

Wine's Link International Holdings Limited

威揚酒業國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8509)

ANNOUNCEMENT OF FIRST QUARTERLY RESULTS FOR THE THREE MONTHS ENDED 30 JUNE 2023

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This announcement, for which the directors (the “Directors”) of Wine's Link International Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purposes of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

The board of Directors (the “Board”) hereby presents the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the three months ended 30 June 2023 (the “Period”), together with the comparative unaudited figures for the corresponding period in 2022, as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED 30 JUNE 2023

		Three months ended 30 June	
	<i>Notes</i>	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
Revenue	3	38,856	33,247
Cost of sales		(27,321)	(21,461)
Gross profit		11,535	11,786
Other income	4	14	268
Other gains, net	4	122	156
Selling and distribution expenses		(2,321)	(3,814)
Administrative expenses		(4,825)	(5,539)
Finance costs	5	(2,209)	(787)
Profit before taxation	6	2,316	2,070
Income tax expense	7	(652)	(597)
Profit for the period		1,664	1,473
Profit (loss) for the period attributable to:			
– Owners of the Company		1,676	1,566
– Non-controlling interests		(12)	(93)
		1,664	1,473
Other comprehensive income after tax:			
<i>Item that may be reclassified to profit or loss:</i>			
<i>Exchange differences on translation of foreign operations</i>		11	–
Other comprehensive income for the period, net of tax		11	–
Total comprehensive income for the period		1,675	1,473
Total comprehensive income (expense) for the period attributable to:			
– Owners of the Company		1,713	1,566
– Non-controlling interests		(38)	(93)
		1,675	1,473
Earnings per share			
Basic	8	HK0.42 cent	HK0.39 cent

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE THREE MONTHS ENDED 30 JUNE 2023

	Attributable to owners of the Company							Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Exchange fluctuation reserve HK'000	Other reserve HK\$'000 (Note)	Accumulated profits HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	
At 31 March 2023 and 1 April 2023 (audited)	4,000	76,298	(20)	27,458	156,860	264,596	(1,292)	263,304
Profit (loss) for the period	-	-	-	-	1,676	1,676	(12)	1,664
Other comprehensive income (expense) for the period:								
Exchange differences on translation of foreign operations	-	-	37	-	-	37	(26)	11
Total comprehensive income (expense) for the period	-	-	37	-	1,676	1,713	(38)	1,675
At 30 June 2023 (unaudited)	4,000	76,298	17	27,458	158,536	266,309	(1,330)	264,979
At 31 March 2022 and 1 April 2022 (audited)	4,000	76,298	-	27,458	140,261	248,017	(1,069)	246,948
Profit and total comprehensive income for the period	-	-	-	-	1,566	1,566	(93)	1,473
At 30 June 2022 (unaudited)	4,000	76,298	-	27,458	141,827	249,583	(1,162)	248,421

Note: Other reserve represents the balance of HK\$7,458,000 in relation to the shareholder's contribution in relation to derivative financial instruments entered between Mr. Ting Chi Wai Roy ("Mr. Roy Ting") and the Group during the year ended 31 March 2016 and the effect of reorganisation of HK\$20,000,000 during the year ended 31 March 2016.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED 30 JUNE 2023

1. GENERAL

The Company was incorporated in the Cayman Islands and registered as an exempted company with limited liability under the Companies Act, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 22 September 2016 and the shares of the Company have been listed on GEM. The address of the Company's registered office is at PO Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands, and the principal place of business is in 26th Floor, AIA Financial Centre, 712 Prince Edward Road East, San Po Kong, Kowloon, Hong Kong.

Shirz Limited, a limited company incorporated in the British Virgin Islands which holds 70% equity interests in the Company, is one of the controlling shareholders of the Company and is wholly owned by Ms. Wong Chi Lou Shirley ("Ms. Shirley Wong").

The Company is an investment holding company. Wine's Link Limited ("Wine's Link"), being its major operating subsidiary is primarily engaged in the wholesale and retail of a wide spectrum of wine products and other alcoholic beverages in Hong Kong.

The unaudited condensed consolidated financial statements for the Period are presented in Hong Kong dollar ("HK\$") which is also the functional currency of the Company.

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial information of the Group has been prepared to comply with the applicable disclosure requirements of the GEM Listing Rules.

This unaudited condensed consolidated financial information has not been audited or reviewed by the Company's external auditors, but has been reviewed by the Company's audit committee.

The unaudited condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2023.

