
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this Prospectus or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Wuxi Life International Holdings Group Limited, you should at once hand the Prospectus Documents to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or other registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibilities for the contents of the Prospectus Documents, make no representations as to their 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 the Prospectus Documents.

A copy of each of the Prospectus Documents, having attached thereto the documents specified in the paragraph headed “15. Documents delivered to the Registrar of Companies in Hong Kong” in Appendix III to this Prospectus, has been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (WUMP) Ordinance (Chapter 32 of the Laws of Hong Kong). The Registrar of Companies in Hong Kong and the Securities and Futures Commission of Hong Kong take no responsibility for the contents of any of the Prospectus Documents.

Dealings in the Shares and the Rights Shares in both nil-paid and fully-paid forms may be settled through CCASS established and operated by HKSCC and you should consult your stockbroker or other registered securities dealer, bank manager, solicitor, professional accountant or other professional adviser for details of the settlement arrangements and how such arrangements may affect your rights and interests. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.



Wuxi Life International Holdings Group Limited

悟喜生活國際控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8148)

RIGHTS ISSUE ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY ONE (1) SHARE HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS

Financial adviser to the Company



英皇企業融資
Emperor Corporate Finance

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

It should be noted that the Shares have been dealt on an ex-rights basis from Monday, 15 July 2024. Dealings in the Rights Shares in their nil-paid form will take place from Friday, 26 July 2024 to Friday, 2 August 2024, (both dates inclusive). If the conditions of the Rights Issue are not fulfilled or waived (as applicable), 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. Any Shareholders or other persons contemplating dealing in the Shares and/or the Rights Shares in their nil-paid form are recommended to consult their own professional advisers.

The Rights Issue will be made on a non-underwritten basis. There is no requirement for a minimum level of subscription in the Rights Issue and there is no minimum amount to be raised under the Rights Issue. Accordingly, if the Rights Issue is undersubscribed, the size of the Rights Issue will be reduced.

The latest date and time for acceptance of and payment for the Rights Shares is 4:00 p.m. on Wednesday, 7 August 2024. The procedures for acceptance and payment and/or transfer of the Rights Shares are set out in “Letter from the Board” of this Prospectus.

24 July 2024

CHARACTERISTICS OF GEM

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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DEFINITIONS

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

“Accumulated Losses”	the accumulated losses of the Company
“Announcement”	the announcement of the Company dated 9 February 2024 in relation to, among other things, the Capital Reorganisation and the Rights Issue
“associates”	has the meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day(s) (excluding Saturday, Sunday and any day on which a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general business
“BVI”	the British Virgin Islands
“Capital Reorganisation”	the capital reorganisation of the issued share capital of the Company which has become effective on 9 July 2024, details of which were set out in the circular of the Company dated 9 April 2024
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies Act”	the Companies Act, Cap. 22 (Law 3 of 1961), of the Cayman Islands as consolidated and revised
“Company”	Wuxi Life International Holdings Group Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on GEM of the Stock Exchange
“connected person”	has the meaning ascribed to it under the GEM Listing Rules

DEFINITIONS

“controlling shareholder”	has the same meaning ascribed thereto under the GEM Listing Rules
“Court”	the Grand Court of the Cayman Islands
“Director(s)”	the director(s) of the Company
“EAF”	the excess application form(s) to be issued to the Qualifying Shareholders to apply for excess Rights Shares
“EGM”	the extraordinary general meeting of the Company held on 2 May 2024 to consider and, if thought fit, approve the Capital Reorganisation and the Rights Issue
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Shareholders”	Shareholder(s) excluding Mr. Liu and other than those that were required under the GEM Listing Rules to abstain from voting in favour of the resolution(s) to approve the Rights Issue and the transactions contemplated thereunder at the EGM
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and the connected persons of the Company in accordance with the GEM Listing Rules
“Last Trading Day”	9 February 2024, being the last full trading day of the Shares on the Stock Exchange prior to the release of the Announcement

DEFINITIONS

“Latest Practicable Date”	17 July 2024, being latest practicable date prior to the publication of this Prospectus for ascertaining certain information herein
“Latest Time for Acceptance”	4:00 p.m. on Wednesday, 7 August 2024, or such other time and date as the Company may determine, being the latest time and date for acceptance of and payment for the Rights Shares and application for and payment for excess Rights Shares
“Memorandum and Articles”	the memorandum and articles of association of the Company, as amended from time to time
“Mr. Liu”	Mr. Liu Guanzhou (劉冠州), a substantial Shareholder of the Company who is beneficially interested in 29.07% of the issued Shares as at the Latest Practicable Date
“Non-Qualifying Shareholder(s)”	those Overseas Shareholder(s) whom the Directors, based on legal opinions provided by the Company’s legal advisers, consider it necessary or expedient not to offer the Rights Shares to such Shareholders on account either of restrictions under the laws of the relevant place or the requirements of a relevant regulatory body or stock exchange in that place
“Overseas Shareholder(s)”	Shareholders with registered addresses (as shown in the register of members of the Company on the Record Date) which are outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) in respect of the Rights Issue proposed to be issued to the Qualifying Shareholders
“PRC”	the People’s Republic of China, which for the purpose of this Prospectus, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Prospectus”	this prospectus dated Wednesday, 24 July 2024 to be despatched to the Shareholders containing details of the Rights Issue

DEFINITIONS

“Prospectus Documents”	the Prospectus, the PAL and the EAF issued by the Company
“Prospectus Posting Date”	Wednesday, 24 July 2024, or such other date as the Company may determine, for the despatch of the Prospectus Documents to the Qualifying Shareholders and the Prospectus for information only to the Non-Qualifying Shareholders
“Qualifying Shareholder(s)”	Shareholder(s) who(se) name(s) appear(s) on the register of members of the Company on the Record Date, other than the Non-Qualifying Shareholder(s)
“Record Date”	Tuesday, 23 July 2024, or such other date as the Company may determine, being the date by reference to which entitlements of the Shareholders to participate in the Rights Issue will be determined
“Registrar”	the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Rights Issue”	the proposed issue by way of rights on the basis of two (2) Rights Shares for every one (1) Share held by the Qualifying Shareholders on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Prospectus Documents
“Rights Share(s)”	up to 254,528,000 Shares proposed to be allotted and issued by the Company for subscription pursuant to the Rights Issue
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) in the issue and unissued share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.12 per Rights Share

DEFINITIONS

“substantial shareholder”	has the meaning ascribed to it under the GEM Listing Rule
“Takeovers Code”	Codes on Takeovers and Mergers
“%”	per cent.

EXPECTED TIMETABLE

All times stated in this Prospectus refer to Hong Kong times and dates. Any changes to the anticipated timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate.

Events	Date (2024)
First day of dealings in nil-paid Rights Shares	Friday, 26 July
Latest time for splitting the PAL.4:30 p.m. on Tuesday, 30 July
Last day of dealings in nil-paid Rights Shares.	Friday, 2 August
Latest time for acceptance of and payment for the Rights Shares and application of excess Rights Shares4:00 p.m. on Wednesday, 7 August
Announcement of results of the Rights Issue.	Wednesday, 14 August
Despatch of share certificates for fully-paid Rights Shares and refund cheques in relation to wholly or partially unsuccessful applications for excess Rights Shares	Thursday, 15 August
Commencement of dealings in fully-paid Rights Shares	Friday, 16 August

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES

The latest time for acceptance of and payment for the Rights Shares will not take place if there is a tropical cyclone warning signal no. 8 or above or “extreme conditions” caused by super typhoons is 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 Wednesday, 7 August 2024. Instead, the latest time for acceptance of and payment for the 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 Wednesday, 7 August 2024. Instead, the latest time for acceptance of and payment for the 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 in Hong Kong 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 does not take place on the currently scheduled date, the dates mentioned in this section may be affected. An announcement will be made by the Company in such event.

LETTER FROM THE BOARD



Wuxi Life International Holdings Group Limited

悟喜生活國際控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8148)

Executive Directors:

Mr. Liu Guanzhou (*Chairman*)

Ms. Liu Xingmei

Mr. Choi Pun Lap

Non-executive Director:

Ms. Li Hui Ling

Independent non-executive Directors:

Mr. Fu Yan Ming

Ms. Lam Yuen Man Maria

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Head office and principal place of
business in Hong Kong:*

Room H, 2/F

Manson Industrial Building

8 A Kung Ngam Village Lane

Shaueiwan, Hong Kong

24 July 2024

To the Shareholders

Dear Sir or Madam,

RIGHTS ISSUE ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY ONE (1) SHARE HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS

INTRODUCTION

References are made to the announcements of the Company dated 9 February 2024, 14 February 2024, 14 March 2024 and 7 June 2024 whereby the Board announced, among other matters, the Company proposed to implement the Rights Issue on the basis of two (2) Rights Shares for every one (1) Share held on the Record Date at the Subscription Price of HK\$0.12 per Rights Share, to raise up to approximately HK\$30.54 million before expenses by issuing up to 254,528,000 Rights Shares to the Qualifying Shareholders (assuming no change in the number of Shares in issue on or before the Record Date). The Rights Issue is not underwritten and will not be extended to the Non-Qualifying Shareholders.

