors, chief executive of the Company and their respective associates in the Company and its associated corporations (within the meaning of Part XV of the SFO) were as follows:

Long position in the ordinary shares of the Company of HK\$0.01 each:

Directors	Personal	Family	Corporate	Others	Total	Approximate percentage of issued share capital of the Company
Ms. Wong Chi Lou Shirley	–	–	280,000,000 <i>(Note)</i>	–	280,000,000	70%

*Note:* Ms. Wong Chi Lou Shirley is the sole shareholder of Shirz Limited.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had interests in any securities, underlying Shares and debentures of the Company or any of its associated corporations, which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors to be notified to the Company and the Stock Exchange.

### 3. SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at the Latest Practicable Date, the following persons (other than the Directors or chief executive of the Company whose interests have been disclosed under the paragraph headed "Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures" above) had interests and short positions in the Shares and underlying Shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept under Section 336 of the SFO:

Long position in ordinary shares of HK\$0.01 each in the Company:

Name of Shareholders	Capacity	Number of ordinary shares	Percentage of issued share capital
Shirz Limited	Beneficial owner	280,000,000	70%
Mr. Ting Chi Wai Roy	Interest of spouse	280,000,000 <i>(Note)</i>	70%

*Note:* Mr. Ting Chi Wai Roy is the spouse of Ms. Wong Chi Lou Shirley, who is the sole shareholder of Shirz Limited.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other person (other than the Directors or chief executive of the Company) who had an interest and short position in the Shares and underlying Shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept under Section 336 of the SFO and/or were directly or indirectly interested in 5% or more of the issued share capital carrying rights to vote in all circumstances at general meetings of the Company.

### 4. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors or supervisors had any existing or proposed service contract with any member of the Group which was not determinable by the Group within one year without payment of compensation, other than statutory compensation.



## 5. DIRECTORS' AND SUPERVISORS' INTERESTS

None of the Directors has any direct or indirect interest in any asset which had been acquired, or disposed of by, or leased to any member of the Group, or was proposed to be acquired, or disposed of by, or leased to any member of the Group since 31 March 2021, the date to which the latest published audited financial statements of the Company were made up.

None of the Directors was materially interested in any contract or arrangement subsisting as at the Latest Practicable Date and which was significant in relation to the business of the Group.

The following Director was a director or employee of a company which had an interest or short position in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

<b>Name of sole director</b>	<b>Name of company</b>
Ms. Wong Chi Lou Shirley	Shirz Limited

Save as disclosed above, none of the Directors was a director or employee of Shirz Limited as at the Latest Practicable Date.

## 6. COMPETING INTEREST

As at the Latest Practicable Date, none of the Directors or, so far as is known to them, any of their respective close associates was interested in any business (apart from the business of the Group) which competes or is likely to compete either directly or indirectly with the business of the Group (as would be required to be disclosed under the GEM Listing Rules if each of them were a controlling shareholder).

## 7. MATERIAL CONTRACTS

Save for the Sale and Purchase Agreement, none of the members of the Group has entered into contract (not being contracts entered into in the ordinary course of business of the Group) which is or may be material within the two years immediately preceding the Latest Practicable Date.

## 8. LITIGATION

As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, no member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group that would have a material adverse effect on the results of operations or financial conditions of the Group.

## 9. AUDIT COMMITTEE

The Company established an Audit Committee with written terms of reference in compliance with the GEM Listing Rules and by reference to the "Guidelines for The Establishment of An Audit Committee" published by the Hong Kong Institute of Certified Public Accountants.

The Audit Committee provides an important link between the Board and the Company's auditor in matters coming within the scope of the Group's audit. The primary duties of the Audit Committee are to review and supervise the financial reporting process of the Group. It also reviews the effectiveness of the external audit, internal controls and risk evaluation.

The Audit Committee comprises three independent non-executive Directors, namely Mr. Wong Hin Wing *M.H.*, Mr. Chan Wai Yan Ronald and Ms. Chan Man Ki Maggie *M.H., J.P.*, among whom, Mr. Wong Hin Wing *M.H.* was appointed as the chairman of the Audit Committee due to his professional qualifications in accounting and auditing experience. Biographical information of each member of the audit committee is set out below:

### **Mr. Wong Hin Wing *M.H.***

Mr. Wong Hin Wing *M.H.* (黃顯榮先生), aged 58, was appointed as independent non-executive Director on 18 December 2017. He is the chairman of the Audit Committee and the Remuneration Committee, and a member of the Nomination Committee and the Investment Management Committee.