The unaudited condensed consolidated financial information of the Group has been prepared in accordance with the same accounting policies adopted in Group's annual financial statements for the year ended 31 March 2023, except for the adoption of all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") (which include all HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations) that are relevant to its operations and effective for its accounting period beginning on 1 April 2023.

The new and revised HKFRSs had no impact on the condensed consolidated financial information of the Group.

The Group has not applied the new and revised HKFRSs that have been issued but are not yet effective for the Period.

3. REVENUE AND SEGMENT INFORMATION

The Group's operations are mainly derived from sale and distribution of wine products, other alcoholic beverages and wine accessory products in Hong Kong. For the purposes of resources allocation and performance assessment, the chief operating decision maker (i.e. the chief executive of the Group) reviews the overall results and financial position of the Group as a whole prepared in accordance with accounting policies which conform to HKFRSs. Accordingly, the Group has only one single operating segment and no further analysis of this single segment is presented.

Disaggregation of revenue from contracts with customers was disclosed as follows:

Revenue from contracts with customers

	Three months ended 30 June	
	2023 <i>HK\$'000</i> (unaudited)	2022 <i>HK\$'000</i> (unaudited)
Sales of wine products		
– Wine products	38,362	31,201
– Other alcoholic beverages	461	2,016
– Wine accessory products	33	30
	38,856	33,247
Geographical markets:		
Hong Kong	38,818	32,558
The People's Republic of China (the "PRC")	38	689
Timing of revenue recognition:		
A point in time	38,856	33,247

Geographical information

No geographical segment information is presented as the Group's revenue are all derived most from Hong Kong and small part from the PRC based on the location of goods delivered and the Group's property and equipment are all located in Hong Kong by physical location of assets.

3. REVENUE AND SEGMENT INFORMATION *(Continued)*

Information about major customers

During the Period and the three months ended 30 June 2022, no single customer contributed 10% or more of the Group's revenue.

4. OTHER INCOME/OTHER GAINS, NET

Other income

	Three months ended 30 June	
	2023 <i>HK\$'000</i> (unaudited)	2022 <i>HK\$'000</i> (unaudited)
Bank interest income	1	1
Government grant	–	250
Others	13	17
	14	268

Other gains, net

	Three months ended 30 June	
	2023 <i>HK\$'000</i> (unaudited)	2022 <i>HK\$'000</i> (unaudited)
Gain (loss) on disposal of property and equipment	165	(4)
Net exchange (loss) gain	(43)	160
	122	156

5. FINANCE COSTS

Three months ended
30 June

The finance costs represent interest on:
– bank borrowings and bank overdrafts
– lease liabilities

2023 <i>HK\$'000</i> (unaudited)	2022 <i>HK\$'000</i> (unaudited)
2,157	756
52	31
2,209	787

6. PROFIT BEFORE TAXATION

Three months ended
30 June

Profit before taxation has been arrived at after charging:

Cost of inventories recognised as an expense
Depreciation of property and equipment
Depreciation of right-of-use assets
Directors' remuneration
Other staff costs
 Salaries and other benefits
 Retirement benefits scheme contributions

Total staff costs

2023 <i>HK\$'000</i> (unaudited)	2022 <i>HK\$'000</i> (unaudited)
27,321	21,461
1,464	1,721
632	1,056
409	399
2,437	3,397
92	134
2,938	3,930

7. INCOME TAX EXPENSE

	Three months ended 30 June	
	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
Hong Kong Profits Tax:		
– Current tax	591	637
Deferred tax charge (credit)	61	(40)
	652	597

The Hong Kong Profits Tax is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million for the qualifying group entity. The profits of the group entities not qualifying for the two-tiered profits tax rates regime will be taxed of a flat rate of 16.5%.

8. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to owners of the Company is based on the following data:

	Three months ended 30 June	
	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
Earnings:		
Profit for the period attributable to owners of the Company for the purpose of the basic earnings per share calculation	1,676	1,566

	Three months ended 30 June	
	2023 '000 (unaudited)	2022 '000 (unaudited)
Number of shares:		
Number of ordinary shares for the purpose of the basic earnings per share calculation	400,000	400,000

No diluted earnings per share for the Period and the three months ended 30 June 2022 were presented as there were no potential ordinary shares in issue during these periods.