LETTER FROM THE BOARD

In compliance with Rule 10.29(1) of the GEM Listing Rules, the Rights Issue must be made conditional on approval of the Independent Shareholders by way of poll at the EGM. Mr. Liu was required to abstain and have abstained from voting in favour of the proposed resolution approving the Rights Issue at the EGM. At the EGM, resolutions approving the Rights Issue were duly passed by the Independent Shareholders by way of poll.

The purpose of this Prospectus is to provide you with, among others, further details on the Rights Issue, including the procedures for acceptance of the Rights Shares provisionally allotted to you, and certain financial information and other general information on the Group.

RIGHTS ISSUE

Issue statistics

Basis of the Rights Issue	:	two (2) Rights Shares for every one (1) Share held on the Record Date
Subscription Price	:	HK\$0.12 per Rights Share
Number of Shares in issue as at the Latest Practicable Date	:	127,264,000 Shares
Number of Rights Shares	:	up to 254,528,000 Rights Shares, representing 200% of the Company's issued number of Shares as at the Latest Practicable Date and approximately 66.67% of the enlarged issued share capital of the Company upon completion of the Rights Issue
Gross proceeds and net Proceeds	:	Assuming no change in the issued share capital of the Company on or before the Record Date, and all the Qualifying Shareholders taking up their respective allotment of Rights Shares in full: Gross proceeds: up to approximately HK\$30.54 million Net proceeds (after deducting the estimated expenses): up to approximately HK\$28.74 million
Aggregate nominal value of the Rights Shares	:	up to approximately HK\$2,545,280

As at the Latest Practicable Date, the Company has no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares.

LETTER FROM THE BOARD

Non-underwritten basis

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of provisionally allotted Rights Shares. In the event that the provisional allotments for the Rights Issue are not fully subscribed, any Rights Shares not taken up by the Qualifying Shareholders together with the Rights Shares not provisionally allotted to the Non-Qualifying Shareholders will be made available for excess application under the EAFs. There is no minimum subscription level or minimum amount to be raised under the Rights Issue. There is no applicable statutory requirements regarding minimum subscription levels in respect of the Rights Issue.

As the Rights Issue is not underwritten and has not set a minimum subscription amount, a Shareholder who applies to take up all or part of his/her/its entitlement under the PAL and/or excess Rights Shares under the EAF may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code or cause the public float of the Company to decrease to below 25%. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder for his/her/its assured entitlement under the Rights Issue or excess Rights Shares under the EAF may be scaled down to a level which (a) does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance to the note to Rule 10.26(2) of the GEM Listing Rules; and (b) does not cause the Company's public float to decrease to below 25%. Shares subject to scale down will be available for application as excess Rights Shares to other Qualifying Shareholders, any subscription monies not utilized due to the scaled-down application of entitled Rights Shares or excess Rights Shares will be refunded to the affected applicants.

Accordingly, if the Rights Issue is undersubscribed, the size of the Rights Issue will be reduced. Qualifying Shareholders who do not take up their assured entitlements in full and Non-Qualifying Shareholders, if any, should note that their shareholdings in the Company may be diluted, the extent of which will depend in part on the size of the Rights Issue.

Subscription Price

The Subscription Price is HK\$0.12 per Rights Share, payable in full upon acceptance of the relevant provisional allotment of Rights Shares and, where applicable, when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

- (i) a discount of 20.0% to the closing price of HK\$0.15 per Share (after taking into account the effect of the Capital Reorganisation) as quoted on the Stock Exchange on the Last Trading Day;

LETTER FROM THE BOARD

- (ii) a discount of 11.11% to the closing price of HK\$0.135 per Share (after taking into account the effect of the Capital Reorganisation) as quoted on the Stock Exchange on the Latest Practicable Date;
- (iii) a discount of approximately 25.93% to the benchmarked price of HK\$0.162 per Share (after taking into account the effect of the Capital Reorganisation) (as defined under Rule 10.44A of the GEM Listing Rules, taking into account the closing price on the Last Trading Day of HK\$0.15 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 Latest Trading Day of approximately HK\$0.162 per Share);
- (iv) a discount of approximately 10.45% to the theoretical ex-rights price of approximately HK\$0.134 per Share (after taking into account the effect of the Capital Reorganisation) based on the benchmarked price of HK\$0.162 per Share;
- (v) a premium of approximately HK\$0.156 over the net liabilities of the Company of approximately HK\$0.036 per Share based on the audited net liabilities of the Company of approximately HK\$4,561,000 as at 31 December 2023 as disclosed in the annual report of the Company for the year ended 31 December 2023 and 127,264,000 Shares; and
- (vi) a theoretical dilution effect (as defined under the GEM Listing Rules) represented by a discount of approximately 17.28% of the theoretical ex-rights price of HK\$0.134 per Share (after taking into account the effect of the Capital Reorganisation) to the benchmarked price of HK\$0.162 per Share.

The Subscription Price was determined by the Board with reference to (i) the market price of the Shares under the prevailing market conditions, where the closing price of the Shares demonstrated an overall downward trend during the six months prior to the Last Trading Day from HK\$0.86 per Share (after taking into account the Capital Reorganisation) on 10 August 2023 to HK\$0.15 per Share (after taking into account the Capital Reorganisation) on the Last Trading Day with an average daily trading volume amounting to approximately 0.1% of the total issued Shares as at the Last Trading Day, which indicated a lack of liquidity and demand for the Shares; (ii) the latest business performance and financial position of the Group and in particular, as at 31 December 2023, the current assets of the Company amounted to approximately HK\$8.7 million and the Company recorded a net current liabilities of approximately HK\$3.2 million; and (iii) the reasons for and benefits of proposed Rights Issue as discussed in the section headed “Reasons for and benefits of the Rights Issue and intended use of proceeds” in this Prospectus. Each Qualifying Shareholder will be entitled to subscribe for the Rights Shares at the same Subscription Price in proportion to his/her/its shareholding held on the Record Date.

LETTER FROM THE BOARD

The Board noticed that there has been recent fluctuation in the price of the Shares. In particular, the closing price per Share increased from HK\$0.15 per Share (after taking into account the Capital Reorganisation) on the Last Trading Day to HK\$0.27 per Share (after taking into account the Capital Reorganisation) on 24 June 2024, then decreased to HK\$0.135 per Share (on an ex-right basis and after taking into account the Capital Reorganisation) on the Latest Practicable Date. The Board confirms that it is not aware of any reasons for the recent fluctuation in the price of the Shares. The Board also noticed that there is a time gap of more than five months between the Last Trading Day and the Prospectus Posting Date. Such gap was principally due to the fact that (i) the Rights Issue is conditional to, among others, the Capital Reorganisation becoming effective; (ii) the Capital Reorganisation is conditional to, among others, an order being made by the Court; and (iii) the hearing of the petition for confirmation of the Capital Reorganisation was scheduled approximately two months after the date of the EGM. Furthermore, as abovementioned, the Subscription Price was determined based on, amongst other factors, the then Share price performance and trading volume under the then prevailing market conditions, the then latest business performance and financial position of the Group. The Directors could not have reasonably foreseen and/or taken into account the recent fluctuation in the price of the Shares when determining the Subscription Price. It is also not justifiable for the Directors to adjust the Subscription Price based on the latest Share price performance on a continual basis as it would inevitably result in substantial delay to the Rights Issue.

It is a common market practice that, in order to enhance the attractiveness of rights issue to participants which includes existing shareholders, the subscription price would be set at a discount to the prevailing market prices of the relevant shares. Despite the Subscription Price is below the closing prices of the Share (after taking into account the Capital Reorganisation) at all times during the six months immediately prior to the Last Trading Day, with an aim to maximize the fund raised and taking into account the factors considered in determining the Subscription Price as mentioned above, the Directors are of the view that the Subscription Price, which represents a discount of approximately 20.0% to the closing price per Share (after taking into account the Capital Reorganisation) on the Last Trading Day, would attract the Shareholders to participate in the Rights Issue and accordingly maintain their pro-rata shareholding in the Company and participate in the future growth of the Group. In light of the above, and having considered the financial position and business prospect of the Company, the Directors are of the view that Subscription Price is fair and reasonable.

The Rights Issue would result in a theoretical dilution effect of approximately 17.28%. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 10.44A of the GEM Listing Rules.

After taking into consideration the reasons for the Rights Issue as stated in the section headed “Reasons for and benefits of the Rights Issue and intended use of proceeds” in this Prospectus, the Directors consider that, the terms of the proposed Rights Issue, including the Subscription Price, are fair and reasonable and in the best interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Conditions of the Rights Issue

The Rights Issue is conditional upon each of the following conditions being fulfilled:

- (i) the passing by more than 50% of the votes cast by the Independent Shareholders by way of poll of all necessary resolutions to be proposed at the EGM for the transactions contemplated under the Rights Issue to be effective in compliance with the GEM Listing Rules, including but not limited to approving, confirming and/or ratifying the Rights Issue, including the allotment and issue of the Rights Shares in their nil-paid and fully paid forms;
- (ii) the Capital Reorganisation becoming effective;
- (iii) the delivery of the Prospectus Documents to the Stock Exchange and the issue by the Stock Exchange on or before the Prospectus Posting Date of a certificate authorising registration of the Prospectus Documents with the Registrar of Companies in Hong Kong;
- (iv) following registration, the posting of the Prospectus Documents to the Qualifying Shareholders and the Prospectus only (without the PAL and the EAF) to the Non-Qualifying Shareholder for their information only and the publication of the Prospectus on the website of the Stock Exchange on or before the Prospectus Posting Date;
- (v) the grant of listing of the Rights Shares (in both nil-paid and fully paid forms) by the Stock Exchange (either unconditionally or subject only to the allotment and despatch of the share certificates in respect thereof) and the grant of permission to deal in the nil-paid Rights Shares and the fully-paid Rights Shares by the Stock Exchange (and such permission and listing not subsequently having been withdrawn or revoked); and
- (vi) all other necessary waivers, consent and approvals (if required) from the relevant governmental or regulatory authorities for the Rights Issue and the transaction contemplated thereunder having been obtained and fulfilled.

