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## THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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If you are in any doubt as to any aspect of this Prospectus 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 New Amante Group Limited, you should at once hand the Prospectus Documents to the purchaser or to the transferee or to the bank, the licensed securities dealer or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

Dealings in the Share and the Rights Shares in their nil-paid and fully-paid forms may be settled through CCASS and you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements may affect your rights and interests.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

A copy of each of the Prospectus Documents, together with copies of the documents specified in the paragraph headed “Documents delivered to the Registrar of Companies” in appendix III to this Prospectus, have been registered with the Registrar of Companies in Hong Kong pursuant to section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). Neither the Securities and Futures Commission nor the Registrar of Companies in Hong Kong takes any responsibility as to the contents of any of the Prospectus Documents.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.

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## New Amante Group Limited 新愛德集團有限公司

(formerly known as BCI Group Holdings Limited (高門集團有限公司))

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8412)

### PROPOSED RIGHTS ISSUE ON THE BASIS OF ONE RIGHTS SHARE FOR EVERY TWO EXISTING SHARES HELD ON THE RECORD DATE

#### SILVERBRICKS SECURITIES COMPANY LIMITED

Underwriter



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Capitalised terms used in this cover page shall have the same meanings as defined in this Prospectus.

**The Rights Issue is only underwritten on a best effort basis. Pursuant to the Company’s constitutional documents, there are no requirements for minimum levels of subscription in respect of the Rights Issue. Subject to fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed regardless of the ultimate subscription level. In the event of under-subscription, the Underwriter has no obligation to and may not subscribe for or procure the subscription of any Rights Shares not being taken by the Qualifying Shareholders.**

Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon, among others, the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof (a summary of which is set out in the section headed “Termination of the Underwriting Agreement” on pages 9 to 10 and under the section headed “Underwriting Agreement” on pages 26 to 29 below of this Prospectus). Accordingly, the Rights Issue may or may not proceed.

It should be noted that the Shares have been dealt in on an ex-entitlement basis from Wednesday, 4 January 2023. Dealings in the Rights Shares in their nil-paid form are expected to take place from Tuesday, 7 February 2023 to Tuesday, 14 February 2023 (both dates inclusive). If the conditions of the Rights Issue are not fulfilled or waived (as applicable) on Monday, 20 February 2023 (or such later time as the Company and the Underwriter may agree) or the Underwriting Agreement is terminated by the Underwriter, the Rights Issue will not proceed. Any persons contemplating dealings in the Shares prior to the date on which the conditions of the Rights Issue are fulfilled or waived (as applicable), and/or dealings in the nil-paid Rights Shares, are accordingly subject to the risk that the Rights Issue may not become unconditional or may not proceed. Investors should seek professional advice regarding dealings in the Shares and nil-paid Rights Shares if they are in any doubt.

The latest time for acceptance of and payment for the Rights Shares is 4:00 p.m. on Friday, 17 February 2023. The procedures for application of Rights Shares are set out on pages 19 to 26 of this Prospectus.

3 February 2023

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## CHARACTERISTICS OF GEM

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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 Stock 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 of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.



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## EXPECTED TIMETABLE

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The expected timetable for the Rights Issue and the associated trading arrangement is set out below:

<b>Event</b>	<b>Respective Date and time</b>
First day of dealing in nil-paid Rights Shares . . . . .	9:00 a.m. on Tuesday, 7 February 2023
Latest time for splitting of PAL . . . . .	4:30 p.m. on Thursday, 9 February 2023
Last day of dealings in nil-paid Rights Shares . . . . .	Tuesday, 14 February 2023
Latest time for acceptance and payment for the Rights Shares . . . . .	4:00 p.m. on Friday, 17 February 2023
Latest time for the termination of the Underwriting Agreement and for the Rights Issue to become unconditional . . . . .	4:00 p.m. on Monday, 20 February 2023
Announcement of the results of the Rights Issue . . . . .	Friday, 24 February 2023
Despatch of certificates for fully-paid Rights Shares and refund cheques . . . . .	Monday, 27 February 2023
Expected first day of dealings in fully-paid Rights Shares . . . . .	9:00 a.m. on Tuesday, 28 February 2023

All times and dates in this Prospectus refer to Hong Kong local times and dates. The dates or deadlines specified in this Prospectus for events in the timetable for (or otherwise in relation to) the Rights Issue are indicative only and may be extended or varied by the Company and the Underwriter. The Company will notify Shareholders in the event of any changes to the expected timetable as and when appropriate.

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## EXPECTED TIMETABLE

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### **Effect of bad weather or extreme conditions on the latest time for acceptance of and payment for Rights Shares and application for excess Rights Shares**

The latest time for acceptance of and payment for Rights Shares and application for excess Rights Shares will not take place at the time indicated above if there is a tropical cyclone warning signal number 8 or above, “extreme conditions” caused by super typhoon as announced by the Government of Hong Kong, or a “black” rainstorm warning:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Friday, 17 February 2023. Instead, the latest time of acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares will be extended to 5:00 p.m. on the same Business Day; or
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Friday, 17 February 2023. Instead, the latest time of acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

If the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares does not take place on Friday, 17 February 2023, the dates mentioned in the paragraph headed “Expected Timetable for the Rights Issue” above may be affected. The Company will notify Shareholders by way of a separate announcement of any change to the expected timetable as soon as practicable.

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## DEFINITIONS

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*In this Prospectus, unless the context requires otherwise, the following expressions shall have the following meanings:*

“AGM”	the annual general meeting of the Company held on 14 November 2022
“Announcement”	the announcement of the Company dated 28 December 2022 in relation to, among others, the Rights Issue
“associate(s)”	has the meaning ascribed to this term under the GEM Listing Rules
“Board”	board of Directors
“Business Day(s)”	a day on which licensed banks in Hong Kong are generally open for business, other than a Saturday or a Sunday or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is issued in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not cancelled at or before 12:00 noon
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	New Amante Group Limited (新愛德集團有限公司)(formerly known as BCI Group Holdings Limited (高門集團有限公司)) (stock code: 8412), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the GEM of the Stock Exchange
“Director(s)”	director(s) of the Company
“EAF(s)”	the form(s) of application for excess Rights Shares proposed to be issued to the Qualifying Shareholders in such form as may be agreed between the Company and the Underwriter

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## DEFINITIONS

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“Excluded Shareholder(s)”	the Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose registered address(es) as shown on such register at that time is/are in (a) place(s) outside Hong Kong, where the directors of the Company consider it necessary or expedient not to issue the Rights Shares to such Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Final Acceptance Date”	17 February 2023 or such other date as may be agreed between the Company and the Underwriter and described as the latest date for acceptance of the Rights Shares in the Prospectus
“GEM”	GEM of the Stock Exchange
“GEM Listing Committee”	the GEM listing sub-committee of the board of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Mandate”	the general mandate granted by the Shareholders to the Directors at the AGM to allot, issue and deal with up a maximum of 20% of the aggregate share capital of the Company in issue as at the date of the AGM, i.e. up to 11,985,600 Shares (figure adjusted based on the share consolidation effective on 16 November 2022)
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Irrevocable Undertaking”	the irrevocable undertaking dated 6 December 2022 given by Mr. Yuan in favour of the Company and the Underwriter

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## DEFINITIONS

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“Last Trading Day”	28 December 2022, being the last trading day of the Shares on the Stock Exchange prior to the release of the Announcement
“Latest Practicable Date”	31 January 2023, being the latest practicable date prior to the printing of this Prospectus for the purpose of ascertaining certain information contained herein
“Latest Termination Date”	The first Business Day following the Final Acceptance Date
“Latest Time for Acceptance”	4:00 p.m. on Friday, 17 February 2023 or such later time or date as may be agreed between the Underwriter and the Company, being the latest time for acceptance of the offer of and payment for, the Rights Shares
“MGO Obligation”	the obligation to make a mandatory general offer under the Takeovers Code
“Mr. Yuan”	Mr. Yuan Lin, a substantial shareholder of the Company
“Outstanding Share Option(s)”	The outstanding share options to subscribe for an aggregate of up to 2,060,000 Shares (figure adjusted based on the share consolidation effective on 16 November 2022) which are granted or may be granted under the Share Option Scheme, which remain exercisable but unexercised as at the date of the Underwriting Agreement
“Overseas Shareholder(s)”	the Shareholder(s) with registered addresses on the register of members of the Company which are outside Hong Kong on the Record Date
“PAL(s)”	the provisional allotment letter(s) to be used in connection with the Rights Issue in such form as may be agreed between the Company and the Underwriter
“Prospectus”	this prospectus to be despatched to the Shareholders in connection with the Rights Issue
“Prospectus Documents”	Prospectus, PAL and EAF
“Prospectus Posting Date”	3 February 2023 or such other date as the Underwriter may agree in writing with the Company for the despatch of the Prospectus Documents



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## DEFINITIONS

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“Public Float Requirement”	the public float requirement under Rule 11.23 of the GEM Listing Rules
“Qualifying Shareholder(s)”	the Shareholder(s) other than the Excluded Shareholder(s) whose name(s) appear(s) on the register of members of the Company on the Record Date
“Record Date”	Thursday, 12 January 2023 or such other date as may be agreed between the Company and the Underwriter for the determination of the entitlements under the Rights Issue
“Registrar”	Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong, the Hong Kong branch share registrar of the Company
“Rights Issue”	the proposed issue by way of rights of the Rights Shares at the Subscription Price on the basis of one (1) Rights Share for every two (2) existing Shares to the Qualifying Shareholders upon the terms and conditions of the Underwriting Agreement
“Rights Share(s)”	up to 30,994,000 Shares (assuming the Outstanding Share Options being exercised in full but otherwise no other Shares are issued and no repurchase of Shares on or before the Record Date), or up to 29,964,000 Rights Shares (assuming no new Shares are issued on or before the Record Date either pursuant to the Outstanding Share Options or otherwise and no repurchase of Shares on or before the Record Date), to be issued pursuant to the Rights Issue on the basis of one (1) Rights Share for every two (2) existing Shares in issue on the Record Date
“Scale-down PAL Shares”	such number of Rights Shares applied for under the PAL(s) which would, if allotted by the Company, result in either the incurring of an MGO Obligation on the part of the applicant or the failure to comply with the Public Float Requirement on the part of the Company

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## DEFINITIONS

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“Scale-down EAF Shares”	such number of Rights Shares applied for as excess application under the EAF(s) which would, if allotted by the Company, result in either the incurring of an MGO Obligation on the part of the applicant or the failure to comply with the Public Float Requirement on the part of the Company
“Scaling-down”	the scale-down mechanisms of the Rights Issue as determined by the Company to which any application for the Rights Shares, whether under the PALs or EAFs, or transferees of nil-paid Rights Shares shall be subject to ensure that no application for the Rights Shares or the allotment thereof by the Company shall be at such level which may trigger any MGO Obligation or non-compliance with the Public Float Requirement
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) with par value of HK\$0.20 each in the capital of the Company
“Share Option Scheme”	the share option scheme adopted by the Company on 14 March 2017
“Shareholder(s)”	registered holder(s) of the Shares of the Company
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.42 per Rights Share
“Substantial Shareholder(s)”	has the meaning as ascribed to this term under the GEM Listing Rules
“Supplemental Underwriting Agreement”	the supplemental underwriting agreement dated 12 January 2023 entered into between the Company and the Underwriter in supplement to the Underwriting Agreement
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs
“Undertaken Shares”	5,321,000 Rights Shares, being the number of Rights Shares for which Mr. Yuan has undertaken to subscribe pursuant to the Irrevocable Undertakings

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## DEFINITIONS

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“Underwriter”	Silverbricks Securities Company Limited, a company incorporated in Hong Kong with limited liability and licensed in Hong Kong to carry out Types 1, 2 and 6 regulated activities under the SFO
“Underwriting Agreement”	underwriting agreement dated 28 December 2022 (as supplemented by the Supplemental Underwriting Agreement) entered into between the Company and the Underwriter in relation to the underwriting arrangement in respect of the Rights Issue
“Underwritten Shares”	up to (i) 24,643,000 Rights Shares (assuming no new Shares are issued on or before the Record Date either pursuant to the Outstanding Share Options or otherwise and no repurchase of Shares on or before the Record Date); or (ii) 25,673,000 Rights Shares (assuming new Shares are issued on or before the Record Date pursuant to the full exercise of all Outstanding Share Options, but otherwise no other Shares are issued and no repurchase of Shares on or before the Record Date) underwritten by the Underwriter on best-effort basis pursuant to the terms and conditions of the Underwriting Agreement, excluding the Undertaken Shares to be taken up by Mr. Yuan
“Untaken Shares”	the Underwritten Shares for which duly completed PAL or EAF (accompanied by cheques or banker’s cashier orders for the full amount payable on application which are honoured on first or, at the option of the Company, subsequent presentation) have not been lodged for acceptance, or received, as the case may be, on or before 4:00 p.m. on the Final Acceptance Date
“%”	per cent