9. DIVIDEND

No dividend was paid, declared or proposed for shareholders of the Company during the Period. The Board does not recommend the payment of any dividend for the Period (three months ended 30 June 2022: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

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

During the Period, the Group found improvement in operating its wine business under a moderating external challenges from (i) the global economic downturn; (ii) the tightening monetary policy executed worldwide; and (iii) the recover from the adverse impacts due to the outbreak of the COVID-19 pandemic (altogether, the "External Challenges"). There is an improvement in the demand of premium collectible wine and fine wine segments compared to previous years, which resulted an increment in the Group's revenue and maintain a steady gross profit. Meanwhile, the Group is actively exploring other business opportunities during the Period, which include provision of promotion and marketing services for wine brands and products, in addition to altering product segments with good potential and development of products under self-owned brands, as well as optimising the cost efficiency from business operation. The Board believes that the Group can seize the opportunity arising from the different trends in the wine industry in the long term.

Financial Review

Revenue

Revenue of the Group increased by approximately 16.9% from approximately HK\$33.2 million for the three months ended 30 June 2022 to approximately HK\$38.9 million for the Period. The increase was due to the improvement of demand in wine products despite the External Challenges.

Cost of Sales

The Group's cost of sales consists of the procurement of wine products and other alcoholic beverages from the suppliers. The Group recognises cost of sales upon the conclusion of a sales transaction. The cost of sales increased by approximately 27.3% from approximately HK\$21.5 million for the three months ended 30 June 2022 to approximately HK\$27.3 million for the Period. The increase in cost of sales was directly correlated with the increase in revenue for the Period.

Gross Profit and Gross Profit Margin

The gross profit represents revenue less cost of sales. For the Period, the gross profit of the Group slightly decreased by approximately 2.1% from approximately HK\$11.8 million for the three months ended 30 June 2022 to approximately HK\$11.5 million for the Period. The overall gross profit margin amounted to approximately 35.4% and approximately 29.7% for the three months ended 30 June 2022 and 2023, respectively.

The Group recorded a relatively lower gross profit margin during the Period mainly due to the change in product mix with an increased proportion from sales of premium collectible wine and fine wine, and a decreased proportion from sales of certain self-owned brands of other alcoholic beverages during the Period.

Other Income

Other income of the Group consisted primarily of (i) bank interest generated from the bank balances and (ii) sundry income. Other income decreased from approximately HK\$268,000 for the three months ended 30 June 2022 to approximately HK\$14,000 for the Period, which was mainly contributed by the anti-epidemic subsidies granted by the Government of the Hong Kong Special Administrative Region during the three months ended 30 June 2022 while there was no such income during the Period.

Other Gains, Net

The Group recorded net gains of approximately HK\$122,000 and net gains of approximately HK\$156,000 for the Period and for the three months ended 30 June 2022, respectively.

The net gains consisted of (i) gain or loss on disposal of property and equipment and (ii) net exchange gains or losses arising from the foreign currency fluctuations in respect of the foreign currency denominated trust receipt loans for the settlement of wine product purchased from the overseas suppliers.

Selling and Distribution Expenses

Selling and distribution expenses of the Group decreased from approximately HK\$3.8 million for the three months ended 30 June 2022 to approximately HK\$2.3 million for the Period.

Administrative Expenses

Administrative expenses of the Group decreased from approximately HK\$5.5 million for the three months ended 30 June 2022 to approximately HK\$4.8 million for the Period. This decrease was mainly attributable to the decrease in staff costs and depreciation related to right-of-use assets.

Finance Costs

Finance costs increased from approximately HK\$0.8 million for the three months ended 30 June 2022 to approximately HK\$2.2 million for the Period. This increase was primarily attributable to the increase in the interest on bank borrowings for the Period.

Profit for the Period Attributable to Owners of the Company and Total Comprehensive Income for the Period Attributable to Owners of the Company

For the reasons mentioned above, profit for the Period attributable to owners of the Company and total comprehensive income for the Period attributable to owners of the Company amounted to approximately HK\$1.7 million (three months ended 30 June 2022: approximately HK\$1.6 million) and approximately HK\$1.7 million (three months ended 30 June 2022: approximately HK\$1.6 million), respectively.

Dividend

The Board does not recommend the payment of any dividend for the Period (three months ended 30 June 2022: Nil).

Event after the reporting period

On 11 August 2023, Wine's Link, as borrower and the Company, as guarantor, accepted a banking facility letter issued by Chong Hing Bank Limited ("Lender A") ("Facility Letter B") which is to renew the banking facilities granted by the Lender A on 4 July 2022. Further details of (i) a banking facility letter ("Facility Letter A") to renew the banking facilities granted by the Lender A on 12 March 2021 and (ii) a letter from Lender A dated 4 July 2022 are set out in the section headed "Loan Agreement with Covenant Relating to Specific Performance of the Controlling Shareholders" in "Other Information". This Facility Letter B comprises (i) facilities in the aggregate amount up to HK\$63,000,000, consisting of (a) a new 3-year term loan; (b) an existing term loan maturing on 1 March 2024; and (c) other trade facilities; and (ii) an overdraft facility in the amount up to HK\$3,000,000, which are agreed to be made available by the Lender A to Wine's Link on the terms and conditions contained therein and subject to, among others, review by the Lender A from time to time and the Lender A's overriding right of repayment on demand.