None of the above conditions precedent can be waived. If any of the above conditions are not satisfied at or before 5:00 p.m. on 31 December 2024 (or such later date as the Company may determine), the Rights Issue will not proceed. As at the Latest Practicable Date, conditions (i) to (ii) have been fulfilled.

The Rights Issue is subject to the fulfilment of conditions including the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. If the conditions to the Rights Issue are not fulfilled, the Rights Issue will not proceed.

LETTER FROM THE BOARD

Qualifying Shareholders

To qualify for the Rights Issue, a Shareholder must be registered as a Shareholder at the close of business on the Record Date and not be a Non-Qualifying Shareholder.

In order to be registered as Shareholder at the close of business on the Record Date, all transfers of the Shares (together with the relevant share certificate(s) and/or instrument(s) of transfer) must be lodged with the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by 4:30 p.m. on Tuesday, 16 July 2024.

Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and Non-Qualifying Shareholders should note that their shareholdings 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. Overseas Shareholders may not be eligible to take part in the Rights Issue as explained below.

As at the Latest Practicable Date, the Company has 3 Overseas Shareholders with registered addresses situated in the People's Republic of China and the British Virgin Islands with the following shareholding structure:

Jurisdiction	Number of Overseas Shareholder(s)	Aggregated number of Shares held by Overseas Shareholder(s) in the jurisdiction	Approx. % of the issued share capital of the Company <i>(Note)</i>
People's Republic of China	2	2,297,999	1.81
British Virgin Islands	<u>1</u>	<u>150,057</u>	<u>0.12</u>
Total	<u>3</u>	<u>2,448,056</u>	<u>1.92</u>

Note: The percentage figures have been subject to rounding adjustment. Any discrepancies between totals and sums of amount listed herein are due to rounding adjustment.

In compliance with the necessary requirements of the GEM Listing Rules, the Company has made enquiries regarding the feasibility of extending the Rights Issue to such Overseas Shareholders. On the basis of the results of such enquiries obtained as at the Latest Practicable Date, the Directors note that there is no legal restriction under the laws of or the requirements of

LETTER FROM THE BOARD

the relevant regulatory bodies or stock exchanges in the PRC and the BVI with respect to the offer of the Rights Shares to the Overseas Shareholders with registered addresses in the PRC and the BVI as at the Latest Practicable Date. Accordingly, the Directors have decided to extend the Rights Issue to the Overseas Shareholders having registered addresses in the PRC and the BVI.

As the register of members of the Company had already closed as at the Latest Practicable Date, there would be no additional Overseas Shareholder and hence no Non-Qualifying Shareholder on the Record Date.

The Company reserves the right to treat as invalid any acceptance of or application for Rights Shares where it believes that such acceptance or application would violate the applicable securities laws or other laws or regulations of any territory or jurisdiction.

It is the responsibility of any person (including, without limitation, a nominee, agent and trustee) receiving the Prospectus Documents outside Hong Kong and wishing to take up the Rights Shares to satisfy themselves as to the full and relevant compliance of the laws of the relevant jurisdictions including the obtaining of any governmental or other consents and observing other formalities which may be required in such jurisdictions, and to pay any taxes, duties and other amounts required to be paid in such jurisdictions in connection therewith. Any acceptance of the Rights Shares by any person will be deemed to constitute a representation and warranty from such person to the Company that such local laws, regulations and requirements of the relevant territory or jurisdiction have been fully complied with. If you are in any doubt as to your position, you should consult a professional adviser.

Arrangements will be made for the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders to be sold in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, will be paid pro rata (but rounded down to the nearest cent) to the Non-Qualifying Shareholders in Hong Kong dollars, except that the Company will retain individual amounts of less than HK\$100 for its own benefit. Any unsold entitlements of the Non-Qualifying Shareholders will be made available for excess application by the Qualifying Shareholders.

Basis of provisional allotment

The basis of the provisional allotment shall be two (2) Rights Shares for every one (1) Share in issue and held by the Qualifying Shareholders at the close of business on the Record Date.

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by lodging a duly completed PAL and a cheque or a banker's cashier order for the sum payable for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance.

LETTER FROM THE BOARD

Fractional entitlements to the Rights Shares

On the basis of two (2) Rights Shares for every one (1) Share held on the Record Date, no fractional entitlement will arise under the Rights Issue.

Status of the Rights Shares

The Rights Shares, when allotted and issued, shall 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 are declared, made or paid after the date of allotment of the Rights Shares in their fully-paid form.

Procedures for acceptance and payment and/or transfer

Qualifying Shareholders should find enclosed with this Prospectus a PAL which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of Rights Shares shown therein. If the Qualifying Shareholders wish to accept all the Rights Shares provisionally allotted to them as specified in the PALs, they must lodge the PALs in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by no later than 4:00 p.m. on Wednesday, 7 August 2024. All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by cashier's orders which must be issued by, a licensed bank in Hong Kong and made payable to "Wuxi Life International Holdings Group Ltd" and crossed "ACCOUNT PAYEE ONLY". The benefit of any rounding adjustments will be retained by the Company.

It should be noted that unless the duly completed PAL, together with the appropriate remittance, has been lodged with the Registrar by no later than 4:00 p.m. on Wednesday, 7 August 2024, whether by the original allottee or any person in whose favour the provisional allotment has been validly transferred, that provisional allotment and all rights and entitlement thereunder will be deemed to have been declined and will be cancelled and such Rights Shares will be available for application under the EAFs by the Qualifying Shareholders. The Company may, at its sole discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions.

If a Qualifying Shareholder wishes to transfer all of his/her/its rights to subscribe for the Rights Shares provisionally allotted to him/her/it, the Qualifying Shareholder must complete and sign the "FORM OF TRANSFER AND NOMINATION" in the PAL and hand the PAL to the transferee(s) or through whom the Qualifying Shareholder are transferring his/her/its rights. The transferee(s) must then complete and sign the "REGISTRATION APPLICATION FORM" in the PAL and lodge the PAL intact together with a remittance for the full amount payable on acceptance with the Registrar, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by not later than 4:00 p.m. on Wednesday, 7 August 2024.

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If the Qualifying Shareholders wish to accept only part of the provisional allotment or transfer part of their rights to subscribe for the Rights Shares provisionally allotted to them under the PAL or transfer part/all of their rights to more than one person, the original PAL must be surrendered for cancellation by no later than 4:30 p.m. on Tuesday, 30 July 2024 to the Registrar, who will cancel the original PAL and issue new PALs in the denominations required. The new PALs will be available for collection from the Registrar, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, 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 or 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 PAL with a cheque or a cashier's order will constitute a warranty by such person 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 cheque or cashier's order is dishonoured on first presentation, and in that event the provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled.

No action has been taken to permit the offering of the Rights Shares or the distribution of the Prospectus Documents in any territory other than Hong Kong. Accordingly, no person receiving the Prospectus Documents in any territory outside Hong Kong may treat it as an offer or invitation to apply or subscribe for the Rights Shares, unless in a territory where such an offer or invitation could lawfully be made without compliance with any registration or other legal and regulatory requirements thereof. Completion and return of the PAL by anyone outside Hong Kong will constitute a warranty and representation by such person to the Company that all 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. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above warranty and representation. The Company reserves the right to refuse to accept any application or subscription for Rights Shares where it believes that doing so would violate the applicable securities or other laws or regulations of any jurisdiction. No application for Rights Shares will be accepted from any person who is a Non-Qualifying Shareholder.

As disclosed in the paragraph headed "Rights of Overseas Shareholders", there would be no Non-Qualifying Shareholder on the Record Date. Accordingly, the Prospectus Documents will be despatched to the Qualifying Shareholders (including the Overseas Shareholders having registered address in the PRC and the BVI) on the Prospectus Posting Date.

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Application for excess Rights Shares

Qualifying Shareholders shall be entitled to apply, by way of excess application, for (i) the Rights Shares representing the entitlement of the Non-Qualifying Shareholders which cannot be sold at a net premium; and (ii) any Rights Shares provisionally allotted but not validly accepted by the Qualifying Shareholders or transferees of nil-paid Rights Shares. Application may be made by completing the EAF for excess Rights Shares and lodging the same with a separate remittance for the excess Rights Shares being applied for. The Company will allocate the Rights Shares in excess of the entitlement at its discretion on a fair and equitable basis to the Qualifying Shareholders who have applied for excess Rights Shares. Shareholders who have been offered odd lots of the Rights Shares should note that there is no guarantee that such odd lots of the Rights Shares will be topped up to create whole board lots pursuant to applications for the excess Rights Shares.