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## TERMINATION OF THE UNDERWRITING AGREEMENT

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### Termination of the Underwriting Agreement

If at any time on or before 4:00 p.m. on the Latest Termination Date:

- (a) the Underwriter shall become aware of the fact that, or shall have reasonable cause to believe that any of the warranties in the Underwriting Agreement was untrue, inaccurate, misleading or breached, and in each case the same is (in the reasonable opinion of the Underwriter) material in the context of the Rights Issue; or
- (b) there shall be:
  - (i) any new law or regulation is enacted, or there is any change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority, whether in Hong Kong, the Cayman Islands or elsewhere;
  - (ii) any change in local, national or international financial, political, industrial or economic conditions;
  - (iii) any change of an exceptional nature in local, national or international equity securities or currency markets;
  - (iv) any local, national or international outbreak or escalation of hostilities, insurrection or armed conflict;
  - (v) any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange;
  - (vi) any suspension in the trading of the Shares on the Stock Exchange for a continuous period of 7 trading days (as defined in the GEM Listing Rules);
  - (vii) any change or development involving a prospective change in taxation or exchange controls in Hong Kong, the Cayman Islands or elsewhere which is or are, in the reasonable opinion of the Underwriter:
    - (a) likely to have a material adverse effect on the business, financial position or prospects of the Group taken as a whole; or
    - (b) likely to have a material adverse effect on the success of the Rights Issue or the level of Rights Shares to be taken up; or
    - (c) so material as to make it inappropriate, inadvisable or inexpedient to proceed further with the Rights Issue,

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## TERMINATION OF THE UNDERWRITING AGREEMENT

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then the Underwriter may, by notice in writing given to the Company on or before 4:00 p.m. on the Latest Termination Date, rescind the Underwriting Agreement and thereupon all obligations of the Underwriter thereunder shall cease and determine and no party shall have any claim against any other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement (save for any antecedent breaches hereof) and the Rights Issue shall not proceed.

Upon the giving of notice of termination as aforesaid, all obligations of the Underwriter thereunder shall cease and determine and no party shall have any claim against any other parties in respect of any matter or thing arising out of or in connection with the Underwriting Agreement and the Company shall not be liable to pay any underwriting commission.

**If the Underwriter terminates the Underwriting Agreement in accordance with the terms thereof, the Rights Issue will not proceed. A further announcement would be made if the Underwriting Agreement is terminated by the Underwriter.**

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## LETTER FROM THE BOARD

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### **New Amante Group Limited** **新愛德集團有限公司**

*(formerly known as BCI Group Holdings Limited (高門集團有限公司))*

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

**(Stock Code: 8412)**

*Executive Directors:*

Mr. Wong Chi Yung (*Chairman and CEO*)

Mr. Ng Shing Chun Ray

Ms. Lui Lok Yan

*Registered office:*

Windward 3, Regatta Office Park

P.O. Box 1350

Grand Cayman KY1-1108

Cayman Islands

*Independent non-executive Directors:*

Mr. Hui Wai Hung

Mr. Jiang Qiaowei

Mr. Pong Chun Yu

*Principal place of business in Hong Kong:*

Floor 14, Bupa Centre

141 Connaught Road West

Sai Ying Pun

Hong Kong

3 February 2023

*To the Shareholders*

Dear Sir or Madam,

### **PROPOSED RIGHTS ISSUE ON THE BASIS OF ONE RIGHTS SHARE FOR EVERY TWO EXISTING SHARES HELD ON THE RECORD DATE**

#### **INTRODUCTION**

Reference is made to the Announcement in relation to the proposed Rights Issue.

The Company proposed to raise gross proceeds of (i) not more than approximately HK\$12.6 million (assuming no new Shares are issued on or before the Record Date either pursuant to the Outstanding Share Options or otherwise and no repurchase of Shares on or before the Record Date and assuming full subscription under the Rights Issue), by way of the Rights Issue of issuing up to 29,964,000 Rights Shares; or (ii) not more than approximately HK\$13 million (assuming new Shares are issued on or before the Record Date pursuant to the full exercise of all Outstanding Share Options, but otherwise no other Shares are issued and no repurchase of Shares on or before the Record Date and full subscription under the Rights Issue), by way of the Rights Issue of issuing up to 30,994,000 Rights Shares, at the Subscription Price of HK\$0.42 per Rights Share on the basis of one (1) Rights Share for every two (2) existing Shares held on the Record Date.

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## LETTER FROM THE BOARD

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On 28 December 2022, the Company entered into the Underwriting Agreement with the Underwriter, whereby, subject to the terms and conditions set out in the Underwriting Agreement, in particular the fulfillment of the conditions contained therein, the Underwriter has conditionally agreed to underwrite, on a best-effort basis, up to (i) 24,643,000 Underwritten Shares (assuming no new Shares are issued on or before the Record Date either pursuant to the Outstanding Share Options or otherwise and no repurchase of Shares on or before the Record Date); or (ii) 25,673,000 Underwritten Shares (assuming new Shares are issued on or before the Record Date pursuant to the full exercise of all Outstanding Share Options, but otherwise no other Shares are issued and no repurchase of Shares on or before the Record Date). The Rights Issue will only be available to the Qualifying Shareholders and will not be available to the Excluded Shareholders.

The purpose of this Prospectus is to provide you with, among other things, details of the Rights Issue, financial information and other general information of the Group.

### PROPOSED RIGHTS ISSUE

#### Issue statistics

Basis of the Rights Issue	:	One (1) Rights Share for every two (2) Shares held on the Record Date
Subscription Price	:	HK\$0.42 per Rights Share
Number of Shares in issue as at the date of the Announcement	:	59,928,000
Number of Rights Shares	:	(i) up to 29,964,000 Rights Shares (assuming no new Shares are issued on or before the Record Date either pursuant to the Outstanding Share Options or otherwise and no repurchase of Shares on or before the Record Date and assuming full subscription under the Rights Issue); or  (ii) Up to 30,994,000 Rights Shares (assuming new Shares are issued on or before the Record Date pursuant to the full exercise of all Outstanding Share Options, but otherwise no other Shares are issued and no repurchase of Shares on or before the Record Date and full subscription under the Rights Issue)

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## LETTER FROM THE BOARD

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- Aggregate nominal value of the Rights Shares : (i) not more than HK\$5,992,800 (assuming no new Shares are issued on or before the Record Date either pursuant to the Outstanding Share Options or otherwise and no repurchase of Shares on or before the Record Date and full subscription under the Rights Issue); or
- (ii) not more than HK\$6,198,800 (assuming new Shares are issued on or before the Record Date pursuant to the full exercise of all Outstanding Share Options, but otherwise no other Shares are issued and no repurchase of Shares on or before the Record Date and full subscription under the Rights Issue)
- Number of Shares in issue immediately upon completion of the Rights Issue : (i) up to 89,892,000 Shares (assuming no new Shares are issued on or before the Record Date either pursuant to the Outstanding Share Options or otherwise and no repurchase of Shares on or before the Record Date and full subscription under the Rights Issue); or
- (ii) up to 92,982,000 Shares (assuming new Shares are issued on or before the Record Date pursuant to the full exercise of all Outstanding Share Options, but otherwise no other Shares are issued and no repurchase of Shares on or before the Record Date and full subscription under the Rights Issue)
- Underwriter : Silverbricks Securities Company Limited



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## LETTER FROM THE BOARD

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- Number of Underwritten Shares : on a best-effort basis, up to (i) 24,643,000 Underwritten Shares (assuming no new Shares are issued on or before the Record Date either pursuant to the Outstanding Share Options or otherwise and no repurchase of Shares on or before the Record Date); or (ii) 25,673,000 Underwritten Shares (assuming new Shares are issued on or before the Record Date pursuant to the full exercise of all Outstanding Share Options, but otherwise no other Shares are issued and no repurchase of Shares on or before the Record Date)
- Number of Rights Shares : 5,321,000 Rights Shares  
undertaken to be taken up by  
Mr. Yuan (a substantial  
shareholder of the Company)
- Right of excess applications : Qualifying Shareholders may apply for the Rights Shares in excess of their provisional allotment

As at the date of the Announcement, there were 2,060,000 Outstanding Share Options available to subscribe for 2,060,000 Shares granted pursuant to the Share Option Scheme prior to the Record Date. Assuming full exercise of the Outstanding Share Options, the maximum number of new Shares that would fall to be allotted and issued under the Share Option Scheme on or before the Record Date would be 2,060,000.

Save as aforesaid, the Company has no other outstanding share options or outstanding derivatives, convertible securities, options or warrants in issue which entitle the holders thereof to subscribe for or convert into any Shares prior to the Record Date nor has entered into any agreement to do any of the foregoing as at the date of the Announcement. The Company has no intention to issue or grant any Shares, convertible securities, warrants and/or options on or before the Record Date.

Assuming no new Shares (other than the Rights Shares) are allotted and issued and no repurchase of the Shares takes place on or before the Record Date, the aggregate number of 29,964,000 nil-paid Rights Shares proposed to be provisionally allotted pursuant to the terms of the Rights Issue represents 50% of the total number of Shares in issue as at the date of the Announcement and will represent approximately 33.33% of the Shares in issue as enlarged by the Rights Issue.

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## LETTER FROM THE BOARD

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Assuming new Shares are issued on or before the Record Date pursuant to the full exercise of all Outstanding Share Options and no other new Shares (other than the Rights Shares) are allotted and issued and no repurchase of the Shares takes place on or before the Record Date, the aggregate number of 30,994,000 nil-paid Rights Shares proposed to be provisionally allotted pursuant to the terms of the Rights Issue represents 50% of the total number of Shares in issue as at the date of the Announcement and will represent approximately 33.33% of the Shares in issue as enlarged by the Rights Issue.

The Company has not conducted any rights issue, open offer and/or specific mandate placing within the 12-month period immediately preceding the date of the Announcement, or prior to such 12-month period where dealing in respect of the Shares issued pursuant thereto commenced within such 12-month period, nor has it issued any bonus securities, warrants or other convertible securities within such 12-month period. The Rights Issue does not result in a theoretical dilution effect of 25% or more on its own.

**The Rights Issue is only underwritten on a best-effort basis. Pursuant to the Company's constitutional documents, there are no requirements for minimum levels of subscription in respect of the Rights Issue. Subject to fulfillment of the conditions of the Rights Issue, the Rights Issue will proceed regardless of the ultimate subscription level.**

**In the event the Rights Issue is undersubscribed, any Rights Shares not taken up by the Qualifying Shareholders or transferees of nil-paid Rights Shares, and not subscribed by the Underwriter or other subscribers procured by the Underwriter pursuant to the Underwriting Agreement will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. Investors are advised to exercise caution when dealing in the Shares.**

### **The Subscription Price**

The Subscription Price is HK\$0.42 per Rights Share, payable in full by a Qualifying Shareholder upon acceptance of the provisional allotment of the Rights Shares under the Rights Issue or applications for excess Rights Shares, or when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

- (i) a premium of approximately 54.8% to the closing price of HK\$0.65 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 10.6% to the closing price of HK\$0.47 per Share as quoted on the Stock Exchange on the Last Trading Day;

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## LETTER FROM THE BOARD

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- (iii) a discount of approximately 12.1% to the average of the closing price of HK\$0.478 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 17.6% to the average of the closing price of HK\$0.51 per Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days up to and including the Last Trading Day;
- (v) a discount of approximately 27.6% to the average of the closing price of HK\$0.58 per Share as quoted on the Stock Exchange for the last thirty (30) consecutive trading days up to and including the Last Trading Day;
- (vi) a discount of approximately 7.3% to the theoretical ex-rights price of approximately HK\$0.453 per Share based on the closing price of HK\$0.47 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (vii) a discount of approximately 8.7% to the theoretical ex-rights price of approximately HK\$0.46 per Share based on to the benchmarked price of HK\$0.48 per Share (as defined under Rule 10.44A of the GEM Listing Rules, taking into account the closing price on the Last Trading Day of HK\$0.47 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five (5) previous consecutive trading days prior to the date of the Announcement of HK\$0.48 per Share); and
- (viii) a theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) represented by a discount of approximately 4.2%, represented by the theoretical diluted price of approximately HK\$0.46 per Share to the aforesaid benchmarked price of HK\$0.48 per Share.