Pursuant to Facility Letter B, the Company shall procure Ms. Shirley Wong and Mr. Roy Ting, the controlling shareholders of the Company continue to be the single largest shareholder and jointly hold not less than 50% beneficial interest of the Company.

As at the date of this announcement, Ms. Shirley Wong and Mr. Roy Ting, by virtual of their spousal relationship, together hold 70% interest in the Company.

Please refer to the announcement of the Company dated 11 August 2023 for more details.

Material Acquisitions or Disposals of Subsidiaries, Associates or Joint Ventures

During the Period and up to the date of this announcement, the Group did not have any material acquisition or disposals of subsidiaries, associates or joint ventures.

FUTURE PROSPECTS

The shares of the Company (the “Shares”) were successfully listed on GEM on 12 January 2018 (the “Listing Date”). The Board considers that such public listing status on the Stock Exchange is beneficial to the Company and the shareholders as a whole as the listing status on the Stock Exchange is a complementary way of advertising the Group which reinforces the corporate profile and market recognition. In addition, the creditworthiness will be enhanced from the suppliers’ perspective, which may in turn allow the Group to have greater bargaining power over negotiations to bargain for longer trade and credit terms. It also enables the Group to gain direct access to the capital market to raise funds for future expansion.

During the Period, the Group has made steady progress in refining and expanding its business, putting more emphasis on diversifying its business. Apart from trading wine products of well-known chateaus or wineries and development of self-owned brands, the Group is also exploring opportunities in providing marketing consultation services to assist China's liquor brands to tap into the domestic market of Hong Kong and other international countries in order to diversify the Group’s income streams as well as to achieve a synergy effect with its existing businesses. With growing popularity and maturity of business integration in the Greater Bay Area, the Group is able to discover opportunities to build a complete service chain, utilising experience and knowledge of the management team to provide precise marketing consultation services for liquor brands and products.

The Group believes that the aforesaid developments will optimise the business portfolio of the Group and bolster a sustainable and healthy performance of the Group in the long run. The Group will continue to take a prudent approach and adjust its business strategies to accommodate the rapid changing environment.

OTHER INFORMATION

Directors' and Chief Executives' Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or any Other Associated Corporations

As at 30 June 2023, the interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (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 were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings contained in Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Name of Director	Nature of interests	Number of Shares held⁽¹⁾	Percentage of shareholding in the Company's issued share capital⁽³⁾
Ms. Shirley Wong ⁽²⁾	Interest in controlled corporation	280,000,000 (L)	70%

Notes:

- (1) The letter "L" denotes a long position in the Shares.
- (2) Ms. Shirley Wong is the sole shareholder of Shirz Limited and she is therefore deemed to be interested in the Shares held by Shirz Limited.
- (3) The approximate percentage were calculated based on 400,000,000 Shares in issue as at 30 June 2023.

Save as disclosed above, as at 30 June 2023, none of the Directors nor chief executive of the Company has registered any interests and short positions in the Shares, underlying shares or 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 short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings.

Substantial Shareholders' Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or any Other Associated Corporations

So far as the Directors are aware, as at 30 June 2023, the following persons (not being Directors or chief executive of the Company) will have or be deemed or taken to have an interest or short position in the Shares or the underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under Section 336 of the SFO:

Name of shareholder	Nature of interests	Number of Shares held⁽¹⁾	Percentage of shareholding in the Company's issued share capital⁽³⁾
Shirz Limited	Beneficial owner	280,000,000 (L)	70%
Mr. Roy Ting ⁽²⁾	Interest in spouse	280,000,000 (L)	70%

Notes:

- (1) The letter "L" denotes a long position in the Shares.
- (2) Mr. Roy Ting is the spouse of Ms. Shirley Wong and is therefore deemed to be interested in all the Shares that Ms. Shirley Wong is interested in pursuant to the SFO.
- (3) The approximate percentage were calculated based on 400,000,000 Shares in issue as at 30 June 2023.