Mr. Wong holds a Master's degree in Executive Business Administration from The Chinese University of Hong Kong. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, the Institute of Chartered Accountants in England & Wales, the Association of Chartered Certified Accountants, the Hong Kong Institute of Directors and the Chartered Governance Institute. He is also a member of the American Institute of Certified Public Accountants and a chartered member of the Chartered Institute for Securities & Investment. Mr. Wong is awarded the Medal of Honour by the Government of the Hong Kong Special Administrative Region in 2021.

Mr. Wong has 37 years of experience in accounting, finance, investment management and advisory. Mr. Wong is the Managing Partner and responsible officer of Hermitage Capital HK Limited, which is a licensed corporation under the SFO and primarily engaged in Type 4 (advising on securities) and Type 9 (asset management) regulated activities. Prior to this, he worked with an international audit firm for four years and then a listed company as chief financial officer for seven years, after which he co-founded Silk Road International Capital Limited (a licensed corporation formerly known as Legend Capital Partners Inc.) and led the company as the executive director and responsible officer for 23 years. Mr. Wong was the independent non-executive Director of China Agri-Products Exchange Limited, a company listed on the Main Board of the Stock Exchange (stock code: 0149), from December 2016 to November 2018, the independent non-executive Director of AEON Credit Service (Asia) Co. Ltd., a company listed on the Main Board of the Stock Exchange (stock code: 0900), from October 2004 to June 2020 and the independent non-executive Director of Dongjiang Environmental Company Limited, a company listed on the Shenzhen Stock Exchange (stock code: 2672) and on the Main Board of the Stock Exchange (stock code: 0895), from June 2014 to December 2020. He also held directorships in the following listed companies:

<b>Company</b>	<b>Stock exchange(s) being listed on</b>	<b>Position</b>	<b>Period</b>
CRCC High-Tech Equipment Corporation Limited (stock code: 1786)	Main Board of the Stock Exchange	Independent nonexecutive director	November 2015 to present
Guangzhou Baiyunshan Pharmaceutical Holdings Co., Ltd. (A share stock code: 600332, H share stock code: 0874)	Shanghai Stock Exchange and Main Board of the Stock Exchange	Independent nonexecutive director	June 2017 to present
Inner Mongolia Yitai Coal Co., Ltd. (B share stock code: 900948, H share stock code: 3948)	Shanghai Stock Exchange and Main Board of the Stock Exchange	Independent nonexecutive director	May 2017 to present
Jiangxi Bank Co Ltd (stock code: 1916)	Main Board of the Stock Exchange	Independent nonexecutive director	February 2018 to present
Zhaoke Ophthalmology Limited (stock code: 6622)	Main Board of the Stock Exchange	Independent nonexecutive director	April 2021 to present

**Mr. Chan Wai Yan Ronald**

Mr. Chan Wai Yan Ronald (陳惠仁先生), aged 41, was appointed as independent non-executive Director on 18 December 2017. He is the chairman of the Investment Management Committee and a member of the Audit Committee and the Nomination Committee.

Mr. Chan founded Chartwell Capital Limited, an investment management company, in October 2007 and is currently the chief investment officer. He has been its responsible officer for Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO since November 2008 and February 2008 respectively. He has been appointed by the Stock Exchange to serve as a member of the Listing Committee of the Main Board and GEM since July 2016. Since December 2019, Mr. Chan has been an independent non-executive director of Powerlong Commercial Management Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 9909).

Mr. Chan obtained his bachelor of science degree in finance and accounting from the Stern School of Business at New York University in the United States in May 2002.

**Ms. Chan Man Ki Maggie M.H., J.P.**

Ms. Chan Man Ki Maggie M.H., J.P. (陳曼琪女士), aged 52, was appointed as independent non-executive Director of the Company on 13 June 2019. She is a member of each of the Audit Committee and the Remuneration Committee. Ms. Chan obtained her Bachelor degree in Laws and Postgraduate Certificate in Laws from the University of Hong Kong in 1991 and 1992 respectively. She is the founder and managing partner of CMK lawyers, a law firm in Hong Kong, and has over 26 years of experience in providing legal advices and services as a solicitor in Hong Kong.