The Board will allocate the excess Rights Shares at its discretion, but on a fair and equitable basis as far as practicable on the following principles:

- (i) no preference will be given to applications for topping-up odd-lot holdings to whole lot holdings as the giving of such preference may potentially be abused by certain investors by splitting their Shares and thereby receiving more Rights Shares than they would receive if such preference is not given, which is an unintended and undesirable result;
- (ii) the excess Rights Shares will be allocated to the applicants on a pro rata basis based on the number of excess Rights Shares applied for by them. No reference will be made to Rights Shares subscribed through PALs, or the number of Shares held by the Qualifying Shareholders; and
- (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, excess Rights Shares will be allocated in full in accordance with the EAFs to each Qualifying Shareholder who applies for excess Rights Shares.

Qualifying Shareholders who wish to apply for excess Rights Shares in addition to their provisional allotments must complete both the PAL and the EAF.

Beneficial owners of Shares whose Shares are held by a nominee company (including HKSCC Nominees Limited) should note that for the purpose of the Rights Issue, the Board will regard the nominee company as a single Shareholder according to the register of members of the Company. Accordingly, the beneficial owners of Shares whose Shares are registered in name of nominee companies should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to beneficial owners individually.

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A Shareholder who applies to take up all or part of his/her/its entitlement under the PAL and/or excess Rights Shares under the EAF may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code or cause the public float of the Company to decrease to below 25%. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder for his/her/its assured entitlement under the Rights Issue or excess Rights Shares under the EAF may be scaled down to a level which (a) does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance to the note to Rule 10.26(2) of the GEM Listing Rules; and (b) does not cause the Company's public float to decrease to below 25%. Shares subject to scale down will be available for application as excess Rights Shares to other Qualifying Shareholders, any subscription monies not utilized due to scaled-down application of entitled Rights Shares or excess Rights Shares will be refunded to the affected applicants.

If a Qualifying Shareholder wishes to apply for any Rights Shares in addition to his/her/its provisional allotment, he/she/it must complete and sign the enclosed EAF in accordance with the instructions printed thereon and lodge the same with a separate remittance for the amount payable on application in respect of the excess Rights Shares being applied for with the Registrar, Tricor Tengis Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:00 p.m. on Wednesday, 7 August 2024. All remittances must be made in Hong Kong dollars by cheques which must be drawn on a bank account with, or by cashier's orders which must be issued by, a licensed bank in Hong Kong and made payable to "Wuxi Life International Holdings Group Ltd – Excess Application AC" and crossed "ACCOUNT PAYEE ONLY". The Registrar will notify the relevant Qualifying Shareholders of any allotment of excess Rights Shares made to them.

If no excess Rights Shares are allotted to a Qualifying Shareholder who has applied for excess Rights Shares, the remittance tendered on application is expected to be returned by refund cheque to that Qualifying Shareholder in full without interest by ordinary post at his/her/its own risk by the Registrar on or before Thursday, 15 August 2024. If the number of excess Rights Shares allotted to a Qualifying Shareholder is less than that applied for, the surplus remittance without interest is also expected to be returned by refund cheque to that Qualifying Shareholder by ordinary post at his own risk by the Registrar on or before Thursday, 15 August 2024.

All cheques or 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 a cashier's order in payment for the 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. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any EAF in respect of which the cheque or cashier's order is dishonoured on first presentation.

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The EAF is for use only by the person(s) to whom it is addressed and is not transferable. All documents, including cheques or cashier's orders for amounts due, will be sent by ordinary post at the risk of the person(s) entitled thereto to their registered addresses by the Registrar. The Company may, at its discretion, treat an EAF as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the EAF is not completed in accordance with the relevant instructions. No action has been taken to permit the offering of the Rights Shares or the distribution of the Prospectus Documents in any territory other than Hong Kong. Accordingly, no person receiving a copy of the EAF in any territory outside Hong Kong may treat it as an offer or invitation to apply for the excess Rights Shares, unless in a territory where such an offer or invitation could lawfully be made without compliance with any registration or other legal and regulatory requirements thereof. Completion and return of the EAF together with a cheque or cashier's order in payment for the excess Rights Shares applied for will constitute a warranty and representation from such Qualifying Shareholder(s) to the Company that all registration, legal and regulatory requirements of all relevant jurisdictions in connection with the EAF and any application thereunder, have been, or will be, duly complied with. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above warranty and representation. The Company reserves the right to refuse to accept any application for excess Rights Shares where it believes that doing so would violate the applicable securities or other laws or regulations of any jurisdiction.

Action to be taken by beneficial owners whose Shares are held by a registered owner (other than Shares deposited in CCASS)

If you are a beneficial owner whose Shares are registered in the name of a registered owner and you wish to subscribe for the Rights Shares provisionally allotted to you, or sell your nil-paid Rights Shares or "split" your nil-paid Rights Shares and accept part of your provisional allotment and sell the remaining part, you should contact the registered owner and provide the registered owner with instructions or make arrangements with the registered owner in relation to the acceptance, transfer and/or "splitting" of the rights to subscribe for Rights Shares which have been provisionally allotted in respect of the Shares in which you are beneficially interested.

Such instructions and/or arrangements should be given or made in advance of the relevant dates stated in the section headed "Expected Timetable" in this Prospectus and otherwise in accordance with the requirements of the registered owner in order to allow the registered owner sufficient time to ensure that your instructions are given effect. You should consult your professional adviser if in doubt.

Action to be taken by beneficial owners holding interests in Shares through CCASS

If you are a beneficial owner whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, and you wish to subscribe for the Rights Shares provisionally allotted to you, or sell your nil-paid Rights Shares or "split" your nil-paid Rights Shares and accept part of your provisional allotment and sell the remaining part, you should

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(unless you are a CCASS Investor Participant) contact your intermediary and provide your intermediary with instructions or make arrangements with your intermediary in relation to the acceptance, transfer and/or “splitting” of the rights to subscribe for Rights Shares which have been provisionally allotted in respect of the Shares in which you are beneficially interested. You should consult your professional adviser if in doubt.

Such instructions and/or arrangements should be given or made in advance of the relevant dates stated in the section headed “Expected Timetable” in this Prospectus and otherwise in accordance with the requirements of your intermediary in order to allow your intermediary sufficient time to ensure that your instructions are given effect.

The procedure for acceptance, transfer and/or “splitting” by CCASS Participants of the Rights Shares provisionally allotted to CCASS stock accounts in respect of the Shares registered in the name of HKSCC Nominees Limited shall be in accordance with the “General Rules of CCASS”, the “CCASS Operational Procedures” and any other requirements of CCASS. The procedures for acceptance, transfer and/or “splitting” of Rights Shares provisionally allotted to beneficial owners who have been admitted to participate in CCASS as investor participants shall be in accordance with HKSCC’s “Operating Guide for Investor Participants” and any other requirements of CCASS. Beneficial owners who have been admitted to participate in CCASS as investor participants should contact CCASS and provide CCASS with instructions or make arrangements with CCASS in relation to the manner in which such beneficial owners’ interests in Rights Shares should be dealt with.

Share certificates and refund cheques for the Rights Issue

Subject to the fulfilment of the conditions of the Rights Issue, certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before Thursday, 15 August 2024.

Refund cheques in respect of wholly or partially unsuccessful applications for Rights Shares and excess Rights Shares, or if the Rights Issue does not proceed, are expected to be despatched on or before Thursday, 15 August 2024 to the applicants without interest to their registered addresses by ordinary post at their own risks.

Application for listing of the Rights Shares

The Company has applied to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares (in both nil-paid and fully-paid forms) to be issued and allotted pursuant to the Rights Issue. No part of the equity or debt securities of the Company is listed or dealt in, and no listing of or permission to deal in any such securities is being or is proposed to be sought, on any other stock exchanges. Dealing in the Rights Shares in both their nil-paid and fully-paid forms will be in the board lots of 20,000 Rights Shares.

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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 commencement dates of the dealings in the Rights Shares in both their nil-paid and fully-paid forms or such other dates as may be 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 licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Dealing in the Rights Shares in both their nil-paid and fully-paid forms which are registered in the register of members of the Company in Hong Kong will be subject to the payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

Taxation

Shareholders are advised to consult their professional advisers if they are in any doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the Rights Shares and, regarding the Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sale of the nil-paid Rights Shares on their behalf.

REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS

The Group is principally engaged in (i) developing and marketing of patented server based technology and the provision of communications software platform and software related services; and (ii) game publishing, development of mobile game and related intellectual property and platform, mobile applications and data solutions and provision of IT related solutions. The gross proceeds from the Rights Issue are expected to be up to approximately HK\$30.54 million (assuming no further issue of Shares or repurchase of Shares on or before the Record Date and all the Qualifying Shareholders taking up their respective allotment of Rights Shares in full).

The Board had considered fund raising by debt financing, however it would create additional interest burden on and result in a higher gearing ratio of the Group, especially with recent global interest rate hikes; and subject the Group to repayment obligations which are less beneficial to the Group. Particularly, instead of the recurring nature of potential finance costs to be incurred under debt financing, the professional fees under the Rights Issue are one-off and are estimated to be approximately HK\$1.8 million merely. Based on the net proceeds of approximately HK\$28.74 million under the Rights Issue and the effective interest rates of 18.0% per annum of the existing interest-bearing borrowings of the Group (details of which please refer to note 27(c) to the consolidated financial statements of the annual report of the Company for the

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year ended 31 December 2023), the potential finance costs would be approximately HK\$5.2 million per year if the Company raises fund by way of debt financing. In view of this, the Board has avoided raising funds via debt financing on this occasion.