Save as disclosed above, as at 30 June 2023, the Directors were not aware of any other persons who had any interests or short positions in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under Section 336 of the SFO, and/or who are directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

Loan Agreement with Covenant Relating to Specific Performance of the Controlling Shareholders

On 26 November 2021, Wine's Link, as borrower; Lender A, as lender; and the Company, as guarantor, entered into Facility Letter A to renew the banking facilities granted by the Lender A on 12 March 2021. This Facility Letter A comprises a trade facility, a term loan and an overdraft facility, with a maximum facility of HK\$48,000,000, HK\$20,000,000 and HK\$3,000,000, respectively, which are agreed to be made available by the Lender A to Wine's Link on the terms and conditions contained therein and subject to, among others, review by the Lender A from time to time and the Lender A's overriding right of repayment on demand.

Pursuant to Facility Letter A, the Company shall procure Ms. Shirley Wong and Mr. Roy Ting, the controlling shareholders of the Company continue to be the single largest shareholder and jointly hold not less than 50% beneficial interest of the Company.

As at the date of this announcement, Ms. Shirley Wong and Mr. Roy Ting, by virtual of their spousal relationship, together hold 70% interest in the Company.

Please refer to the announcements of the Company dated 12 March 2021 and 26 November 2021 for more details.

Pursuant to a letter from Lender A dated 4 July 2022, the facilities under the Facility Letter A would continue to be made available to Wine's Link with terms and conditions substantially the same as those under the Facility Letter A.

Share Option Scheme

The Company's share option scheme (the "Share Option Scheme") was adopted by the Company on 18 December 2017.

No share option has been granted, exercised, cancelled or lapsed under the Share Option Scheme since its adoption.

The total number of shares available for issue under the Share Option Scheme was 40,000,000, representing 10% of the issued share capital of the Company as at the date of this announcement. As at 1 April 2023 and 30 June 2023, the total number of share options available for grant under the Share Option Scheme was 40,000,000.

Purchase, Sale or Redemption of Listed Securities of the Company

During the Period and up to the date of this announcement, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities of the Company.

Competing Interests

During the Period and up to the date of this announcement, none of the Directors or the controlling shareholders or substantial shareholders (as defined in the GEM Listing Rules) of the Company or their respective close associates (as defined in the GEM Listing Rules) were considered to have any interests in a business which competed or was likely to compete, either directly or indirectly, with the business of the Group and/or caused, or was likely to cause any other conflicts of interest with the Group.

Non-Competition Undertaking

The Company confirms that the deed of non-competition of each of Ms. Shirley Wong, Mr. Roy Ting and Shirz Limited (collectively, the “Obligors”), details of which were set out in the prospectus of the Company dated 29 December 2017, has been fully complied and enforced during the Period.

Director’s Securities Transactions

The Company has adopted a code of conduct regarding Director’s securities transactions on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having been made a specific enquiry by the Company, all Directors confirmed that they had complied with the required standard of dealings and code of conduct regarding securities transactions throughout the Period and up to the date of this announcement.

Corporate Governance Practices

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders of the Company and enhance its corporate value. The Company has adopted with all the applicable principles of the Corporate Governance Code (the “CG Code”) as set out in Appendix 15 of the GEM Listing Rules.

The Company complied with all code provisions in the CG Code during the Period.

Audit Committee

The audit committee of the Company (the “Audit Committee”) was established on 18 December 2017 with written terms of reference in compliance with Rule 5.29 of the GEM Listing Rules and code provision D.3 of the CG Code. The primary duties of the Audit Committee include, but are not limited to, the following: (i) making recommendations to the Board on the appointment and removal of the external auditor; (ii) reviewing the financial statements of the Group and monitoring the integrity of such financial statements; and (iii) overseeing the financial reporting system, risk management and internal control procedures.

The Audit Committee comprises three independent non-executive Directors, namely, Ms. Chan Man Ki Maggie, Mr. Chan Cham Man Simon and Mr. Liu Kin Wai, of whom Mr. Liu Kin Wai has been appointed as the chairman of the Audit Committee.

The Audit Committee has reviewed the unaudited condensed consolidated results of the Group for the Period and is of the opinion that such results complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures had been made.

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

Hong Kong, 14 August 2023

As at the date of this announcement, the executive Directors are Ms. Wong Chi Lou Shirley and Mr. Chan Sze Tung; the non-executive Director is Ms. Yeung Chi Hung, S.B.S., B.B.S., J.P.; and the independent non-executive Directors are Ms. Chan Man Ki Maggie, M.H., J.P., Mr. Chan Cham Man Simon and Mr. Liu Kin Wai.

This announcement will remain on the “Latest Listed Company Information” page of the Stock Exchange website www.hkexnews.hk for at least 7 days from the date of its publication. This announcement will also be published on the website of the Company (www.wines-link.com).