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Hill Valley Investment Co Ltd
(Incorporated in the British Virgin Islands with limited liability)

Grace Wine Holdings Limited
怡園酒業控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8146)

JOINT ANNOUNCEMENT
(1) COMPLETION OF THE SALE AND PURCHASE AGREEMENT; (2) MANDATORY UNCONDITIONAL CASH OFFERS BY SOMERLEY CAPITAL LIMITED AND EDDID CAPITAL LIMITED FOR AND ON BEHALF OF HILL VALLEY INVESTMENT CO LTD TO ACQUIRE ALL THE ISSUED SHARES OF GRACE WINE HOLDINGS LIMITED (OTHER THAN THOSE SHARES ALREADY OWNED AND/OR AGREED TO BE ACQUIRED BY THE OFFEROR) AND TO CANCEL ALL OUTSTANDING SHARE OPTIONS OF GRACE WINE HOLDINGS LIMITED; AND (3) RESUMPTION OF TRADING

Joint Financial Advisers to the Offeror

SOMERLEY CAPITAL LIMITED

EDDID FINANCIAL

THE SALE AND PURCHASE AGREEMENT

The Company was informed by the Vendors that on 10 December 2025, the Offeror as purchaser entered into the Sale and Purchase Agreement with the Vendors, pursuant to which the Offeror conditionally agreed to acquire an aggregate of 589,480,000 Shares (equivalent to approximately 73.63% of the total issued share capital of the Company as at the date of this joint announcement) for an aggregate consideration of HK$73,629,777, equivalent to approximately HK$0.12491 per Sale Share in the following manners:

(i) the Offeror conditionally agreed to acquire 411,350,000 Shares (representing approximately 51.38% of the total issued share capital of the Company as at the date of this joint announcement) from the First Vendor at the cash consideration of HK$51,380,215;

(ii) the Offeror conditionally agreed to acquire 173,180,000 Shares (representing approximately 21.63% of the total issued share capital of the Company as at the date of this joint announcement) from the Second Vendor at the cash consideration of HK$21,631,276; and

(iii) the Offeror conditionally agreed to acquire 4,950,000 Shares (representing approximately 0.62% of the total issued share capital of the Company as at the date of this joint announcement) from the Third Vendor at the cash consideration of HK$618,286.

Pursuant to the Sale and Purchase Agreement, 30% of the Consideration (i.e. the First Instalment Consideration) were paid by the Offeror to the Vendors on the Completion Date and the balances, being 70% of the Consideration (i.e. the Second Instalment Consideration), shall be payable by the Offeror to the Vendors on the date falling on nine months after the Completion Date (which is subject to further extension of not more than three months if requested by the Offeror).

As each of the Vendors will receive deferred payment of part of the Consideration from the Offeror subsequent to Completion, each of the Vendors is treated as providing financing or financial assistance to the Offeror in connection with the acquisition of the Sale Shares and is therefore presumed to be acting in concert with the Offeror under Class (9) of the definition of "acting in concert" under the Takeovers Code.

On 10 December 2025, the Offeror executed the Share Charges in favour of the Vendors to secure its payment of the respective Second Instalment Consideration. Immediately upon Completion, the Vendors do not hold any Shares but are interested in the Charged Shares.

Completion took place on 12 December 2025, and the First Instalment Consideration was paid by the Offeror on the same date. For the avoidance of doubt, without prejudice to the right of the Vendors to receive the Second Instalment Consideration, the Completion occurred upon the completion of the transfer of the Sale Shares and the settlement of the First Instalment Consideration and was not subject to the Second Instalment Consideration having been paid.

MANDATORY UNCONDITIONAL CASH OFFERS

Immediately before Completion, save for the Sale Shares owned by the Vendors and the 8,000,000 Share Options held by Ms. Judy Chan, the Offeror, Mr. Yang and the parties acting in concert with them did not own, control or have direction over any Shares or any outstanding options, derivatives, warrants or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company which are convertible and exchangeable into Shares. Upon Completion, the Offeror and the parties acting in concert with it are interested in 589,480,000 Shares in aggregate, representing approximately 73.63% of the total issued share capital of the Company. Pursuant to Rule 26.1 and Rule 13.5 of the Takeovers Code, the Offeror is required to make mandatory unconditional cash offers to acquire (i) the Offer Shares (being all issued Shares other than those already owned and/or agreed to be acquired by the Offeror) and (ii) to cancel all the outstanding Share Options.