The Subscription Price was arrived at after arm's length negotiations between the Company and the Underwriter with reference to the amount of fund raising targeted by the Company under the Rights Issue, the market price of the Shares under the prevailing market conditions and the financial position of the Group. As at 31 May 2022, the Company had net liabilities of approximately HK\$13.3 million. The Company therefore intends to raise fund in the range of HK\$13 million to strengthen the balance sheet position as well as to replenish the general working capital for the Group's business and operation. Further, as illustrated above, the Subscription Price of HK\$0.42 was set at a mild discount to the recent trading prices of Shares ranging from 10.6% to 27.6% when compared to closing prices of Shares on the Last Trading Day, 5-day average, 10-day average and 30-day average. The Company believes that the mild discount of the Subscription Price coupled with the 2 to 1 Rights Share allotment basis could encourage the existing Shareholders to participate in the Rights Issue but, at the same time, the dilution effect on those Shareholders who do not participate in the Rights Issue would also be in the acceptable level.

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## LETTER FROM THE BOARD

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After taking into consideration the reasons for the Rights Issue as stated in the section headed “REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS” below, the Directors consider the terms of the Rights Issue, including the Subscription Price, to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Assuming no new Shares are issued on or before the Record Date either pursuant to the Outstanding Share Options or otherwise and no repurchase of Shares on or before the Record Date and the maximum number of 29,964,000 Rights Shares are fully subscribed, the net price per Rights Share is estimated to be approximately HK\$0.40.

Assuming new Shares are issued on or before the Record Date pursuant to the full exercise of all Outstanding Share Options, but otherwise no other Shares are issued and no repurchase of Shares on or before the Record Date and the maximum number of 30,994,000 Rights Shares are fully subscribed, the net price per Rights Share is estimated to be approximately HK\$0.40.

### **IRREVOCABLE UNDERTAKINGS BY THE UNDERTAKING SHAREHOLDER**

As at the date of the Announcement, Mr. Yuan (through himself and his controlled corporation) holds an aggregate of 10,642,000 Shares (but excluding the 150,000 Shares held by his spouse which he has a deemed interest under Part XV of the SFO), representing approximately 17.76% of the total number of issued Shares. As at the Latest Practicable Date, Mr. Yuan does not hold any Outstanding Share Options.

Pursuant to the Irrevocable Undertakings, Mr. Yuan has irrevocably undertaken and warranted to the Company and the Underwriter, among other things:

- (i) to subscribe, and procure his controlled corporation to subscribe, for 5,321,000 Rights Shares to be provisionally allotted to Mr. Yuan and his controlled corporation respectively; and
- (ii) not to sell, dispose of or transfer, or agree to sell, dispose of or transfer any of the Shares beneficially held by Mr. Yuan from the date of the Irrevocable Undertakings to the date of completion of the Rights Issue.

Further, pursuant to the Irrevocable Undertakings, Mr. Yuan has irrevocably undertaken to the Company and the Underwriter that in the event he applies for excess Rights Shares, he will observe the scale-down mechanism as mentioned in the paragraph headed “Scale-down of subscriptions to avoid the triggering of MGO Obligation and non-compliance of Public Float Requirement” in the Announcement so that he will not trigger any MGO Obligation or cause the Company to become non-compliant with the Public Float Requirement.

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## LETTER FROM THE BOARD

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### **Basis of provisional allotment**

The basis of the provisional allotment shall be one (1) Rights Share for every two (2) Shares held by the Qualifying Shareholder as at the close of business on the Record Date. The PAL relating to the Rights Shares will be enclosed with the Prospectus entitling the Qualifying Shareholders to whom it is addressed to subscribe for the Rights Shares as shown therein. Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing a PAL and lodging the same with a remittance for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance. Any holdings (or balance of holdings) of less than two (2) Shares will not entitle their holders to be provisionally allotted a Rights Share.

### **Qualifying Shareholders**

The Rights Issue is only available to the Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company and not be an Excluded Shareholder on the Record Date. The Company will despatch the Prospectus Documents to the Qualifying Shareholders and despatch the Prospectus (without the PAL(s) and the EAF(s)) to the Excluded Shareholders for their information only.

In order to be registered as a member of the Company on the Record Date, a Shareholder must lodge the relevant transfer(s) of Share(s) (with the relevant share certificates) with the Registrar at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong by 4:30 p.m. on Thursday, 5 January 2023.

The last day of dealings in the Shares on a cum-rights basis was Tuesday, 3 January 2023. The Shares have been dealt with on an ex-rights basis from Wednesday, 4 January 2023.

Shareholders with their Shares held by a nominee (or held in CCASS) should note that the Board will consider the nominee (including HKSCC Nominees Limited) as one single Shareholder according to the register of members of the Company.

Shareholders with their Shares held by a nominee (or held in CCASS) are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own names prior to the Record Date. For investors whose Shares are held by a nominee (or held in CCASS) and would like to have their names registered on the register of members of the Company, they must lodge all necessary documents with the Registrar at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong for registration no later than 4:30 p.m. on Thursday, 5 January 2023. Qualifying Shareholders who take up their pro-rata entitlement in full will not suffer any dilution to their interests in the Company.

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## LETTER FROM THE BOARD

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Holders of any Outstanding Share Options who wish to participate in the Rights Issue should exercise their Outstanding Share Options in accordance with the terms and conditions of the Share Option Scheme and be registered as holders of the Shares so allotted and issued to them pursuant to such exercise with the Company on or before the Record Date.

**If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.**

### **Rights of Overseas Shareholders**

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong. The Rights Issue will not be extended to the Excluded Shareholders.

As at the Latest Practicable Date, the Company has no Overseas Shareholders. As disclosed in the Announcement, the register of members of the Company is closed from 6 January 2023 to 12 January 2023 (both days inclusive), therefore, the Company will not have any Overseas Shareholders as at the Record Date. Accordingly, there will be no Excluded Shareholders as at the Record Date.

### **Status of Rights Shares**

The Rights Shares (when allotted, issued and fully paid) will rank *pari passu* in all respects with the Shares then in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment and issue of the fully-paid Rights Shares. Dealings in the Rights Shares will be subject to payment of (i) stamp duty, (ii) Stock Exchange trading fee, (iii) transaction levy and (iv) any other applicable fees and charges in Hong Kong.

### **Procedure for acceptance and payment or transfer**

**Qualifying Shareholders will find enclosed with this Prospectus a PAL which entitles them to subscribe for the number of Rights Shares shown therein. If the Qualifying Shareholders wish to accept all of the Rights Shares provisionally allotted to them as specified in the PAL, they must lodge the PAL in accordance with the instructions printed thereon, together with remittance for the full amount payable on acceptance, with the Registrar by no later than 4:00 p.m. on Friday, 17 February 2023. All remittances must be made by cheque or cashier's order in Hong Kong dollars. Cheques must be drawn on an account with, and cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to "NEW AMANTE GROUP LIMITED – PAL" and crossed "Account Payee Only".**

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## LETTER FROM THE BOARD

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It should be noted that unless the duly completed PAL, together with the appropriate remittance, has been lodged with the Registrar by 4:00 p.m. on Friday, 17 February 2023, whether by the original allottee or any person to whom the rights have been validly transferred, the relevant provisional allotment and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled and such Rights Shares will be available for the application under the EAFs by the Qualifying Shareholders.

If the Qualifying Shareholders wish to accept only part of their provisional allotment or transfer part of their rights to subscribe for the Rights Shares provisionally allotted to them under the PAL or to transfer their rights to more than one person, the original PAL must be surrendered and lodged for cancellation by no later than 4:30 p.m. on Thursday, 9 February 2023 with the Registrar who will cancel the original PAL and issue new PALs in the denominations required, which will be available for collection at the Registrar after 9:00 a.m. on the second Business Day after the surrender of the original PAL.

The PAL contains further information regarding the procedures to be followed for acceptance and/or transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders. All cheques and cashier's orders accompanying completed PALs will be presented for payment immediately upon receipt and all interest earned on such monies will be retained for the benefit of the Company. Completion and return of the PAL will constitute a warranty and representation to the Company that all registration, legal and regulatory requirements of all relevant jurisdictions other than Hong Kong in connection with the PAL and any acceptance of it, have been, or will be, duly complied with. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited is subject to any of the representation and warranties. Completion and return of the PAL with a cheque or a cashier's order in payment for the Rights Shares, whether by a Qualifying Shareholder or by any nominated transferee, will constitute a warranty by the subscriber that the cheque or the cashier's order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any PAL in respect of which the accompanying cheque and/or cashier's order is dishonoured on first presentation, and, in such event, the relevant provisional allotment and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled. No receipt will be issued in respect of any application monies received.

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## LETTER FROM THE BOARD

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No action has been taken to obtain permission of the offering of the Rights Shares or the distribution of the Prospectus Documents in any jurisdiction other than Hong Kong. Accordingly, no person receiving a copy of this Prospectus, the PAL or the EAF in any jurisdiction outside Hong Kong may treat it as an offer or invitation to apply for the Rights Shares, unless in the relevant jurisdictions, such an offer or invitation could lawfully be made without compliance with any registration or other legal and regulatory requirements. It is the responsibility of anyone outside Hong Kong wishing to make on his/her/its behalf an application for the Rights Shares to satisfy himself/herself/itself as to the observance of the laws and regulations of all relevant jurisdiction, including the obtaining of any governmental or other consents, and to pay any taxes and duties required to be paid in such jurisdiction in connection therewith. Completion and return of the PAL by anyone outside Hong Kong will constitute a warranty and representation to the Company that all these local registration, legal and regulatory requirements of such relevant jurisdictions other than Hong Kong in connection with the PAL and any acceptance of it, have been, or will be, duly complied with. The Company reserves the right to refuse to accept any application for the Rights Shares where it believes that in doing so would violate the applicable securities or other laws or regulations of any jurisdiction. For the avoidance of doubt neither HKSCC nor HKSCC Nominees Limited is subject to any of the representations and warranties. No application for the Rights Shares will be accepted from any person who is a Non-Qualifying Shareholder.

If the Underwriter exercises the rights to terminate the Underwriting Agreement or if the conditions of the Rights Issue are not fulfilled or waived (as applicable), the monies received in respect of acceptances of the Rights Shares will be returned to the Qualifying Shareholders or such other persons to whom the nil-paid Rights Shares shall have been validly transferred, or in case of joint acceptances, to the first-named person, without interest by means of cheques despatched by ordinary post to their respective registered addresses at their own risk on or before Monday, 27 February 2023.

### **Application for excess Rights Shares**

The Company shall make the excess Rights Shares available for subscription by the Qualifying Shareholders by means of EAF, and the excess Rights Shares represent:

- (i) any nil-paid Rights Shares provisionally allotted but not accepted by any of the Qualifying Shareholders or otherwise subscribed for by transferees of nil-paid Rights Shares prior to the Latest Time for Acceptance;
- (ii) subject to the provisions of the Underwriting Agreement, any entitlements of the Excluded Shareholders provisionally allotted to a nominee of the Company which are left unsold;
- (iii) any of the Rights Shares created from the aggregation of fractions of the Rights Shares; and



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## LETTER FROM THE BOARD

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(iv) the Scale-down PAL Shares (if any) and the Scale-down EAF Shares (if any).

The Company will, upon consultation with the Underwriter, allocate the excess Rights Shares (if any) at their discretion on a fair and equitable basis on the following principles:

- (i) any excess Rights Shares will be allocated to Qualifying Shareholders who apply for them on a pro rata basis by reference to the number of the excess Rights Shares applied for;
- (ii) reference will only be made to the number of excess Rights Shares being applied for but no reference will be made to the Rights Shares comprised in applications by the PALs or the existing number of Shares held by Qualifying Shareholders;
- (iii) if the aggregate number of Rights Shares not taken up by the Qualifying Shareholders and/or transferees of nil-paid Rights Shares under the PALs is greater than the aggregate number of excess Rights Shares applied for through the EAFs, the Company will allocate to each Qualifying Shareholder who applies for excess Rights Shares in full application; and
- (iv) no preference will be given to applications for topping up odd lots to whole board lots.