Equity fund raising, such as the placing of new Shares, would be relatively small as compared to a rights issue and it would not allow the Qualifying Shareholders to participate in the fund raising exercise and their respective shareholdings in the Company would be diluted without an equal opportunity to maintain their proportionate interests in the Company. In comparison, the Rights Issue is pre-emptive in nature, allowing Qualifying Shareholders to maintain their respective pro-rata shareholding through their participation in the Rights Issue. Pursuant to the Rights Issue, the Qualifying Shareholders may (a) increase their respective interests in the shareholding of the Company by acquiring additional rights entitlement in the open market or by applying for excess Right Shares under the EAF (subject to availability); or (b) reduce their respective interests in the shareholding of the Company by disposing of their rights entitlements in the open market (subject to market demand). The Board considers that the Rights Issue effected on a pro-rata basis gives all the Qualifying Shareholders an equal opportunity to participate in the enlargement of the capital base of the Company, whereas an open offer does not provide Shareholders with the same opportunity to increase or decrease their respective interests in the shareholding of the Company as described above. As such, the Board considered an open offer to be less favourable to the Shareholders and did not pursue it. The Board considers it is prudent and preferable to finance the long-term growth of the Group in the form of equity fund raising which will not increase the Group's financing 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. As at the Latest Practicable Date, the Group has not identified any strategic investment opportunities. The Company will inform the Shareholders and make announcement(s) in accordance with the GEM Listing Rules as and when appropriate in the event that any strategic investment opportunities is crystallised.

As a result of the Group's strategic reassessment in the mobile games and applications segment, the Company chose to postpone the development of mobile games and applications for a certain period. However, recognising the growing significance of advertising e-commerce, the Company decided to launch its own advertising e-commerce platform which targets active online shoppers with personalized advertisements. The advertising e-commerce platform “紫紅盒子” has been launched in late 2023 which is a combination of social media and sales channel which aim to develop an interactive application to foster franchising and brand development. The platform offers customers a wide spectrum of product categories such as fashion and beauty products, household necessities and home appliances, apparel and accessories. As at the Latest Practicable Date, the Group offers more than 19,000 products sourcing from over 350 suppliers through its advertising e-commerce platform. Since the establishment of the platform in late 2023, the gross merchandise value exceeds RMB248 million and the accumulative number of new downloads of the “紫紅盒子” mobile app reached over 844,000 with more than 62,000 registered users. The Company currently has 36 employees working for the platform. The

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platform provides a tailored product recommendations and incentives in the form of advertising rewards or discounts. The Company believes that by capitalising on the precise marketing capabilities and the potential for increased profitability, the advertising e-commerce platform will contribute significantly to its overall business growth and success. Nevertheless, the Group has never planned to cease to develop and publish its own mobile game. The management of the Company will continuously assess the Group's strategy and allocate its resources to maintain a sustainable growth. The Group will continue to focus on its two principal business, namely software platform business and mobile games and applications business, while diversifying its revenue stream by developing the advertising e-commerce platform.

The advertising e-commerce platform generates revenue primarily from price differences between purchase and retail prices of products sold, as well as slotting fees from brand owners. The platform incentivizes customers to earn loyalty points by making purchases and engaging in activities like watching advertisements, short dramas, and mini-games. These activities leverage the Company's expertise in developing successful mobile games, as both utilize similar mobile app development processes.

Given typically low user retention rates for mobile games, the Directors believe that focusing the platform on lifestyle, cosmetic, and female-focused products aligned with market trends and consumer behaviour to build sustainable revenue streams. The e-commerce market for lifestyle and cosmetics is rapidly expanding due to higher demand for quality and customized online shopping experiences for women.

By offering curated content and products tailored to the target demographic's values and interests, the platform is uniquely positioned to capitalize on this market opportunity. Thorough big data analysis tracks user behaviour patterns to adjust strategies as needed. The platform adopts data-driven marketing, leveraging analytics to optimize customer engagement and retention. The Group regularly analyses core customer preferences to enhance advertising effectiveness.

As of the Latest Practicable Date, the Company is negotiating with potential partners to aid with platform development, but has not yet formed any strategic partnerships.

The estimated net proceeds from the issuance are approximately HK\$28.74 million which will be allocated to the further development and expansion of the advertising e-commerce platform already launched by the Group as follows:

- (i) HK\$5.0 million will be used for the further development and optimisation of the advertising e-commerce platform and the mobile applications. This includes procurement of necessary hardware, software licenses, and the integration of advanced tracking and data analytics capabilities. The Company is aiming to establish a robust foundation that supports targeted advertising and maximizes user engagement. As at the Latest Practicable Date, the Group expects to utilise such proceeds by the end of 2024;

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- (ii) HK\$15.0 million will be used for marketing and user acquisition strategies. Following the publication of the mobile application of the advertising e-commerce platform, the Company will launch a series of digital marketing campaigns, social media promotions, and partnerships with key influencers to drive traffic and grow the user base. The marketing initiatives are planned to be rolled out in stages, correlating with the platform development milestones to ensure maximum impact and efficient use of resources. As at the Latest Practicable Date, the Group expects to utilise such proceeds by the end of the first half of 2025;
- (iii) HK\$5.0 million will be used for operational costs associated with the platform, including server hosting, maintenance, and customer support. These operational expenses are crucial for the seamless performance of the platform and to ensure high availability and reliability, which are essential for user retention and trust. The allocation will be spread over the financial year to maintain consistent quality of service. As at the Latest Practicable Date, the Group expects to utilise such proceeds by the end of the first quarter of 2025;
- (iv) HK\$2.0 million will be used for forming strategic partnerships and business development. This includes forming alliances with e-commerce vendors, advertisers, and other platforms to create a diverse and dynamic marketplace. As at the Latest Practicable Date, the Group expects to utilise such proceeds by the end of 2025; and
- (v) the remaining net proceeds of approximately HK\$1.7 million will be used as general working capital of the Group, such as payment of rental expenses and remuneration of employees of the Group. As at the Latest Practicable Date, the Group expects to utilise such proceeds by the end of first quarter of 2025.

The Rights Issue will proceed irrespective of the level of acceptance of provisionally allotted Rights Shares. In the event that there is an under-subscription of the Rights Issue, the net proceeds of the Rights Issue will be allocated and utilised in accordance with the same proportion to the above uses. As at the Latest Practicable Date, the Company has not received any information or undertaking from any substantial Shareholders of any intention to take up or not to take up the securities of the Company to be provisionally allotted to them under the Rights Issue.

The estimated net subscription price per Rights Share after deducting the related expenses of the Rights Issue is expected to be approximately HK\$0.1129.

The Board considers that the Rights Issue will provide an opportunity to raise capital for the Company to accommodate the funding need for development of the Group whilst increasing the capital base and financial position of the Company and give the Qualifying Shareholders equal opportunity to maintain their respective pro-rata shareholding interests in the Company. Hence, the Board considers that fund raising through the Rights Issue is in the interests of the

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Company and the Shareholders as a whole. However, those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and Non-Qualifying Shareholders should note that their shareholdings will be diluted.

SHAREHOLDING STRUCTURE OF THE COMPANY

Sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) immediately upon completion of the Rights Issue:

Name of Shareholder	As at the Latest Practicable Date		Immediately after completion of the Rights Issue (assuming full acceptance of the Rights Shares by all Qualifying Shareholders and no excess Rights Shares taken up)	
	Number of Shares	Approx. %	Number of Shares	Approx. %
Mr. Liu Guanzhou ^{Note}	37,000,000	29.07	111,000,000	29.07
Mr. Zhang Dong	14,356,595	11.28	43,069,785	11.28
Other public Shareholders	<u>75,907,405</u>	<u>59.65</u>	<u>227,722,215</u>	<u>59.65</u>
Total	<u>127,264,000</u>	<u>100.00</u>	<u>381,792,000</u>	<u>100.00</u>

Note: Mr. Liu Guanzhou is the chairman of the Board and an executive director of the Company. He is interested in 37,000,000 Shares of the Company as at the Latest Practicable Date.

FUND RAISING EXERCISE OF THE COMPANY IN THE PAST 12 MONTHS

The Company has not conducted any fund-raising activities involving issue of securities in the past 12 months.

WARNING OF THE RISKS OF DEALINGS IN THE SHARES AND RIGHTS SHARES IN NIL-PAID FORM

The Rights Issue is subject to the fulfilment of conditions including the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. If the conditions to the Rights Issue are not fulfilled, the Rights Issue will not proceed.

Any Shareholder or other person dealing in Shares and/or the nil-paid Rights Shares up to the date on which all the conditions of the Rights Issue are fulfilled will accordingly bear the risk that the Rights Issue may not proceed.

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Subject to the fulfilment of conditions, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of provisionally allotted Rights Shares. Accordingly, if the Rights Issue is undersubscribed, the size of the Rights Issue will be reduced. Qualifying Shareholders who do not take up their assured entitlements in full and Non-Qualifying Shareholders, if any, should note that their shareholdings in the Company may be diluted, the extent of which will depend in part on the size of the Rights Issue.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares.