Ms. Chan is an Accredited Mediator and a China-Appointed Attesting Officer in Hong Kong. She is also the founding president of The Small and Medium Law Firms Association of Hong Kong. Furthermore, Ms. Chan is a Specially Invited Mediator of Guangdong Court for Cross-border Commercial Dispute Resolution in the Guangdong-Hong Kong-Macao Greater Bay Area and a Specially Invited Mediator of Guangzhou Court of The Internet Online Dispute Resolution Platform, a Mediator of Shenzhen Qianhai Cooperation Zone People's Court, Shenzhen Qianhai International Commercial Mediation Centre and China Guangzhou Arbitration Commission, and an Arbitrator of Shenzhen Court of International Arbitration and Qingdao Arbitration Commission.

Ms. Chan has also undertaken various community positions in Hong Kong including being a member of the Advisory Committee on Legal Advice for Unrepresented Litigants of Hong Kong. Ms. Chan is also a Council member of Hong Kong Lingnan University. Ms. Chan was awarded the Medal of Honor in 2012 and Justice of the Peace in 2015 by the Government of the Hong Kong Special Administrative Region. She was also conferred with Honorary Fellow by City University of Hong Kong in 2013. Ms. Chan was elected as a Hong Kong Deputy to the National People's Congress of the PRC (the 13th session) in 2017, an executive member of the All-China Women's Federation Executive Committee in 2018 and a president of All-China Women's Federation Hong Kong Delegates Association Ltd. in 2021.

#### 10. QUALIFICATION AND CONSENT OF EXPERTS

The following is the qualification of the experts who have been named in this circular or have given opinions or advice which are contained in this circular:

<b>Name</b>	<b>Qualification</b>
Roma Appraisals Limited	Independent Valuer
Zhonghui Anda CPA Limited	Certified Public Accountants

- (a) as at the Latest Practicable Date, neither Roma Appraisals Limited nor Zhonghui Anda CPA Limited had any shareholding, directly or indirectly, in the Company or any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in the Company or any member of the Group;
- (b) neither Roma Appraisals Limited nor Zhonghui Anda CPA Limited had any direct or indirect interest in any asset which had been acquired or disposed of by or leased to the Company or any member of the Group, or was proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2021 (being the date to which the latest published audited consolidated financial statements of the Company were made up); and
- (c) each of Roma Appraisals Limited and Zhonghui Anda CPA Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its opinion prepared for the purpose of incorporation in this circular, and the references to its name and opinion in the form and context in which they are included.

**11. MISCELLANEOUS**

- (a) The registered office of the Company is situated at PO Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands.
- (b) The head office and principal place of business of the Company in Hong Kong is situated at 26th Floor, AIA Financial Centre, 712 Prince Edward Road East, San Po Kong, Kowloon, Hong Kong.
- (c) The Hong Kong branch share registrar of the Company is Tricor Investor Services Limited situated at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (d) The company secretary of the Company is Ms. Pang Sze Man, who is a member of the Hong Kong Institute of Certified Public Accountants and an associate member of both the Hong Kong Chartered Governance Institute and the Chartered Governance Institute.
- (e) The compliance officer of the Company is Mr. Chan Sze Tung, who is an executive Director.
- (f) The English text of this circular shall prevail over the Chinese text in the event of inconsistency.

**12. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection at the headquarters and principal place of business of the Company in Hong Kong at 26th Floor, AIA Financial Centre, 712 Prince Edward Road East, San Po Kong, Kowloon, Hong Kong, during normal business hours from 9:00 a.m. to 5:30 p.m. on any Business Day for a period of 14 days from the date of this circular:

- (a) the memorandum of association and articles of association of the Company;
- (b) the material contract referred to in the paragraph headed "7. Material Contracts" in this appendix;
- (c) the report on the unaudited profit and loss statement on the identifiable net income stream in relation to the Property prepared by Zhonghui Anda CPA Limited, the text of which is set out in Appendix II to this circular;
- (d) the report on the unaudited pro forma financial information of the Group prepared by Zhonghui Anda CPA Limited, the text of which is set out in Appendix III to this circular;

- (e) the valuation report of the Property prepared by Roma Appraisals Limited, the text of which is set out in Appendix IV to this circular;
- (f) the written consents of the experts referred to in the paragraph headed “10. Qualification and consent of experts” in this appendix;
- (g) the annual reports of the Company for the two financial years ended 31 March 2020 and 2021 respectively; and
- (h) this circular.