In the event that the Board notes unusual patterns of excess applications and has reason to believe that any excess application may have been made with the intention to abuse the mechanism, such application(s) for excess Rights Shares may be rejected at the sole discretion of the Board.

Should there be no excess application by the Qualifying Shareholders or such excess applications are less than the total number of Underwritten Shares, the excess Rights Shares will be underwritten by the Underwriter on a best-effort basis.

Shareholders with their Shares held by a nominee company (or which are deposited in CCASS) should note that the Board will regard such nominee company (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company. Accordingly, Shareholders should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to beneficial owners individually save and except for the beneficial owner(s) which the Company may permit in its absolute discretion. Shareholders with their Shares held by a nominee company (or which are deposited in CCASS) are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own names on or prior to the Record Date for the purpose of the Rights Issue. Shareholders and investors should consult their professional advisors if they are in any doubt as to their status.

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## LETTER FROM THE BOARD

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**Application for excess Rights Shares can be made only by duly completing and signing an EAF (in accordance with the instructions printed therein) and lodging the same with a separate cheque or banker's cashier order for the sum payable for the excess Rights Shares being applied for with the Registrar no later than 4:00 p.m. on Friday, 17 February 2023. All remittances must be made by cheque or cashier's order in Hong Kong dollars. Cheques must be drawn on an account with, and cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to "NEW AMANTE GROUP LIMITED – EAF" and crossed "Account Payee Only".**

The allocation of excess Rights Shares (if any) to the Qualifying Shareholders will be announced by the Company on or about Friday, 24 February 2023. If no excess Rights Shares are allotted to the Qualifying Shareholders, it is expected that the amount tendered on application will be refunded in full without interest on Monday, 27 February 2023. If the number of excess Rights Shares allotted to the Qualifying Shareholders is less than that applied for, the surplus application monies are also expected to be refunded to them without interest on Monday, 27 February 2023.

All cheques and cashier's orders will be presented for payment immediately following receipt and all interest earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of the EAF together with a cheque or cashier's order in payment for excess Rights Shares applied for will constitute a warranty by the applicant that the cheque or the cashier's order will be honoured on first presentation. If any cheque or cashier's order accompanying a complete EAF is dishonoured on first presentation, without prejudice to the other rights of the Company, such EAF is liable to be rejected. No receipt will be issued in respect of any application monies received.

The EAF is for use only by the person(s) to whom it is addressed and is not transferable. All documents, including refund cheques for wholly or partially unsuccessful applications for excess Rights Shares, will be despatched by ordinary post at the risk of the persons entitled thereto to their respective registered addresses as shown in the register of members of the Company on the Record Date.

If the Underwriter exercises the right to terminate the Underwriting Agreement or if the conditions of the Rights Issue are not fulfilled or waived (as applicable), the monies received in respect of the relevant applications for excess Rights Shares will be returned to the applicants, or in case of joint applicants, to the first-named person, without interest by means of cheques despatched by the ordinary post to their respective addresses at their own risk on or before Monday, 27 February 2023.

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## LETTER FROM THE BOARD

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### **Scale-down of subscriptions to avoid the triggering of MGO Obligation and non-compliance of Public Float Requirement**

Without prejudice to the generality of the Underwriting Agreement, as the Rights Issue is only underwritten by the Underwriter on a best effort basis, to avoid the unwitting triggering of MGO Obligations and non-compliance of Public Float Requirements, all applications for Rights Shares whether under the PAL(s) or the EAF(s), or by transferees of nil-paid Rights Shares, or by subscribers procured by the Underwriter will be made on the basis that the applications are to be scaled-down by the Company to a level which (a) does not trigger an MGO Obligation on the part of the applicant or parties acting in concert with him/her/it, and/or (b) does not result in the non-compliance of the Public Float Requirement on the part of the Company. Any subscription monies for the Scale-down PAL Shares or the Scale-down EAF Shares will be refunded to the applicants, and the Scale-down PAL Shares and the Scale-down EAF Shares will be made available for subscription by other Qualifying Shareholders through the EAF(s).

In addition, under and/or pursuant to the Scaling-down, any application for Rights Shares, whether under the PAL(s) or the EAF(s), shall be subject to the scale-down mechanisms of the Rights Issue as determined by the Company to levels which do not trigger any MGO Obligation or non-compliance of Public Float Requirement. Such scale-down of applications of Rights Shares shall operate on a fair and equitable basis under the following principles: (a) EAF(s) should be scaled down before PAL(s); and (b) where the scale-down is necessitated by the exceeding of shareholding by a group rather than an individual shareholder, the allocations of EAF(s) and PAL(s) to members of the affected group should be made on a pro rata basis by reference to the number of Shares held by the affected applicants on the Record Date, but for the avoidance of any doubt, any or any such onward allocation(s) shall be subject to the Scaling-down as well.

### **Certificates for the Rights Shares and Refund Cheques for the Rights Shares**

Subject to the fulfillment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be posted on or about Monday, 27 February 2023 by ordinary post to the allottees, at their own risk, to their registered addresses. Refund cheques in respect of wholly or partially unsuccessful applications for the excess Rights Shares (if any) are expected to be posted on or about Monday, 27 February 2023 by ordinary post to the applicants, at their own risk, to their registered addresses.

### **Fractions of Rights Shares**

Fractions of the Rights Shares will not be provisionally allotted to any of the Qualifying Shareholders. Fractional entitlements will be aggregated and rounded down to the nearest whole number of Rights Shares. Any Rights Shares created from the aggregation of fractions of the Rights Shares will be made available for excess application by the Qualifying Shareholders as described in the section headed “Application for excess Rights Shares” below. Should there be no excess application by the Qualifying Shareholders, those Rights Shares created from the aggregation of fraction of the Rights Shares may or may not be taken up by the Underwriter.

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## LETTER FROM THE BOARD

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No odd lot matching services will be provided as the Directors are of the view that, having compared the fees to be charged by a designated securities broker and the market value of the odd lots of Shares, it will not be cost-effective for the Company to appoint such a securities broker to provide matching services for odd lots of Shares. As such, the Directors consider that it is in the interest of the Company and the Shareholders not to provide odd lot matching services for the Rights Issue.

### **Application for listing**

The Company has made an application to the GEM Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares, in both their nil-paid and fully-paid forms. The nil-paid and fully-paid Rights Shares are expected to have the same board lot size as the Shares, i.e. 10,000 Shares in one board lot. No part of the securities of the Company is listed or dealt in or on which listing or permission to deal is being or is proposed to be sought on any other stock exchange.

### **Rights Shares will be eligible for admission in CCASS**

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbroker or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

### **Taxation**

Shareholders are advised to consult their professional advisers if they are in doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the fully-paid Rights Shares and, regarding Overseas Shareholders, their receipt of the net proceeds, if any, from sales of the nil-paid Rights Shares on their behalf. None of the Company, the Directors nor any other parties involved in the Rights Issue accepts responsibility for any tax effects on, or liabilities of, any person resulting from subscribing for, purchasing, holding, disposing of, dealings in or exercising any rights in relation to the Shares or the Rights Shares.

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## LETTER FROM THE BOARD

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### Stamp duty and other applicable fees

Dealings in the Rights Shares in both their nil-paid and fully-paid forms, which are registered in the register of members of the Company, will be subject to the payment of (i) stamp duty, (ii) Stock Exchange trading fee, (iii) transaction levy and (iv) any other applicable fees and charges in Hong Kong.

### THE UNDERWRITING AGREEMENT

On 28 December 2022 (after trading hours), the Company entered into the Underwriting Agreement with the Underwriter. Further details of the Underwriting Agreement are set out below:

Date	:	28 December 2022 (after trading hours)
Issuer	:	The Company
Underwriter	:	Silverbricks Securities Company Limited
Number of Rights Shares to be underwritten	:	on a best-effort basis, up to (i) 24,643,000 Rights Shares (assuming no new Shares are issued on or before the Record Date either pursuant to the Outstanding Share Options or otherwise and no repurchase of Shares on or before the Record Date); or (ii) 25,673,000 Rights Shares (assuming new Shares are issued on or before the Record Date pursuant to the full exercise of all Outstanding Share Options, but otherwise no other Shares are issued and no repurchase of Shares on or before the Record Date)
Underwriting commission	:	1.5% of the total Subscription Price of the Underwritten Shares which are actually subscribed or procured to be subscribed by the Underwriter

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of the Announcement, the Underwriter and its ultimate beneficial owners are independent third parties and not connected with the Company and its connected persons as defined under the GEM Listing Rules. The Underwriter is a licensed corporation to carry on Types 1, 2 & 6 regulated activities under the SFO and its ordinary course of business includes underwriting of securities. The Underwriter confirmed that it has complied with Rule 10.24A(i) of the GEM Listing Rules.

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## LETTER FROM THE BOARD

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Pursuant to the Underwriting Agreement, the Underwriter has conditionally agreed to underwrite, on a best effort basis, the Underwritten Shares up to (i) 24,643,000 Rights Shares (assuming no new Shares are issued on or before the Record Date either pursuant to the Outstanding Share Options or otherwise and no repurchase of Shares on or before the Record Date); or (ii) 25,673,000 Rights Shares (assuming new Shares are issued on or before the Record Date pursuant to the full exercise of all Outstanding Share Options, but otherwise no other Shares are issued and no repurchase of Shares on or before the Record Date), subject to the terms and conditions set out in the Underwriting Agreement, in particular the fulfillment of the conditions contained therein.

Pursuant to the Underwriting Agreement, the Underwriter undertakes and shall ensure that (i) each of the subscribers of the Underwritten Shares procured by it shall be an Independent Third Party; (ii) none of the subscribers of the Underwritten Shares shall own 10% or more of the total number of Shares in issue immediately upon completion of the Rights Issue; (iii) none of the subscribers, together with any party(ies) acting in concert with it/them, will hold 30% (or such percentage which will trigger any MGO Obligation under the Takeovers Code) or more of the voting rights of the Company upon completion of the Rights Issue; and (iv) the Public Float Requirement remains to be fulfilled by the Company upon completion of the Rights Issue.

Pursuant to the Company's constitutional documents, there are no requirements for minimum levels of subscription in respect of the Rights Issue. Subject to fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed regardless of the ultimate subscription level. In the event of under-subscription, the Underwriter has no obligation to and may not subscribe for or procure the subscription of any Rights Shares not being taken by the Qualifying Shareholders.

Prior to the entering into the Underwriting Agreement, the Company had approached a few underwriters (including the Underwriter) in the market and enquired with them whether they would be interested to underwrite the proposed Rights Issue. Only the Underwriter expressed its interest in acting as the underwriter of the Rights Issue on a best effort basis instead of a fully-underwritten basis among all of the aforesaid potential underwriters.

Under the terms of the Underwriting Agreement, there is no minimum underwriting commission charged by the Underwriter. If no subscriber is procured by the Underwriter, the Company is not required to pay any commission fee to the Underwriter. The rate of 1.5% commission fee on any Underwritten Shares actually subscribed is commensurate with the market rate.

Although the Rights Issue is conducted on a best effort basis, with reference to historical performance of the Underwriter in acting as the underwriter or the placing agent of fund-raising activities of other listed issuers plus the successful experience when the Underwriter acted as the placing agent in the Company's general mandate placing as announced on 16 May 2022 (which was fully-placed), the Board is of the view that the Underwriter is capable of procuring subscriber(s).

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## LETTER FROM THE BOARD

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As at the Latest Practicable Date, the Underwriter has not procured any sub-underwriters or subscribers.

The terms of the Underwriting Agreement (including the underwriting commission) were determined after arm's length negotiation between the Company and the Underwriter with reference to the existing financial position of the Group, the size of the Rights Issue, and the current and expected market condition.

The Directors consider the entering into of the Underwriting Agreement with the Underwriter and the terms of the Underwriting Agreement (including the underwriting commission) to be fair and reasonable and in the interest of the Company and the Shareholders as a whole.