ADDITIONAL INFORMATION

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

By order of the Board
Wuxi Life International Holdings Group Limited
Liu Guanzhou
Chairman

A. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for the three years ended 31 December, 2021, 2022 and 2023 are disclosed in the following documents which have been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (<https://www.wuxilife.com.hk>), respectively:

- (i) the audited consolidated financial information of the Group for the year ended 31 December 2023 is disclosed in the annual report of the Company for the year ended 31 December 2023 published on 28 March 2024, from pages 49 to 175

<https://www1.hkexnews.hk/listedco/listconews/gem/2024/0412/2024041200526.pdf>

- (ii) the audited consolidated financial information of the Group for the year ended 31 December 2022 is disclosed in the annual report of the Company for the year ended 31 December 2022 published on 31 March 2023, from pages 48 to 167

<https://www1.hkexnews.hk/listedco/listconews/gem/2023/0402/2023040200031.pdf>

- (iii) the audited consolidated financial information of the Group for the year ended 31 December 2021 is disclosed in the annual report of the Company for the year ended 31 December 2021 published on 23 March 2022, from pages 48 to 167

<https://www1.hkexnews.hk/listedco/listconews/gem/2022/0330/2022033000575.pdf>

B. INDEBTEDNESS

At the close of business on 15 June 2024, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this Prospectus, the Group had outstanding borrowings of HK\$4.7 million and lease liabilities amounting to approximately HK\$0.9 million.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, the Group did not have at the close of business on 15 June 2024 any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchases commitments, guarantees or other material contingent liabilities.

C. WORKING CAPITAL

The Directors, after due and careful consideration, are of the opinion that, taking into consideration the estimated net proceeds from the Rights Issue and the financial resources available to the Group including internally generated funds, bank and other facilities, the Group will have sufficient working capital for its operation for at least twelve months from the date of this Prospectus.

The Company has obtained the relevant confirmation as required under the GEM Listing Rules.

D. MATERIAL ADVERSE CHANGE

The Board confirmed that there has been no material adverse change in the financial or trading position of the Group since 31 December 2023, being the date to which the latest published audited accounts of the Group were made up, up to and including the Latest Practicable Date.

E. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Group is principally engaged in (i) developing and marketing of patented server based technology and the provision of communications software platform and software related services; and (ii) game publishing, development of mobile game and related intellectual property and platform, mobile applications and data solutions and provision of IT related solutions. As a result of the Group's strategic reassessment, the Company decided to postpone the development of mobile games and applications for a certain period and launched its own advertising e-commerce platform to capture the opportunities arising from the growing advertising e-commerce market. The management of the Company will continuously assess the Group's strategy and allocate its resources to maintain a sustainable growth in the Group's two principal business while developing the advertising e-commerce platform to diversity its revenue stream.

The information technology ("IT") market in Hong Kong has been experiencing robust growth. Despite the Hong Kong economy fluctuates in the past decade, according to Census and Statistics Department, the real gross domestic product of information and communications sector, as adjusted for inflation, has been experiencing year-on-year growth for 15 consecutive years, increasing from approximately HK\$66.2 million in 2008 to approximately HK\$101.0 million in 2023. Fuelled by small and medium enterprises ("SMEs") rapidly adopting advanced IT solutions, it enhances operational efficiency and spurs growth through resources management software that strengthens customer engagement and loyalty. SMEs leverage IT services to streamline operations, driving increased IT investments.

With the lifting of COVID-19 related quarantine measures, life gradually returned to normal, and the Group's project progress gradually returned to normal. In addition, the Hong Kong Government promulgated the Hong Kong Innovation and Technology Development Blueprint at the end of 2022 and is determined to allocate resources for developing Hong Kong into an international information and technology centre, which are reflected in both the Chief Executive 2023 Policy Address and the 2023-24 Budget. As a result, the Group's business has been positively impacted by the gradual recovery of the economy and the increased investment in technology by the Hong Kong government, which is considered as the major customer of the Company.

Looking forward, given the growing momentum of the Group's software platform business, and following the recovery of COVID-19 with the favouring government policies, the Group is confident that there will be room for development in its software platform business. Evidenced by the approximately 14.3% growth in the Group revenue for the year ended 31 December 2023, the Group will continue to strengthen its competitiveness and develop its software platform in the context of the advancement in technology. The Group will also continue to maintain a long term relationship with the existing clients while actively participate in tendering for different projects with an aim of expanding its customer base as well as securing more sales orders from existing customers. On the other hand, as the result of the Group's strategic review, the management of the Company temporarily postponed the development of the Group's mobile games business and will prudently allocate the existing resources to expand its software platform business.

However, facing the competition in the fiercely competitive and ever-changing market, the Group will continue to put in enough resources to meet the increasingly innovative industry standards for customer's demand. In navigating the post-pandemic landscape, the Company's strategy concentrates on expanding in high-growth sectors while maintaining presence in slower growth areas.

Further, the surge in Big Data adoption is a pivotal trend in Hong Kong's IT landscape. Enterprises utilize Big Data analytics to refine production and sales strategies, aiding expansion into global markets. Startups also harness analytics to help established companies with data-driven decision-making, optimizing efficiency and enhancing consumer experiences. This growing Big Data reliance underpins the market's expansion.

The newly launched advertising e-commerce platform is well-positioned to benefit from these IT market dynamics in Hong Kong. It strategically enables SMEs to expand their reach and efficiency in advertising. By providing a centralized digital marketplace, the platform can potentially lower marketing costs and increase rate of return for SMEs through targeted advertising and analytics. Aligning with current IT trends, the platform could also offer innovative data-driven advertising solutions, tapping into the widespread use of data analytics and AI to enhance ad relevance and engagement. This aligns with digital transformation, giving SMEs a resilient and forward-thinking advertising channel amid the evolving economic climate.

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

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group has been prepared by the Directors in accordance with paragraph 7.31 of the GEM Listing Rules to illustrate the effect of the Rights Issue on the audited consolidated net tangible assets of the Group attributable to the owners of the Company as if the Rights Issue had taken place on 31 December 2023.

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group has been prepared for illustrative purpose only, and because of its hypothetical nature, may not give a true picture of the consolidated net tangible assets of the Group had the Rights Issue been completed as at 31 December 2023 or at any future date.

The following statement of unaudited pro forma consolidated net tangible assets of the Group is prepared based on the audited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2023, as extracted from the Company's annual report for the year ended 31 December 2023, and is adjusted as described below:

	Audited consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2023 <i>HK\$'000</i> <i>(Note 1)</i>	Estimated net proceeds from the Rights Issue <i>HK\$'000</i> <i>(Note 2)</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as if the Rights Issue had been completed on 31 December 2023 <i>HK\$'000</i>
Based on the issue of 254,528,000 Rights Shares at the Subscription			
Price of HK\$0.12 per Rights Share <i>(Note 3)</i>	804	28,740	29,544
Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share as at 31 December 2023 immediately after the completion of the Capital Reorganisation but prior to the completion of the Rights Issue <i>(Note 4)</i>			HK\$0.01
Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share as at 31 December 2023 immediately after the completion of the Capital Reorganisation and the completion of the Rights Issue as if the Rights Issue had been completed on 31 December 2023 <i>(Note 5)</i>			HK\$0.08

Notes:

1. The audited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2023 is extracted from the audited consolidated net assets attributable to the owners of the Company as at 31 December 2023 of approximately HK\$804,000 as shown on the consolidated statement of financial position as at 31 December 2023 extracted from the Company's annual report for the year ended 31 December 2023.
2. The estimated net proceeds from the Rights Issue of approximately HK\$28,740,000 are based on estimated gross proceeds of HK\$30,543,000 to be raised by the issue of an assumed number of 254,528,000 Rights Shares at the subscription price of HK\$0.12 per Rights Share, after deduction of the related expenses including, among others, placing commission and other professional fees of approximately HK\$1,803,000.
3. The Rights Issue involves the issue of an assumed number of 254,528,000 Rights Shares on the basis of two Rights Shares for every one Share held on the Record Date. The number of Rights Shares of 254,528,000 is arrived at assuming no new Shares will be issued after the Latest Practicable Date and up to the Record Date. Since no new shares were issued after the date of announcement up to the Latest Practicable Date, the number of Shares as at 31 December 2023 immediately after the Capital Reorganisation entitled to the Rights Issue is 127,264,000, accordingly, the number of Rights Shares to be issued would be 254,528,000.
4. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share as at 31 December 2023 immediately after the Capital Reorganisation but before the completion of the Rights Issue is calculated based on the audited consolidated net tangible assets of the Group attributable to owners of the Company of approximately HK\$804,000 as at 31 December 2023 divided by 127,264,000 Shares assumed to be in issue as at 31 December 2023.
5. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share as at 31 December 2023 immediately after the completion of Capital Reorganisation and the Rights Issue is calculated based on the unaudited pro forma consolidated net tangible assets of the Group as at 31 December 2023 attributable to owners of the Company of approximately HK\$29,544,000 divided by 381,792,000 Shares, which represents 127,264,000 Shares assumed to be in issue as at 31 December 2023 and 254,528,000 Rights Shares, assuming the Share Consolidation has become effective and the Rights Issue has been completed on 31 December 2023.
6. Save as disclosed above, no adjustment has been made to the unaudited pro forma financial information of the Group to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2023.

The following is the text of a report, prepared for the sale purpose of inclusion in this prospectus from the independent reporting accountant, Fan, Chan & Co. Limited, Certified Public Accountants, Hong Kong.

