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VERTICAL INTERNATIONAL HOLDINGS LIMITED

弘浩國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8375)

ANNOUNCEMENT PURSUANT TO RULE 17.20 OF THE GEM LISTING RULES

The Board would like to announce that on 7 March 2022, Vertical Technology Company Limited, as borrower; Bank of China (Hong Kong) Limited, as lender; and each of Vertical International Holdings Limited (the “**Company**”) and Mr. Boon Ho Yin Henry, as guarantor, entered into a banking facility letter (the “**Facility Letter**”) for banking facilities of up to HK\$18,000,000 in aggregate.

This announcement is made by the Company pursuant to Rule 17.20 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”).

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company announces that on 7 March 2022, Vertical Technology Company Limited (“**Vertical Technology**”), a wholly-owned subsidiary of the Company, as borrower; Bank of China (Hong Kong) Limited (the “**Lender**”), as lender; and each of the Company and Mr. Boon Ho Yin Henry (“**Mr. Boon**”), the chairman of the Board, the chief executive officer, an executive Director and a controlling shareholder of the Company, as guarantor, entered into the Facility Letter in relation to the general banking facilities granted under the SME Financing Guarantee Scheme (the “**Scheme**”) guaranteed by The HKMC Insurance Limited (“**HKMCI**”). The Facility Letter comprises a revolving loan facility and an overdraft facility of up to HK\$18,000,000 (with the aggregate outstanding amount of the overdraft facility not exceeding HK\$8,000,000), which will be made available by the Lender to Vertical Technology on the terms and conditions therein contained subject to, among others, the fulfillment of certain conditions precedent.

According to the terms of the Facility Letter, all amounts borrowed under the revolving loan facility shall be repaid or reborrowed at the end of the relevant drawdown period and the principal shall be repaid every twelve (12) months after the date of each drawdown. In addition, the purpose of entering into the Facility Letter is to finance the acquisition of assets or general working capital of Vertical Technology so as to facilitate its business operations. Furthermore, the revolving loan facility and the overdraft facility under the Facility Letter shall be cancelled and ceased to be operated after the guarantee period as stated in the relevant guarantee issued by HKMCI pursuant to the Scheme.

Pursuant to the Facility Letter, certain specific performance obligations are imposed on Mr. Boon, under which Mr. Boon agrees and undertakes to the Lender that (i) he shall remain directly or indirectly as the largest shareholder of the Company; and (ii) he shall remain as the chairman or executive Director of the Company. As at the date of this announcement, Mr. Boon indirectly holds 62.5% of the issued share capital of the Company.

The Company will comply with the continuing disclosure obligations under Rule 17.23 of the GEM Listing Rules in its subsequent quarterly, interim and annual reports for so long as the circumstances which give rise to such obligations regarding the control of the Company exist.

By Order of the Board
Vertical International Holdings Limited
Boon Ho Yin Henry
Chairman

Hong Kong, 7 March 2022

As at the date of this announcement, the executive Directors are Mr. Boon Ho Yin Henry and Ms. Chow Cheung Chu; and the independent non-executive Directors are Mr. Liu Kwan, Mr. Chik Kin Man Paul and Mr. Wong Wai Leung.

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

This announcement will remain on the “Latest Listed Company Information” page of the website of GEM (www.hkgem.com) for at least seven days from its date of publication. This announcement will also be published on the website of the Company at www.verticaltech.com.cn.