### **Conditions of the Rights Issue and the Underwriting Agreement**

The obligations of the Underwriter under the Underwriting Agreement are conditional on:

- (i) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the GEM Listing Rules and the Companies (Winding Up and Miscellaneous Provision) Ordinance not later than the Prospectus Posting Date;
- (ii) the posting of the Prospectus Documents to the Qualifying Shareholders on or before the Prospectus Posting Date;
- (iii) the GEM Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in the Rights Shares in their nil-paid and fully-paid forms by no later than the first day of their dealings;
- (iv) the obligations of the Underwriter becoming unconditional and that the Underwriting Agreement is not terminated in accordance with its terms; and
- (v) compliance with and performance of all undertakings and obligations of the Company under the Underwriting Agreement and the representations and warranties given by the Company under the Underwriting Agreement remaining true, correct and not misleading in all material respects.

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## LETTER FROM THE BOARD

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The conditions precedents, save and except item (v) above which can only be waived by the Underwriter, are incapable of being waived. If the conditions precedents are not satisfied and/or waived (as the case may be) in whole or in part by the Company or by the Underwriter by Monday, 20 February 2023 or such other date as the Company and the Underwriter may agree, or if the Underwriting Agreement shall be rescinded pursuant to the terms of the Underwriting Agreement, the Underwriting Agreement shall terminate, all obligations and liabilities of the parties thereunder shall forthwith cease and determine and no party shall have any claim against any other party for costs, damages, compensation or otherwise save for any antecedent breaches.

As at the Latest Practicable Date, none of the conditions precedent set out above have been fulfilled or waived (where applicable).

### **Termination of the Underwriting Agreement**

Terms in relation to the termination of the Underwriting Agreement are summarised in the section headed “Termination of the Underwriting Agreement” in this Prospectus.

If the Underwriter terminates the Underwriting Agreement in accordance with the terms thereof, the Rights Issue will not proceed. A further announcement would be made if the Underwriting Agreement is terminated by the Underwriter.

### **Undertaking given by the Company**

Pursuant to the ordinary resolutions passed by the Shareholders at the AGM, the Directors were granted the General Mandate to allot and issue up to 11,985,600 new Shares, representing 20% of the total number of issued Shares as at the date of the AGM (figure adjusted based on the share consolidation effective on 16 November 2022). As at the date of the Announcement, no Shares have been issued pursuant to the General Mandate. Accordingly, the maximum number of Shares that can be issued under General Mandate is 11,985,600 Shares. The Company has undertaken in the Underwriting Agreement that the Company shall not issue new Shares under General Mandate from the date of the Underwriting Agreement up to and including the Record Date (both days inclusive).

### **REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS**

The Group is principally engaged in the operation of club, entertainment and catering business in Hong Kong.



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## LETTER FROM THE BOARD

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### Financial performance/position of the Group

For the year ended 31 May 2022, the Company had a total revenue of approximately HK\$50.3 million, representing an increase of approximately 106% when compared to the previous financial year ended 31 May 2021. Whilst the Company still suffered a net loss of approximately HK\$7.9 million for this financial year, the results had been much improved when compared to the loss of approximately HK\$39.5 million for the previous year ended 31 May 2021. As at 31 May 2022, the Group had current liabilities of approximately HK\$39,416,000 and net liabilities of approximately HK\$13,337,000.

The increase in revenue and the reduction in loss was mainly attributable to the gradual relaxation of the various social distancing measures by the Hong Kong government in its anti-covid policy. The entertainment and catering business of the Group had been severely affected by the Covid pandemic in the past. However, given that the epidemic situation has subsided steadily, the Group not only intends to resume its entertainment and catering business, but it also wants to seize the opportunity to expand and develop its principal business.

Accordingly, as disclosed in the Company's announcement on 17 November 2022, the Group has found a suitable premises ("**Premises**") located at the prime business and tourist area in Lan Kwai Fong, Central and entered into a lease of such premises for setting up a high-ended cigar and alcohol lounge and club there. The Group will need further working capital to support the setting up and operation of this new club.

The directors carefully considered the future liquidity and financial positions of the Group in light of the conditions described in the preceding paragraphs and decided it is necessary to conduct fund-raising activities to help strengthen the financial positions of the Group.

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## LETTER FROM THE BOARD

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The net proceeds from the Rights Issue, after deducting the underwriting commission, professional fees and all other relevant expenses, are estimated to be (i) not more than approximately HK\$12 million (assuming no new Shares are issued on or before the Record Date either pursuant to the Outstanding Share Options or otherwise and no repurchase of Shares on or before the Record Date and assuming full subscription under the Rights Issue); or (ii) not more than approximately HK\$12.4 million (assuming new Shares are issued on or before the Record Date pursuant to the full exercise of all Outstanding Share Options, but otherwise no other Shares are issued and no repurchase of Shares on or before the Record Date and full subscription under the Rights Issue). The Company intends to apply such net proceeds for the following use and in the following priorities in case of under-subscription:

### **Use of proceeds**

- (i) Firstly, approximately HK\$4 million for the renovation and other costs and expenses for setting up the lounge and club at the Premises (if, after completion of all the renovation and setting up works, there remains any surplus of such HK\$4 million will be allocated back to the Company's general working capital as described below);
- (ii) secondly, approximately HK\$1.8 million as reserved fund for payment of rents of the Premises for the first year; and
- (iii) lastly, any balance of the net proceeds up to approximately HK\$6.6 million for general working capital in ordinary course of business, including but not limited to payment of salaries and utilities, and payment of the inventory and goods (including cigar and luxury wine) for the new business at the Premises.

The Company estimates that the total expenditure to be incurred for setting up the new business at the Premises would be up to approximately HK\$8.8 million comprising HK\$4 million for renovation and set up works, HK\$1.8 million as reserved fund for first year's rental and HK\$3 million for initial inventory and goods.

The Company estimates that its funding needs for the next 12 months ended 31 December 2023 for the Group's usual and ordinary course of business and the total expenditure to be incurred for setting up the new business at the Premises would be approximately HK\$9.5 million. As at 30 November 2022, the Group has cash of approximately HK\$2.4 million. It means that the Group would need an extra funding of approximately HK\$7.1 million to meet its funding needs for the next 12 months.

Assuming there is no change of share capital on or before the Record Date either pursuant to the Outstanding Share Options or otherwise and the Rights Issue are fully subscribed, the Company will receive a net proceeds from the Rights Issue of approximately HK\$12 million and such net proceeds will enable the Company to meet its funding needs as aforesaid.

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## LETTER FROM THE BOARD

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Since the Rights Issue is underwritten on best effort only, it is possible that the Rights Issue may be under-subscribed. Given the Irrevocable Undertaking from Mr. Yuan, Mr. Yuan has undertaken to subscribe for 5,321,000 Undertaken Shares. The gross proceeds of the Undertaken Shares will be approximately HK\$2.2 million. Accordingly, assuming none of the Shareholders nor the Underwriter subscribe or procure to subscribe any of the Rights Shares, the Company will receive a minimum of net proceeds of approximately HK\$1.8 million from the Rights Issue. In that case, the Company may fall short of up to approximately HK\$5.3 million to meet its funding needs for the next 12 months.

In case the Company is in shortage of cash to meet its funding needs, the Company will consider other funding raising alternatives including placing of shares under the General Mandate and/or utilising the Company's available revolving credit lines of HK\$20 million and HK\$40 million respectively to replenish its cash reserves to meet its funding needs.

### **Benefits of the Rights Issue**

With reference to the above, the Board considers that the Rights Issue represents an opportunity for the Company to strengthen its financial position after having considered that:

- (i) the Rights Issue offers all the Qualifying Shareholders an equal opportunity to participate in the enlargement of the capital base of the Company and enables the Qualifying Shareholders to maintain their proportionate interests in the Company and continue to participate in the future development of the Company should they wish to do so;
- (ii) the discount of the Subscription Price to the prevailing market price in order to enhance the attractiveness of the Rights Issue and it is the Company's objective to encourage the participation of Qualifying Shareholders in the Rights Issue; and
- (iii) after considering other alternative fund-raising methods as further elaborated below, it is prudent to finance the Group's long-term growth by long-term financing, preferably in the form of equity which will not increase the Group's finance costs. In addition, the Board believes that the Rights Issue will enable the Group to strengthen its capital base and enhance its financial position for future strategic investments as and when such opportunities arise.

### **Alternative Fund-raising methods**

The Board has considered various fund-raising alternatives before resolving to the Rights Issue, including but not limited to debt financing, placing of new shares and open offer.

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## LETTER FROM THE BOARD

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The Company has considered debt financing method to raise fund. The Company has a current revolving credit facility of HK\$40 million from a licensed money lender and such credit facility has not yet been utilised. The interest rate for such credit facility is 6.8% per annum. The Company has another loan facility of HK\$20 million granted from an independent third party which is partly utilised and this loan facility bears an interest rate of 4.8% per annum. The Company, however, considers that it is not desirable for the Group to raise fund by way of debt financing this time because the interest to be accrued on the loan will increase the finance costs of the Group and the incurrence of further debt will worsen the net liabilities position (i.e. approximately HK\$13.3 million as at 31 May 2022) and the overall financial position of the Group.

The Directors have also considered utilizing the existing General Mandate of 11,985,600 Shares. However, the maximum fund that could be raised by the General Mandate (assuming at the same Subscription Price per Share) would be approximately HK\$5 million, which still substantially falls short of the targeted fund-raising amount of HK\$13 million. Utilisation of the General Mandate is therefore not a feasible option. Any other large scale of placing of Shares under specific mandate is undesirable either because it would lead to immediate dilution in the shareholding interest of existing Shareholders without offering them the opportunity to participate in the equity fund-raising exercise of the Company.

As for open offer, while it is similar to a rights issue, offering qualifying shareholders to participate, it does not allow free trading of rights entitlements in the open market and is not favourable to those Shareholders who may not want to participate but instead could have traded the nil-paid rights for compensation in a rights issue.

In light of the foregoing, the Directors consider that the implementation of the Rights Issue and the terms of the Underwriting Agreement are fair and reasonable and in the best interests of the Company and the Shareholders as a whole.

As at present, save for the Rights Issue, the Board has no intention or plan to conduct other equity fund raising activities in the next 12 months. However, if the net proceeds from the Rights Issue cannot satisfy the Group's future funding needs for operation and development of its business or other investment opportunities, the Board does not rule out the possibility that the Company may conduct other equity fund raising activity if needed. The Company will make further announcement in accordance with the GEM Listing Rules as and when appropriate.

### **EFFECT OF THE RIGHTS ISSUE ON SHAREHOLDINGS IN THE COMPANY**

The tables below set out the shareholding structure of the Company (i) as at the date of the Announcement; (ii) immediately after completion of the Rights Issue assuming all Qualifying Shareholders have taken up their respective entitlements of the Rights Shares in full; and (iii) immediately after completion of the Rights Issue assuming none of the Qualifying Shareholders (other than Mr. Yuan pursuant to the Irrevocable Undertaking) have taken up any entitlements of the Rights Shares:

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## LETTER FROM THE BOARD

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- (a) The changes in the shareholding structure of the Company arising from the Rights Issue are as follows (assuming no Outstanding Share Options are exercised before the Record Date and there being no other changes in the number of issued share capital of the Company).

	As at the date of the Announcement		Immediately after completion of the Rights Issue			
	No. of Shares	Approximate %	Assuming all Qualifying Shareholders take up their respective allotment of Rights Shares in full		Assuming no Qualifying Shareholders (except Mr. Yuan has taken up the Undertaken Shares (Note 2)) take up any of the Rights Shares and the Underwriter takes up the Rights Shares in full	
No. of Shares			Approximate %	No. of Shares	Approximate %	No. of Shares
<b>Substantial Shareholder(s)</b>						
Mr. Yuan Lin (Note 1)	10,792,000	18.01	16,188,000	18.01	16,113,000	17.93
<b>Directors</b>						
Jiang Qiaowei	20,000	0.03	30,000	0.03	20,000	0.02
<b>Public Shareholders</b>						
Underwriter, sub-underwriter(s) and/or subscriber(s) procured by them	-	-	-	-	24,643,000	27.41
Other public Shareholders	49,116,000	81.96	73,674,000	81.96	49,116,000	54.64
<b>Total</b>	59,928,000	100	89,892,000	100	89,892,000	100

Note 1: Mr. Yuan is the beneficial owner of 2,592,000 Shares. Further, Mr. Yuan is deemed to be interested in (i) 8,050,000 Shares through his 90% owned company, Zhongcai Herui Industry Development Co. Limited and (ii) 150,000 Shares held by his spouse, Chen Fang.