**B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION****To the directors of Wuxi Life International Holdings Group Limited**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Wuxi Life International Holdings Group Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Company as at 31 December 2023, and related notes (the “**Unaudited Pro Forma Financial Information**”) as set out on pages 1 to 2 of Appendix II of the Company’s prospectus dated 24 July 2024 (the “**Prospectus**”) in connection with the rights issue on the basis of two rights shares for every one share of the Company (the “**Rights Issue**”). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described on pages 1 to 2 of Appendix II of the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the Rights Issue on the Group’s financial position as at 31 December 2023 as if the Rights Issue had taken place as at 31 December 2023. As part of this process, information about the Group’s net tangible assets has been extracted by the Directors from the Group’s financial information for the year ended 31 December 2023, in respect of which an annual report has been published.

Directors’ Responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 7.31 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (“**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.

Our firm applies Hong Kong Standard on Quality Management 1 “Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements” issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants’ Responsibilities

Our responsibility is to express an opinion, as required by paragraph 7.31(7) of the GEM Listing Rules, on the Unaudited 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 Unaudited 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 accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 7.31 of the GEM Listing Rules and with reference to AG 7 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 Unaudited 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 Unaudited Pro Forma Financial Information.

The purpose of Unaudited Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of the Rights Issue on unadjusted financial information of the Group as if the Rights Issue 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 Rights Issue would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited 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 Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the Rights Issue, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and

- the Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the Rights Issue in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

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

Opinion

In our opinion:

- (a) the Unaudited 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 Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 7.31(1) of the GEM Listing Rules.

Fan, Chan & Co. Limited

Certified Public Accountants

Leung Kwong Kin

Practising Certificate Number: P03702

Hong Kong

24 July 2024

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

(i) Share Capital as at the Latest Practicable Date:

<i>Authorised:</i>	<i>HK\$</i>
<u>12,000,000,000</u> Shares of HK\$0.01 each	<u>120,000,000</u>
 <i>Issued and fully paid:</i>	
<u>127,264,000</u> Shares of HK\$0.01 each	<u>1,272,640</u>

(ii) Share Capital immediately upon completion of the Rights Issue (assuming no further issue of Shares or repurchase of Shares on or before the completion of the Rights Issue (other than issue of the Rights Shares) and the Rights Issue is fully subscribed)

<i>Authorised:</i>	<i>HK\$</i>
<u>12,000,000,000</u> Shares of HK\$0.01 each	<u>120,000,000</u>
 <i>Issued and fully paid:</i>	
<u>127,264,000</u> Shares of HK\$0.01 each	<u>1,272,640</u>
<u>254,528,000</u>	<u>2,545,280</u>
Rights Shares to be allotted and issued under the Rights Issue	
<u>381,792,000</u>	<u>3,817,920</u>
Shares in issue immediately upon completion of the Rights Issue	

All the Shares and the Rights Shares in issue and to be issued rank and will rank *pari passu* in all respects with each other including rights to dividends, voting and return of capital. The Shares and the Rights Shares in issue and to be issued are or will be listed on GEM.

As at the Latest Practicable Date, the Company did not have any other derivatives, options, warrants, other securities or conversion rights or other similar rights which are convertible or exchangeable into, any Shares and no capital of any member of the Group was under option, or agreed conditionally or unconditionally to be put under option. The Company has no intention to issue or grant any convertible securities, warrants and/or options on or before the Record Date.

No part of the equity or debt 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 equity or debt securities of the Company to be listed or dealt in on any other stock exchange.

As at the Latest Practicable Date, there was no arrangement under which future dividends are waived or agreed to be waived.

3. DISCLOSURE OF INTERESTS

(a) Director's and chief executive's interest and short positions in shares and underlying shares and debentures of the Company of its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required (i) 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 in which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein; or (iii) pursuant to Rules 5.46 to 5.47 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Long position in the Shares and underlying shares of the Company

Name of Director	Capacity/ Nature of interest	Number of Shares held/ interested	Approximate percentage of shareholding
Mr. Liu Guanzhou	Beneficial owner	37,000,000	29.07

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or 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) which were required (i) 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) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors, to be notified to the Company and the Stock Exchange.

(b) Interests of substantial Shareholders

As at the Latest Practicable Date, so far as is known to any of the Directors or the chief executive of the Company, the following persons (other than a Director and the chief executive of the Company as disclosed above) had interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO, who is interested in 5% or more of any class of share capital carrying right to vote at the general meetings of the Company.

Name of substantial Shareholder	Capacity/ Nature of interest	Number of Existing Shares held/interested	Approximate percentage of shareholding
Ms. Zhang Jiahui	Interest of spouse	37,000,000 (Note)	29.07
Mr. Zhang Dong (張東)	Beneficial owner	14,356,595	11.28

Note: Ms. Zhang Jiahui is the spouse of Mr. Liu. Under the Securities and Futures Ordinance, Ms. Zhang is deemed to be interested in all the Company's shares in which Mr. Liu is interested.

The Board is not aware of (i) any other person who had any interests or short positions in the Shares or underlying Shares which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be required to be recorded in the register kept by the Company under section 336 of the SFO, nor (ii) any Director who was an employee or director of any substantial shareholder of the Company as at the Latest Practicable Date.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group other than contracts expiring or determinable by the Group within one year without payment of compensation (other than statutory compensation).

5. COMPETING INTERESTS

To the best knowledge of the Directors, as at the Latest Practicable Date, none of the Directors and the controlling shareholders of the Company and employees of the Company nor their respective close associates had any business or interest which competed or might compete, either directly or indirectly, with the business of the Group or any other conflict of interest which any such person had or might have with the Group which would be required to be disclosed under Rule 11.04 of the GEM Listing Rules.

6. MATERIAL LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

7. DIRECTORS' INTERESTS IN ASSETS, CONTRACTS OR ARRANGEMENTS

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2023, the date to which the latest published audited accounts of the Group were made up. There was no contract or arrangement entered into by any member of the Group, subsisting as at the Latest Practicable Date, in which any of the Directors was materially interested and which was significant in relation to the business of the Group as a whole.

8. RISKS FACTORS

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

- (a) the revenue from the software platform business of the Group is typically derived from projects which are non-recurring in nature. In the event that the Group fails to secure new projects in the future, the business and financial positions and prospects of the Group may be materially and adversely affected;

- (b) the products of the Group are influenced by factors such as market demand, the number of active users, and competition from similar applications. A sustained decrease in user engagement or pricing power due to market oversaturation or innovation by competitors could negatively impact the developer's profitability;
- (c) the software and mobile applications market is highly competitive and evolves rapidly with technological advancements. Developers face challenges from rising development costs, changing user preferences, and the emergence of new, more efficient applications. Failure to innovate and adapt to market trends could lead to a decline in the developer's market share and financial performance;
- (d) the business of the Group depends considerably on its experienced technical staff members, such staff members are continuously in great demand in the labour market. In the event that the Group's competitors offer more attractive compensation packages, the Group may not be able to retain them to sustain its business growth, or its staff expenses in relation thereto may increase substantially, both of which could have a material adverse effect on the Group's business and financial result;
- (e) the Group's trade receivables are subject to credit risk. If the counter-parties default on their settlements to the Group, the Group will suffer financial loss; and
- (f) the changes in the macro-economic situation and other factors such as instability of regulations, government policies and economy may have any adverse effect on the Group's business, financial condition and results.

The management of the Company considers the Group is not exposed to significant foreign currency risk as most sales, income, purchases and expenses are denominated in the functional currency of the operations to which they relate.

9. MATERIAL CONTRACTS

Save for the sale and purchase agreement dated 14 December 2023 entered into between the Company and Emperor Capital Investment Holdings Limited, an Independent Third Party, in relation to the disposal of the entire equity interest of Major Worldwide Holdings Limited at a consideration of HK\$6.0 million, there is no other contract have been entered into by members of the Group within the two years immediately preceding the Latest Practicable Date which are or may be material.

10. QUALIFICATION AND CONSENT OF EXPERTS

The following is the qualification of the experts who have given opinion, letter or advice contained in this Prospectus (the “**Experts**”):

Name	Qualification
Fan, Chan & Co. Limited	certified public accountants

As at the Latest Practicable Date, each of the above Experts has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion herein of its letters or reports and the reference to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, none of the Experts had any shareholding in any member of the Group or the 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, none of the Experts had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or which were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2023, being the date to which the latest published audited accounts of the Company were made up.

11. EXPENSE

The expenses payable by the Company in connection with the Rights Issue, including financial adviser fees, printing, registration, translation, legal and accounting fees, are estimated to be approximately HK\$1.8 million.

12. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE RIGHTS ISSUE**Board of Directors***Executive directors:*Mr. Liu Guanzhou (*Chairman*)

Ms. Liu Xingmei

Mr. Choi Pun Lap

Non-executive director:

Ms. Li Hui Ling

Independent non-executive directors:

Ms. Lam Yuen Man Maria

Mr. Fu Yan Ming

Audit Committee	Mr. Fu Yan Ming (<i>Chairman</i>) Ms. Lam Yuen Man Maria
Nomination Committee	Mr. Liu Guanzhou (<i>Chairman</i>) Ms. Lam Yuen Man Maria Mr. Choi Pun Lap
Remuneration Committee	Mr. Liu Guanzhou (<i>Chairman</i>) Ms. Lam Yuen Man Maria Mr. Fu Yan Ming
Registered Office	Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Principal place of business in Hong Kong	Room H, 2/F Manson Industrial Building 8 A Kung Ngam Village Lane Shaukeiwan, Hong Kong
Authorised representative	Mr. Hui Hung Kwan Room H, 2/F Manson Industrial Building 8 A Kung Ngam Village Lane Shaukeiwan, Hong Kong Mr. Choi Pun Lap Room H, 2/F Manson Industrial Building 8 A Kung Ngam Village Lane Shaukeiwan, Hong Kong
Compliance officer	Mr. Choi Pun Lap
Company secretary	Mr. Hui Hung Kwan A member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants

Registrar in Hong Kong	Tricor Tengis Limited 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong
Cayman Islands principal registrar and transfer office	Conyers Trust Company (Cayman) Limited Cricket Square Hutchins Drive, P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Principal bankers	Bank of China (Hong Kong) Limited 53/F Bank of China Tower 1 Garden Road Hong Kong
Auditors	Fan, Chan & Co. Limited Rooms 1007-1012, 10/F. K. Wah Centre 191 Java Road North Point, Hong Kong
Legal adviser to the Company as to Hong Kong laws	Hastings & Co. 11th Floor Gloucester Tower The Landmark 15 Queen's Road Central Central, Hong Kong
Financial adviser	Emperor Corporate Finance Limited 23/F Emperor Group Centre 288 Hennessy Road Wanchai Hong Kong

13. PARTICULARS OF THE DIRECTORS AND SENIOR MANAGEMENT**Executive Directors**

Mr. Liu Guanzhou (“**Mr. Liu**”), aged 42, has been appointed as an executive Director and chairman of the Board of the Company with effect from 14 April 2023. He has over 13 years of experience in business directory publishing and strategic consultancy, and over 10 years of experience in digital marketing and software business, including rich sales channels and business network in the People’s Republic of China.

Mr. Liu is the shareholder and authorised representative of several private companies which are engaging in electromechanical equipment, advertising, investment management and brand operation management. Mr. Liu has been a publisher and strategic consultant. Mr. Liu is mainly responsible for the general management and business development in the Greater China.

Ms. Liu Xingmei (“**Ms. Liu**”), aged 37, has been appointed as an executive Director of the Company with effect from 30 November 2023. She has over 7 years of experience in internet micro-business brand management, and over 2 years of experience in advertising e-commerce operation and management, including rich sales channels and business network in the People’s Republic of China. Ms. Liu has won several awards in the e-commerce industry. Ms. Liu currently leads an e-commerce team of approximately 20,000 people in the advertising e-commerce business.

Mr. Choi Pun Lap (“**Mr. Choi**”), aged 46, has been appointed as an executive Director of the Company since June 2021. He is also a member of the nomination committee. Mr. Choi has extensive knowledge in corporate finance transactions in Hong Kong. He is well experienced for working in mergers & acquisition, analysing financial and market data, responsible for coordinating and supporting integration planning for acquisitions, and taking deals through the full process to successful completion. He is currently an executive director of Zhejiang United Investment Holdings Group Limited (stock code: 8366) and Simplicity Holding Limited (stock code: 8367), the shares of both are listed on GEM of the Stock Exchange, an independent non-executive director of Sunway International Holdings Limited (stock code: 58), the shares of which are listed on the Main Board of the Stock Exchange, and Zhao Xian Business Ecology International Holdings Limited (formerly known as On Real International Holdings Limited) (stock code: 8245), the shares of which are listed on GEM of the Stock Exchange. Also, he is a principal of Absolute Value Business & Asset Valuation Limited which provides services of valuation, accounting and business solution to different companies in different industries. In the past, Mr. Choi was a financial controller of a company which is listed in GEM in 2019 and he was a senior audit manager in the audit department of HLB Hodgson Impey Cheng Limited (“**HLB**”) in Hong Kong. He has worked in HLB for more than ten years from February 2007 to December 2017.

Mr. Choi is a valuation practitioner of International Association of Certified Valuation Specialists since 2019. He is a member of Hong Kong Institute of Certified Public Accountants, a member of Certified Practising Accountants Australia and a member of Chartered Global Management Accountant. Mr. Choi graduated from Open University of Hong Kong with a Master of Law (Chinese Business Law) in Hong Kong in 2017. He obtained a Bachelor of Business (Accounting) from Central Queensland University in Australia in 2003 and further studied Postgraduate Diploma of Accounting in Monash University in Australia in 2005.

Non-executive Directors

Ms. Li Hui Ling (“**Ms. Li**”), aged 42, has been appointed as a non-executive Director of the Company since February 2023. Ms. Li possesses over 18 years of experience in software and digital marketing and finance related duties. Ms. Li is the founder of several private companies which are engaging in software business development, digital marketing business development and website business development. In the course of her career, Ms. Li has been the chief marketing officer, the general manager and the chairman of the board.

Independent non-executive Directors

Ms. Lam Yuen Man Maria (“**Ms. Lam**”), aged 54, has been appointed as an independent non-executive Director of the Company since September 2020. She is also member of each of the audit committee, remuneration committee and nomination committee.

Ms. Lam is currently a non-executive director of PanAsialum Holdings Company Limited (stock code: 2078), the shares of which are listed on the Stock Exchange, an independent non-executive director of Century Group International Holdings Limited (Stock code: 2113), the shares of which are listed on the Stock Exchange, and of China Come Ride New Energy Group Limited (Formerly known as KNK Holdings Limited) (stock code: 8039), the shares of which are listed on GEM of the Stock Exchange. She is also a company secretary and an authorised representative of a Hong Kong listed company.

Ms. Lam holds a bachelor degree in Accountancy from The Hong Kong Polytechnic University, a master degree in Management from the Macquarie University and a master degree in Applied Psychology from City University of Hong Kong. She is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants, the Hong Kong Chartered Governance Institute (formerly known as the Hong Kong Institute of Chartered Secretaries), the Chartered Governance Institute (formerly the Institute of Chartered Secretaries and Administrators) and the Chartered Institute of Arbitrators. She is also an accredited mediator of the Hong Kong Mediation Accreditation Association Limited, a member and a qualified graphologist of the British Institute of Graphologists and a member of Scientific Association of Forensic Examiners.

Prior to joining the Board, Ms. Lam has worked with an international accounting firm and other leading listed and private group of companies and has extensive experience in company secretarial practice, assurance, treasury and finance. She is currently providing management consultancy and corporate secretarial services to listed issuers and private companies, and graphology consultancy and training services.

Mr. Fu Yan Ming (“**Mr. Fu**”), aged 59, has been appointed as an independent nonexecutive Director of the Company since May 2021. He is also member of each of the audit committee and remuneration committee.

Mr. Fu is a fellow member of The Association of Chartered Certified Accountants. He obtained a Bachelors’ Degree of Business Administration from The Chinese University of Hong Kong.

Mr. Fu possess over 30 years of experience in accounting, audit, internal control, financial management, strategic business planning, corporate finance, merger and acquisition and corporate governance. He has worked for various sizeable organizations including accounting firms, pharmaceutical distribution company, TMT (Technology, Media and Telecommunications) companies, manufacturing companies and consultancy firm. During the past 15 years, he held various senior positions including financial controller and company secretary in main and GEM board listed companies of Hong Kong. Mr. Fu was an executive director of On Real International Holdings Limited, a company listed on the GEM of the Stock Exchange (stock code: 8245) from October 2016 to September 2019. Mr. Fu is currently an independent non-executive director of Zhejiang United Investment Holdings Group Limited (stock code: 8366), a company listed on the GEM of the Stock Exchange. Currently, Mr. Fu is the finance director of a consultancy firm which provide various advice to private investment funds.

Business address of the Directors

The business address of the Directors is the same as the Company’s principal office in Hong Kong at Room H, 2/F, Manson Industrial Building, 8 A Kung Ngam Village Lane, Shaukeiwan, Hong Kong.

14. AUDIT COMMITTEE

As at the Latest Practicable Date, the audit committee of the Board comprises all the independent non-executive Directors, namely Mr. Fu Yan Ming and Ms. Lam Yuen Man Maria, being The primary duties of the audit committee include the review of the Group’s financial reporting process and the internal control systems as well as risk management of the Group.

15. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

A copy of each of the Prospectus Documents and the written consent as referred to under the paragraph headed “10. Qualification and Consent of Experts” in this Appendix, have been registered by 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. 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.

17. DOCUMENTS ON DISPLAY

Copies of the following documents are will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.wuxilife.com.hk) for a period of 14 days commencing from the date of this Prospectus:

- (a) the annual reports of the Company for each of the three financial years ended 31 March 2021, 2022 and 2023;
- (b) the accountants’ report on the unaudited pro forma financial information of the Group, the text of which is set out in Appendix II to this Prospectus;
- (c) the material contracts referred to in the paragraph headed “9. Material Contracts” of this appendix;
- (d) the written consent referred to in paragraph headed “10. Qualification and Consent of Experts” of this appendix; and
- (e) the Prospectus Documents.

18. MISCELLANEOUS

- (a) As at the Latest Practicable Date, to the best knowledge of the Directors, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong;

- (b) As at the Latest Practicable Date, the Company has no significant exposure to foreign exchange liabilities;
- (c) As at the Latest Practicable Date, there was no material contract for the hire or hire purchase of plant to or by any member of the Group for a period of over a year which is substantial in relation to the Group's business; and
- (d) In the event of any inconsistency, the English texts of this Prospectus and the accompanying form of proxy shall prevail over their respective Chinese texts.