Note 2: The Undertaken Shares do not include the 75,000 Rights Shares in nil-paid form to be allotted to Mr. Yuan's spouse, Chen Fang.

## LETTER FROM THE BOARD

- (b) The changes in the shareholding structure of the Company arising from the Rights Issue are as follows (assuming all Outstanding Share Options are exercised on or before the Record Date and there being no other changes in the number of issued share capital of the Company other than the exercise of the Outstanding Share Options).

	As at the date of the Announcement		Immediately after completion of the Rights Issue			
	No. of Shares	Approximate %	Assuming all Qualifying Shareholders take up their respective allotment of Rights Shares in full		Assuming no Qualifying Shareholders (except Mr. Yuan has taken up the Undertaken Shares (Note 2)) take up any of the Rights Shares and the Underwriter takes up the Rights Shares in full	
No. of Shares			Approximate %	No. of Shares	Approximate %	No. of Shares
<b>Substantial Shareholder(s)</b>						
Mr. Yuan Lin (Note 1)	10,792,000	18.01	16,188,000	17.41	16,113,000	17.33
<b>Directors</b>						
Jiang Qiaowei	20,000	0.03	30,000	0.03	20,000	0.02
Pong Chun Yu (Note 3)	-	-	30,000	0.03	20,000	0.02
Hui Wai Hung (Note 3)	-	-	30,000	0.03	20,000	0.02
<b>Public Shareholders</b>						
Underwriter, sub-underwriter(s) and/or subscriber(s) procured by them	-	-	-	-	25,673,000	27.61
Other public Shareholders	49,116,000	81.96	73,674,000	79.24	49,116,000	52.82
Holders of the Outstanding Share Options (other than the Directors)	-	-	3,030,000	3.26	2,020,000	2.18
<b>Total</b>	<b>59,928,000</b>	<b>100</b>	<b>92,982,000</b>	<b>100</b>	<b>92,982,000</b>	<b>100</b>

Note 1: Mr. Yuan is the beneficial owner of 2,592,000 Shares. Further, Mr. Yuan is deemed to be interested in (i) 8,050,000 Shares through his 90% owned company, Zhongcai Herui Industry Development Co. Limited and (ii) 150,000 Shares held by his spouse, Chen Fang.

Note 2: The Undertaken Shares do not include the 75,000 Rights Shares in nil-paid form to be allotted to Mr. Yuan's spouse, Chen Fang.

Note 3: Assuming each of Mr. Pong and Mr. Hui fully exercises the 20,000 Outstanding Share Options held by each of them.

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## LETTER FROM THE BOARD

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As illustrated in the tables above, immediately after completion of the Rights Issue, the shareholding interest of the existing Shareholders (excluding Mr. Yuan, the Director(s) and holders of the Outstanding Share Options) will be diluted from:

- (i) approximately 81.96% as at the Latest Practicable Date to approximately 54.64% under scenario (a); and
- (ii) approximately 81.96% as at the Latest Practicable Date to approximately 52.82% under scenario (b).

The possible maximum dilution to the shareholdings of the existing Shareholders (excluding Mr. Yuan, the Director(s) and holders of the Outstanding Share Options) if they elect not to subscribe for the Rights Shares under the Rights Issue will be approximately 27.32% under scenario (a) and approximately 29.14% under scenario (b).

### **POSSIBLE ADJUSTMENT TO THE OUTSTANDING SHARE OPTIONS UNDER THE SHARE OPTION SCHEME**

The Rights Issue may lead to adjustments to the exercise price and/or the number of Shares to be issued upon exercise of the Outstanding Share Options under the Share Option Scheme. The Company will notify the holders of such Outstanding Share Options, and the Shareholders by way of announcement (as and when appropriate) regarding adjustments to be made (if any) pursuant to the terms of the Share Option Scheme. As at the Latest Practicable Date, there are 2,060,000 Outstanding Share Options available to subscribe for 2,060,000 Shares granted pursuant to the Share Option Scheme.

### **FUND RAISING ACTIVITIES BY THE COMPANY DURING THE PAST 12 MONTHS**

Reference is made to the announcements of the Company dated 16 May 2022 and 8 June 2022, the Company has conducted a general mandate placing and issued a total of 199,760,000 pre-consolidated shares of the Company (which shares were issued prior to the share consolidation effected by the Company on 16 November 2022) to not less than 6 placees under the general mandate granted to the Directors by resolution of the Shareholders passed at the Company's annual general meeting held on 22 October 2021 at the placing price of HK\$0.03 per pre-consolidated share and raised net proceeds of approximately HK\$5.8 million. The net proceeds were intended to be used for general working capital of the Group and have been fully utilised for such purpose up to date.

Save as disclosed above, the Company did not raise any other funds by issue of equity securities during the twelve months immediately preceding the date of the Announcement.

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## LETTER FROM THE BOARD

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### IMPLICATIONS UNDER THE GEM LISTING RULES

As the Rights Issue will not increase the number of issued shares or the market capitalisation of the Company by more than 50% (on its own or when aggregated with any other rights issues or open offers announced by the issuer (i) within the 12 month period immediately preceding the announcement of the proposed rights issue or (ii) prior to such 12 month period where dealing in respect of the shares issued pursuant thereto commenced within such 12 month period, together with any bonus securities, warrants or other convertible securities (assuming full conversion) granted or to be granted to shareholders as part of such rights issues or open offers) and the Rights Issue is not underwritten by a Director, chief executive or substantial shareholder of the Company (or any of their respective close associates), the Rights Issue is not subject to approval by the Shareholders.

### WARNING OF THE RISKS OF DEALING IN THE SHARES AND NIL-PAID RIGHTS SHARES

Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon, among others, the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof (a summary of which is set out in the sub-paragraph headed “Termination of the Underwriting Agreement” below). Accordingly, the Rights Issue may or may not proceed.

The Shares have been dealt in on an ex-rights basis from Wednesday, 4 January 2023. Dealings in the Rights Shares in nil-paid form are expected to take place from Tuesday, 7 February 2023 to Tuesday, 14 February 2023 (both days inclusive). Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or Rights Shares in their nil-paid form is advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares.

Any person who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s). Any Shareholder or other person dealing in the Shares or in the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Underwriter’s right of termination of the Underwriting Agreement ceases) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.



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## LETTER FROM THE BOARD

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### ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this Prospectus.

By order of the Board  
**New Amante Group Limited**  
**Wong Chi Yung**  
*Chairman of the Board and Chief Executive Officer*

**1. SUMMARY OF THE FINANCIAL INFORMATION OF THE GROUP**

The financial information of the Group for the three years ended 31 May 2020, 2021 and 2022 and the six months ended 30 November 2022 have been published in the annual reports and interim report of the Company per below:

- (i) the financial information of the Group for the year ended 31 May 2020 is disclosed in the annual report of the Company for the year ended 31 May 2020 published on 31 August 2020, from pages 63 to 202 (<https://www1.hkexnews.hk/listedco/listconews/gem/2020/0831/2020083102419.pdf>);
- (ii) the financial information of the Group for the year ended 31 May 2021 is disclosed in the annual report of the Company for the year ended 31 May 2021 published on 31 August 2021, from pages 66 to 206 (<https://www1.hkexnews.hk/listedco/listconews/gem/2021/0831/2021083100529.pdf>);
- (iii) the financial information of the Group for the year ended 31 May 2022 is disclosed in the annual report of the Company for the year ended 31 May 2022 published on 2 September 2022, from pages 60 to 192 (<https://www1.hkexnews.hk/listedco/listconews/gem/2022/0902/2022090100199.pdf>); and
- (iv) the financial information of the Group for the six months ended 30 November 2022 is disclosed in the interim report of the Company for the six months ended 30 November 2022 published on 15 January 2023, from pages 7 to 56 (<https://www1.hkexnews.hk/listedco/listconews/gem/2023/0115/2023011500019.pdf>).

**2. INDEBTEDNESS STATEMENT**

As at the close of business on 31 December 2022, being the latest practicable date for the purpose of preparing this indebtedness statement prior to the printing of this Prospectus, the Group had the following outstanding indebtedness:

**(i) Borrowings**

	<i>HK\$'000</i>
<b>Current</b>	
Loan from former shareholder ( <i>note a</i> )	11,094
Loan payables ( <i>note b</i> )	1,980
Director loans ( <i>note c</i> )	1,724
Current lease liabilities ( <i>note d</i> )	<u>9,958</u>
	<u>24,756</u>
<b>Non-current</b>	
Non-current lease liabilities ( <i>note d</i> )	<u>2,093</u>
	<u>2,093</u>
<b>Total</b>	<u><u>26,849</u></u>

*Notes:*

- (a) The loan from a former shareholder is neither secured nor guaranteed and bears interest rate of 4.48% per annum.
- (b) The loan is neither secured nor guaranteed and bears interest rate of 4.8% per annum.
- (c) The director loans are neither secured nor guaranteed and all of the loans bear no interest.
- (d) The Group had lease liabilities of approximately HK\$12,051,000 in respect of operating leases under HKFRS 16 Lease. The Group's lease liabilities are unsecured.

**(ii) Contingent liabilities**

As at close of business of 31 December 2022, the Group had no contingent liabilities.

Save as disclosed above, as at 31 December 2022, the Group did not have any debt securities issued and outstanding, or authorized or otherwise created but unissued, or term loans, or other borrowings or indebtedness in the name of borrowing including bank overdrafts and liabilities under acceptances (other than normal trade bills) or acceptance credits or hire purchase commitments, or mortgages and charges, and there were no other contingent liabilities nor guarantees.

### 3. WORKING CAPITAL

The Directors are of the opinion that, taking into account the existing cash and bank balances and, the internal financial resources available, the existing available facilities of the Group and the estimated net proceeds from the Rights Issue, the Group will have sufficient working capital for its present requirements for at least twelve months from the date of publication of this Prospectus.

### 4. MATERIAL ADVERSE CHANGE

As disclosed in the profit warning announcement of the Company dated 11 October 2022, based on the preliminary review on the unaudited consolidated management accounts of the Group for the first quarter ended 31 August 2022 (“Q1”), the Group expected to record a net loss of around HK\$2.6 million for Q1 (approximately HK\$1.9 million net loss for the corresponding period in 2021), Based on the relevant information currently available to the Company, the net loss was mainly due to (i) cessation of some of the business operations (night club “Mudita” and studio “Maximus”) rendering zero revenue in Q1 from such operations (approximately HK\$2.8 million for the corresponding period in 2021), and (ii) decrease in revenue from operation of existing business (night club “Faye” and sport-themed bar “Paper Street”) to HK\$9.8 million for Q1 (approximately HK\$13 million for the corresponding period in 2021). The revenue dropped because (i) tightened control to contain COVID-19 pandemic (including passing of rapid antigen test before entry to bars and night clubs) has rendered decline in customers’ patronage, and (ii) expats who have been comprising a significant portion of clientele are relocating out of Hong Kong.

Save as aforesaid, as at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 May 2022, being the date to which the latest published audited consolidated financial statements of the Group were made up.

### 5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Group is principally engaged in the operation of club, entertainment and catering business in Hong Kong.

### Operation of club and entertainment business

The Group's catering and entertainment business had been hit hard by the Covid pandemic in the past few years. The Group recorded a significant loss of approximately HK\$39.5 million for the year ended 31 May 2021. In order to reserve the financial resources, the Group had to close a club and a studio in the year of 2022. As at now, the Group is now operating a night-club (Faye) and a sports-themed bar (Paper Street). The club, i.e. "Faye", provides unparalleled clubbing experience with a stunning view at the rooftop of California Tower in Lan Kwai Fong. The sports-themed bar provides a casual and comfortable environment for chilling out.

However, the Directors believe that the most difficult period has passed after the Hong Kong government has lifted most of the Covid-19 restrictions including the cancellation of the vaccine pass and the expected resumption of the cross-border travel between the Mainland and Hong Kong. The revenue generated from the operation of club and entertainment business increased by approximately HK\$25.9 million, or approximately 106.1%, from approximately HK\$24.4 million for the year ended 31 May 2021 to approximately HK\$50.3 million for the year ended 31 May 2022. The Directors are optimistic that the Group's entertainment and catering business would further improve in the year of 2023.

Accordingly, the Group not only intends to resume its entertainment and catering business, but it also wants to seize the opportunity to expand and development its principal business. As disclosed in the Company's announcement on 17 November 2022, the Group has found a suitable premises ("Premises") located at the prime business and tourist area in Lan Kwai Fong, Central and entered into a lease of the Premises for setting up a high-ended cigar and alcohol lounge and club there. This new lounge and club can strengthen the Group's image and customer base as a leading player in the entertainment business.

## 6. RISK FACTORS

In compliance with the GEM Listing Rules, the Company sets out below the risk factors of the Group for the Shareholders' attention. The Directors believe that there are certain risks involved in the operations of the Group which includes, but is not limited to, the following:

- (i) The Covid-19 pandemic has been continuing in Hong Kong as at the Latest Practicable Date and the number of infected cases remains relatively high at present. Although the Hong Kong government has lifted most of the Covid-19 restrictions, the Group's business will be affected by any potential change of the policy and anti-epidemic measures by the government.

- (ii) The food and beverage, and entertainment industry in Hong Kong is highly competitive. The Group's operation and/or expansion of its business is subject to a number of risks and uncertainties, including identification of suitable locations and/or securing of leases on reasonable terms, timely acquisition of necessary governmental approvals and licences, ability to hire quality personnel, timely completion decoration and renovation works, acquisition of sufficient customer demand, securing of adequate suppliers and inventory that meet our quality standards on timely basis, reduction in potential cannibalisation effects between the locations of our outlets and the general economic conditions.
  
- (iii) The Group is exposed to the fluctuations in the commercial real estate market. The Group's existing club and the bar as well as the new cigar and alcohol lounge and club incur substantial lease liabilities and will therefore expose the Group to the risk of fluctuations in the commercial real estate market. Further, any non-renewal (whether as a result of the landlord's or the Group's decision) or termination of any of our leases or substantial increase in rentals might force the Group to close down the relevant outlet(s) or trigger the need to relocate to another site.
  
- (iv) For each of the year ended 31 May 2021 and 2022, the Group purchases from our largest supplier accounted for approximately 39.6% and 30.3% of our total purchases, respectively. The Group make purchases from our largest supplier under individual purchase order, and have not entered into any long term contract with it. If our largest supplier for any reason reduces the volume supplied to us or cease to supply to us, we will need to find alternative suppliers on similar sale terms and conditions acceptable to us. If we fail to do so in a timely manner, the operations of our clubs will be interrupted, our costs may increase and our business, financial condition, results of operations and growth prospects may therefore be materially and adversely affected.

**A. STATEMENT OF UNAUDITED PRO FORMA ADJUSTED CONSOLIDATED NET  
TANGIBLE ASSETS**

The statement of unaudited pro forma adjusted consolidated net tangible assets of the Group prepared in accordance with Paragraph 13 of Appendix 1B and Paragraph 31 of Chapter 7 of the GEM Listing Rules is set out below to illustrate the effects of the Rights Issue on the consolidated net tangible liabilities of the Group as if the Rights Issue had taken place on 30 November 2022.

The statement of unaudited pro forma adjusted consolidated net tangible assets of the Group has been prepared for illustrative purposes only, based on the judgements and assumptions of the Directors of the Company, and because of its hypothetical nature, may not give a true picture of the financial position of the Group following the Rights Issue.

The following statement of unaudited pro forma adjusted consolidated net tangible assets of the Group is based on the consolidated net tangible liabilities of the Group as at 30 November 2022 and included two scenarios, (a) the maximum number of 29,964,000 Rights Shares are issued (assuming no new Shares are issued on or before the record date either pursuant to the Outstanding Share Options or otherwise and no repurchase of Shares on or before the Record Date and assuming full subscription under the Rights Issue) (“**Scenario A**”); and (b) the maximum number of 30,994,000 Rights Shares are issued (assuming new Shares are issued on or before the record date pursuant to the full exercise of all Outstanding Share Options, but otherwise no other Shares are issued and no repurchase of Shares on or before the Record Date, and assuming full subscription under the Rights Issue) (“**Scenario B**”), adjusted as described below:

	Unaudited consolidated net tangible liabilities of the Group attributable to owners of the Company as at 30 November 2022 <i>(Note 1)</i> HK\$'000	Estimated proceeds from the full exercise of all Outstanding Share Options <i>(Note 2)</i> HK\$'000	Unaudited consolidated net tangible liabilities of the Group attributable to owners of the Company as at the Latest Practicable Date HK\$'000	Estimated net proceeds from the Rights Issue <i>(Note 3)</i> HK\$'000	Unaudited pro forma adjusted consolidated net tangible assets of the Group as at 30 November 2022 HK\$'000
Scenario A	(7,188)	N/A	(7,188)	12,000	4,812
Scenario B	(7,188)	793	(6,395)	12,400	6,005
Unaudited consolidated net tangible liabilities per existing share before implementation of the Rights Issue <i>(Note 4)</i>					
Scenario A					HK\$(0.12)
Scenario B					HK\$(0.10)
Unaudited pro forma adjusted consolidated net tangible assets per Share immediately after completion of the Rights Issue <i>(Note 5)</i>					
Scenario A					HK\$0.05
Scenario B					HK\$0.06

*Notes:*

1. The unaudited consolidated net tangible liabilities of the Group attributable to owners of the Company as at 30 November 2022 is extracted from the unaudited consolidated net liabilities of the Group attributable to owners of the Company as at 30 November 2022 of approximately HK\$3,833,000 as adjusted by exclusion of right-of-use assets attributable to owners of the Company of approximately HK\$3,355,000 (right-of-use assets of approximately HK\$4,726,000 less right-of-use assets attributable to non-control interests of approximately HK\$1,371,000) as shown on the unaudited condensed consolidated statement of financial position of the Group as at 30 November 2022 that has been extracted from the published interim report of the Company for the six months ended 30 November 2022 dated 13 January 2023.

2. The estimated proceeds from the full exercise of the Outstanding Share Options of approximately HK\$793,000 is calculated based on the maximum number of 2,060,000 Outstanding Share Options to be issued at the exercise price of HK\$0.385 per Outstanding Share Options.

3. **Scenario A**

The estimated net proceeds from the Rights Issue of approximately HK\$12,000,000 is calculated based on the maximum number of 29,964,000 Rights Shares to be issued at the subscription price of HK\$0.42 per Rights Share, after deduction of the estimated related expenses of approximately HK\$585,000, assuming that the Rights Issue had been completed on 30 November 2022.

**Scenario B**

The estimated net proceeds from the Rights Issue of approximately HK\$12,400,000 is calculated based on the maximum number of 30,994,000 Rights Shares to be issued at the subscription price of HK\$0.42 per Rights Share, after deduction of the estimated related expenses of approximately HK\$617,000, assuming that the Rights Issue had been completed on 30 November 2022.

4. **Scenario A**

The calculation is determined based on the unaudited consolidated net tangible liabilities of the Group attributable to owners of the Company as at the Latest Practicable Date of approximately HK\$7,188,000 divided by the number of Shares in issue of 59,928,000 as at the Latest Practicable Date and immediately before completion of the Rights Issue.

**Scenario B**

The calculation is determined based on the unaudited consolidated net tangible liabilities of the Group attributable to owners of the Company as at the Latest Practicable Date of approximately HK\$6,395,000 divided by the number of Shares in issue of 61,988,000 as at the Latest Practicable Date and immediately before completion of the Rights Issue.



**5. Scenario A**

The calculation is determined based on the unaudited pro forma adjusted consolidated net tangible assets of the Group as at 30 November 2022 of approximately HK\$4,812,000 divided by total number of Shares as enlarged by the allotment and issue of the Rights Shares of 89,892,000 which is arrived at on the basis that (i) 59,928,000 Shares in issue at the Latest Practicable Date and (ii) 29,964,000 Rights Shares to be issued upon completion of the Rights Issue, as if the Rights Issue had been completed on 30 November 2022.

**Scenario B**

The calculation is determined based on the unaudited pro forma adjusted consolidated net tangible assets of the Group as at 30 November 2022 of approximately HK\$6,005,000 divided by total number of Shares as enlarged by the allotment and issue of the Rights Shares of 92,982,000 which is arrived at on the basis that (i) 59,928,000 Shares in issue at the Latest Practicable Date; (ii) 2,060,000 Shares in full exercise of all outstanding share options and (iii) 30,994,000 Rights Shares to be issued upon completion of the Rights Issue, as if the Rights Issue had been completed on 30 November 2022.

**B. ACCOUNTANT'S REPORT ON UNAUDITED PRO FORMA FINANCIAL  
INFORMATION**

*The following is the text of a report, prepared for the sole purpose of inclusion in this prospectus, from the independent reporting accountant, ZHONGHUI ANDA CPA Limited, Certified Public Accountants, Hong Kong.*



**ZHONGHUI ANDA CPA Limited**

*Certified Public Accountants*

3 February 2023

The Board of Directors  
New Amante Group Limited

Dear Sirs,

We have completed our assurance engagement to report on the compilation of pro forma financial information of New Amante Group Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company for illustrative purposes only. The pro forma financial information consists of the pro forma adjusted consolidated net tangible assets as at 30 November 2022 as set out on pages II-1 to II-3 of the prospectus (the “**Prospectus**”) issued by the Company. The applicable criteria on the basis of which the directors have compiled the pro forma financial information are described in Section A of Appendix II to the Prospectus.

The pro forma financial information has been compiled by the directors to illustrate the impact of the Rights Issue on the Group’s consolidated net tangible assets as at 30 November 2022 as if the transaction had been taken place at 30 November 2022. As part of this process, information about the Group’s consolidated net tangible liabilities has been extracted by the directors from the Group’s unaudited condensed consolidated financial statements for the six months ended 30 November 2022, on which no audit or review report has been published.

**Directors’ Responsibility for the Pro Forma Financial Information**

The directors are responsible for compiling the pro forma financial information in accordance with paragraph 13 of Appendix 1B and paragraph 31 of Chapter 7 of the Rules Governing the Listing of Securities on the GEM of The Stock exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and with reference to Accounting Guideline (“**AG**”) 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

**Our Independence and Quality Management**

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Reporting Accountant's Responsibilities**

Our responsibility is to express an opinion, as required by paragraph 31(7) of Chapter 7 of the GEM Listing Rules, on the pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountant plan and perform procedures to obtain reasonable assurance about whether the directors have compiled the pro forma financial information in accordance with paragraph 31 of Chapter 7 of the GEM Listing Rules and with reference to AG 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in the Prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 November 2022 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We make no comments regarding the reasonableness of the amount of net proceeds from the Rights Issue, the application of those net proceeds, or whether such use will actually take place as described under "Reasons for the Rights Issue and use of proceeds" set out on pages 29 to 33 of the Prospectus.

### **Opinion**

In our opinion:

- (a) the pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and

- (c) the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to paragraph 31(1) of Chapter 7 of the GEM Listing Rules.

Yours faithfully,

**ZHONGHUI ANDA CPA Limited**

*Certified Public Accountants*

**Yeung Hong Chun**

Practising Certificate Number P07374

Hong Kong

**1. RESPONSIBILITY STATEMENT**

This Prospectus, 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 Prospectus 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 Prospectus misleading.

**2. SHARE CAPITAL OF THE COMPANY**

The authorised and issued share capital of the Company (i) as at the Latest Practicable Date; and (ii) immediately following the completion of the Rights Issue were as follows:

**(i) As at the Latest Practicable Date**

*Authorised:*

500,000,000 Shares of HK\$0.2 each

*Issued and fully paid:*

59,928,000 Shares of HK\$0.2 each

**(ii) Immediately following the completion of the Rights Issue**

*Rights Shares to be issued upon  
completion of the Rights Issue:*

29,964,000 Shares of HK\$0.2 each (assuming no further issue of new Share(s) and no repurchase of Share(s) on or before the Record Date)

30,994,000 Shares of HK\$0.2 each (assuming no change in the number of Shares in issue on or before the Record Date other than the full exercise of the Outstanding Share Options and that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue)

*Issued and fully paid Shares upon  
completion of the Rights Issue:*

89,892,000

Shares of HK\$0.2 each (assuming no further issue of new Share(s) and no repurchase of Share(s) on or before the Record Date)

92,982,000

Shares of HK\$0.2 each (assuming no change in the number of Shares in issue on or before the Record Date other than the full exercise of the Outstanding Share Options and that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue)

All of the Shares and the Rights Shares in issue and to be issued (when fully paid) rank and will rank *pari passu* with each other in all respects, including, in particular, as to dividends, voting rights and return of capital. The Rights Shares will be listed on the GEM of the Stock Exchange.

The Company has applied to the GEM Listing Committee for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms. No Share or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or the Rights Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

As at the Latest Practicable Date, there were no arrangements under which future dividends are waived or agreed to be waived. Save for the Outstanding Share Options, the Company has no outstanding convertible securities, options or warrants, which confer any right to subscribe for or convert or exchange into the Shares. As at the Latest Practicable Date, there were 2,060,000 Outstanding Share Options available to subscribe for 2,060,000 Shares granted pursuant to the Share Option Scheme. Assuming full exercise of the Outstanding Share Options, the maximum number of new Shares that would fall to be allotted and issued under the Share Option Scheme would be 2,060,000 Shares.

### 3. INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE OF THE COMPANY

As at the Latest Practicable Date, the interests or short positions of the Directors or the chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions which they have taken or deemed to have taken under such provisions of the SFO) or (ii) which were required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO, or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors, were as follows:

Name of Director	Capacity	Number of Shares	Number of underlying Shares	Total interests	Approximate percentage of the total issued share capital of the Company
Mr. Jiang Qiaowei	Beneficial owner	20,000	20,000	20,000	0.03%
Mr. Pong Chun Yu	Beneficial owner	20,000 (note)	20,000	20,000	0.03%
Mr. Hui Wai Hung	Beneficial owner	20,000 (note)	20,000	20,000	0.03%

*Note:* Share options granted to Directors

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had any interest or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required 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 have taken or deemed to have under such provisions of the SFO) or (ii) which were required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO, or (iii) which were required to be 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.



#### 4. INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as the Directors are aware of and having made due enquiries, the following parties, other than the Directors or the chief executive of the Company, had interests or short positions directly or indirectly in the Shares or underlying Shares of the Company disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Name of the Shareholder	Capacity	Number of Shares	Approximate Percentage of issued Shares
Yuan Lin ( <i>Note</i> )	Beneficial owner	10,792,000	18.01%

*Note:*

Mr. Yuan is the beneficial owner of 2,592,000 Shares. Further, Mr. Yuan is deemed to be interested in (i) 8,050,000 Shares through his 90% owned company, Zhongcai Herui Industry Development Co. Limited and (ii) 150,000 Shares held by his spouse, Chen Fang.

Save as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at the Latest Practicable Date.

#### 5. DIRECTORS' SERVICE CONTRACTS

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

#### 6. COMPETING BUSINESS INTEREST OF DIRECTORS

As at the Latest Practicable Date, none of the Directors, controlling shareholder of the Company nor their respective close associates (as defined in the GEM Listing Rules) had any interest in a business, which competes or may compete, either directly or indirectly, with the business of the Group or any other conflict of interest which any such person has or may have with the Group which would be required to be disclosed pursuant to the GEM Listing Rules.

**7. INTEREST IN ASSETS OR CONTRACTS**

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been acquired, disposed of or leased to or which are proposed to be acquired, disposed of or leased to any member of the Group since 31 May 2022, being the date to which the latest published audited accounts of the Company were made up.

As at the Latest Practicable Date, none of the Directors is materially interested in any contract or arrangement subsisting at the date of this Prospectus which is significant in relation to the business of the Group.

**8. LITIGATION**

As at the Latest Practicable Date, none of the members of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

**9. MATERIAL CONTRACTS**

Save as disclosed below, there are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by any member of the Group within the two years immediately preceding the date of this Prospectus:

- (1) The Underwriting Agreement and the Supplemental Underwriting Agreement;
- (2) the lease agreement dated 17 November 2022 entered into between an indirect wholly-owned subsidiary of the Company as tenant and Lan Kwai Fong Properties Limited as landlord in respect of the leasing of the Premises for a term of three years;
- (3) the placing agreement dated 16 May 2022 entered into between the Company and Silverbricks Securities Company Limited in relation to the best-effort placing of shares of the Company under general mandate;
- (4) the shares subscription agreement dated 13 August 2021 entered into among Castle Team Limited (an indirect 51%-owned subsidiary of the Company), 6 other new investors, Crown Grand Limited (then an indirect wholly-owned subsidiary of the Company) and Lively World Limited (the direct holding company of Crown Grand) in relation to subscription of shares of Crown Grand Limited; and
- (5) the lease agreement dated 15 April 2021 entered into between an indirect wholly-owned subsidiary of the Company as tenant and Trans-Profit Limited as landlord in respect of leasing of a property for a term of three years.

**10. EXPERTS AND CONSENTS**

The following is the qualification of the expert or professional adviser who has given opinion or advice contained in this Prospectus:

<b>Name</b>	<b>Qualification</b>
Zhonghui Anda CPA Limited (the “ <b>Zhonghui</b> ”)	Certified Public Accountants

Zhonghui has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion of its report, letter and/or reference to its name or opinion in the form and context in which they respectively appear.

As at the Latest Practicable Date, Zhonghui was not beneficially interested in the share capital of any member of the Group nor did it have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, Zhonghui did not directly or indirectly, have any interest in any assets which had since 31 May 2022 (being the date to which the latest published audited consolidated results of the Group were made up) been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

**11. EXPENSES**

The expenses in connection with the Rights Issue, including underwriting commission, printing, registration, translation, legal and accountancy charges are estimated to be approximately HK\$0.6 million, which are payable by the Company.

**12. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE RIGHTS ISSUE**

<b>Registered office of the Company</b>	Windward 3, Regatta Office Park P.O. Box 1350 Grand Cayman KY1-1108 Cayman Islands
<b>Principal place of business of the Company in Hong Kong</b>	Floor 14, Bupa Centre 141 Connaught Road West Sai Ying Pun Hong Kong
<b>Authorised representatives</b>	Mr. Wong Chi Yung and Ms. Sun Shui

<b>Company secretary</b>	Ms. Sun Shui
<b>Compliance Officer</b>	Mr. Wong Chi Yung
<b>Share registrar and transfer office of the Company in Hong Kong</b>	Boardroom Share Registrars (HK) Limited Room 2103B, 21/F. 148 Electric Road, North Point Hong Kong
<b>Principal banker</b>	The Hong Kong and Shanghai Banking Corporation Limited 1 Queen's Road Central Hong Kong
<b>Reporting accountants</b>	Zhonghui Anda CPA Limited 23/F, Tower 2 Enterprise Square Five Kowloon Bay, Hong Kong
<b>Legal adviser to the Company</b>	Eric Yung & Co Suite 2001, 20/F China United Centre 28 Marble Road North Point Hong Kong
<b>Underwriter</b>	Silverbricks Securities Company Limited Units 1005-1006, 10/F China Merchants Tower, Shun Tak Centre 168-200 Connaught Road Central Sheung Wan Hong Kong

**13. PARTICULARS OF THE DIRECTORS AND SENIOR MANAGEMENT****(a) Profiles of the Directors and senior management*****Executive Directors***

**Mr. Wong Chi Yung**, aged 39, has been appointed as a non-executive Director and the chairman of the Board on 1 March 2021 and re-designated as executive Director, chairman of the Board, chief executive officer and compliance officer of the Company on 12 July 2021 and appointed as an authorised representative on 14 March 2022. Mr. Wong obtained a bachelor's degree of Business Administration in Finance and Management from the Hong Kong University of Science and Technology. Mr. Wong has extensive experience in accounting and corporate finance. He is currently an independent non-executive director of Polyfair Holdings Limited (stock code: 8532). He was a licensed representative under the SFO to carry out Type 6 regulated activity (advising on corporate finance) in INCU Corporate Finance Limited (from July 2016 to April 2021). He was also an executive director (from April 2015 to July 2016) and a non-executive director (from July 2016 to June 2019) of China Information Technology Development Limited (stock code: 8178).

**Mr. Ng Shing Chun Ray**, formerly known as Ng Shing Fan Ray, aged 51, has been appointed as an executive Director on 2 November 2018 and a director of certain subsidiaries of the Company. Mr. Ng obtained a bachelor of laws degree and a diploma in legal practice from the University of Bristol, United Kingdom in June 1993 and October 1995, respectively. He was admitted as a solicitor in Hong Kong in December 1997. Mr. Ng started to operate and manage food and beverage and entertainment companies since June 2008 and has over 14 years of experience in the food and beverage and entertainment industries.

**Ms. Lui Lok Yan**, aged 34, has been appointed as an executive Director on 3 May 2022. Ms. Lui served in various securities and asset management companies and has over 5 years of experience in fund management, investment analysis and assets management. Ms. Lui was a licensed representative under the Securities and Futures Commission in accordance with the SFO to carry out Type 1, 4 and 9 regulated activities. Ms. Lui obtained a bachelor's degree of science from Aston University, United Kingdom in 2010.

***Independent non-executive Directors***

**Mr. Pong Chun Yu**, aged 45, has been appointed as an independent non-executive Director on 22 January 2021. He is also the chairman of the audit committee and remuneration committee and a member of the nomination committee. Mr. Pong is an associate member of The Hong Kong Institute of Directors and fellow member of Hong Kong Institute Certified of Public Accountants. Mr. Pong is currently a consultant of Sun Entertainment Culture Limited, a company principally engaged in movie, concerts, music and artists management business. He was the financial controller of Sunny Side Up (Never) Limited, an indirect wholly owned subsidiary of Sun Entertainment Group Limited (stock code: 8082), from December 2016 to November 2018, and was the financial manager of Television Broadcasts Limited (a company listed on main board of the Stock Exchange (stock code: 511)) from 19 April 2022 to 30 September 2022. Mr. Pong graduated from the Hong Kong Baptist University in 2000 with a bachelor's degree in Business Administration (Accounting).

**Mr. Hui Wai Hung**, aged 33, has been appointed as an independent non-executive Director on 16 February 2021. He is a member of each of the nomination committee and audit committee and remuneration committee. Mr. Hui obtained a degree of Bachelor of Commerce in Accounting and Finance from the University of New South Wales, Sydney, Australia in 2015. Mr. Hui has experience in retail and food and beverage sectors over 6 years.

**Mr. Jiang Qiaowei**, aged 29, has been appointed as an independent non-executive Director on 16 February 2021. He is also the chairman of the nomination remuneration committee and a member of each of the audit committee and remuneration committee. Mr. Jiang graduated with a Bachelor of Computer Science from Susquehanna University, United States in 2016. Mr. Jiang also obtained a Master degree of Business Administration in Finance from La Salle University, United States in 2018 and a degree of Bachelor of Public Policy Management from the Education University of Hong Kong in 2020.

**(b) Business address of the Directors, the senior management and authorised representatives**

The business address of the Directors, the senior management and authorised representatives is the same as the Company's head office and principal place of business in Hong Kong located at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong.

(c) **Audit Committee**

The Company established an audit committee (the “**Audit Committee**”) with written terms of reference in compliance with GEM Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and the internal control and risk management system of the Group. The Audit Committee currently comprises three independent non-executive Directors, namely Mr. Pong Chun Yu (chairman of the Audit Committee), Mr. Hui Wai Hung, Jeffrey and Mr. Jiang Qiaowei.

**14. BINDING EFFECT**

The Prospectus Documents and all acceptances of any offer or application contained therein are governed by and shall be construed in accordance with the laws of Hong Kong. The Prospectus Documents shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), so far as applicable.

**15. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES**

A copy of each of the Prospectus Documents and the written consent as referred to under the paragraph headed “EXPERTS AND CONSENTS” in this Appendix, have been registered with the Registrar of Companies in Hong Kong pursuant to section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong).

**16. DOCUMENTS ON DISPLAY**

The following documents are available on the website of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)) and the website of the Company ([www.new-amante.com](http://www.new-amante.com)) for a period of 14 days from the date of this Prospectus:

- (a) the Underwriting Agreement;
- (b) the Supplemental Underwriting Agreement;
- (c) the material contracts referred to in the paragraph headed “Material Contracts” to this Appendix;
- (d) the written consents referred to in the paragraph headed “Experts and Consents” to this Appendix; and
- (e) the letter from Zhonghui Anda CPA Limited, the reporting accountants, in respect of the unaudited pro forma financial statement of the Group as set out in Appendix II of this Prospectus.

**17. MISCELLANEOUS**

- (a) As at the Latest Practicable Date, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong.
- (b) The English text of this Prospectus and the accompanying form of proxy shall prevail over the respective Chinese text in the case of inconsistency.