As at the date of this joint announcement, the Company has (i) 800,600,000 Shares in issue; and (ii) 12,400,000 outstanding Share Options conferring rights to subscribe for 12,400,000 new Shares with an exercise price of HK$0.170 to HK$0.186 per Share Option, all of which have been granted pursuant to the Share Option Scheme. Save for the Share Options mentioned above, the Company does not have any outstanding options, derivatives, warrants or securities which are convertible or exchangeable into the Shares or which confer rights to require the issue of Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into the Shares or which confer rights to require the issue of Shares. The Company has no intention to grant any new share options under Share Option Scheme during the Offer Period.

The Offers will be made by Somerley Capital and Eddid Capital, on behalf of the Offeror and in compliance with the Takeovers Code on the following basis:

The Share Offer

For each Offer Share . . . . . HK$0.12491 in cash

The Share Offer Price of HK$0.12491 per Offer Share is equal to the purchase price per Sale Share paid by the Offeror pursuant to the Sale and Purchase Agreement.

The Share Offer will be extended to all Shareholders other than the Offeror in accordance with the Takeovers Code. The Offer Shares to be acquired under the Share Offer will be fully paid and free from all encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Share Offer is made, being the date of despatch of the Composite Document.

As at the date of this joint announcement, the Company has not declared any dividend which remains unpaid, and the Company has no intention to declare, make or pay any dividend or other distributions prior to the close of the Share Offer.

The Option Offer

For cancellation of each Share Option. . . . . HK$0.0001 in cash

Pursuant to Rule 13 of the Takeovers Code, the Offeror will make an appropriate cash offer to the Optionholders for the cancellation of the Share Options. The Option Offer Price would normally be the see-through price which represents the amount by which the Share Offer Price per Offer Share exceeds the exercise price of each Share Option. Under the Option Offer, as the exercise price of all outstanding Share Options exceeds the Share Offer Price, the "see-through" price is negative and the Option Offer Price is set at the nominal amount of HK$0.0001 per Share Option.

The Option Offer will be extended to all Optionholders (whether their respective Share Options are vested or not) in accordance with the Takeovers Code. Following acceptance of the Option Offer, the Share Options together with all rights attaching thereto will be entirely cancelled and renounced.

The Offers will be unconditional in all respects when made.

Total value of the Offers

As at the date of this joint announcement, the total number of issued shares of the Company is 800,600,000 Shares and the total number of outstanding Share Options is 12,400,000.

Assuming no Share Options have been exercised prior to the close of the Offers, there will be 800,600,000 issued Shares. Excluding 589,480,000 Shares, representing approximately 73.63% of the total issued share capital of the Company as at the date of this joint announcement, held by the Offeror upon Completion, and assuming the Offers are accepted in full and on the basis that there is no change in the issued share capital of the Company up to the close of the Offers, (i) a total of 211,120,000 issued Shares (representing approximately 26.37% of the total issued share capital of the Company as at the date of this joint announcement) will be subject to the Share Offer and the value of the Share Offer will be HK$26,370,999.20; and (ii) the total consideration required to satisfy the cancellation of all the outstanding Share Options will be HK$1,240.00. Accordingly, on the basis of full acceptance of the Offers, the maximum cash consideration payable by the Offeror under the Offers would be HK$26,372,239.20.

Assuming all Share Options have been exercised prior to the close of the Offers, there will be 813,000,000 issued Shares. Excluding 589,480,000 Shares held by the Offeror upon Completion, and assuming the Share Offer is accepted in full and on the basis that there is no other change in the issued share capital of the Company up to the close of the Offers, (i) a total of 223,520,000 issued Shares (representing approximately 27.49% of the total issued share capital of the Company as at the date of this joint announcement as enlarged by the exercise of the Share Options in full) will be subject to the Share Offer and the value of the Share Offer will be HK$27,919,883.20; and (ii) the total consideration required to satisfy the cancellation of all the outstanding Share Options will be nil. Accordingly, on the basis of full acceptance of the Offers, the maximum cash consideration payable by the Offeror under the Offers would be HK$27,919,883.20.

Financial resources available to the Offeror

The Offeror intends to finance and satisfy the consideration payable under the Offers by the loan facility under the Facility Agreement. Pursuant to the Facility Agreement, (i) Shares representing approximately 22.09% of the total issued Shares acquired by the Offeror under the Sale and Purchase Agreement and the Offer Shares that may be acquired by the Offeror pursuant to the Offers have been or will be deposited into the Offeror's securities account maintained with Eddid Securities and Futures Limited, the lender under the Facility Agreement; (ii) the Offeror shall not withdraw any amounts or Shares from its securities account without the prior written consent of Eddid Securities and Futures Limited, the lender under the Facility Agreement; and (iii) the Shares deposited into such securities account will be treated as collateral under the Facility Agreement if any amount of the facility is utilised. Somerley Capital and Eddid Capital, the joint financial advisers to the Offeror, are satisfied that sufficient financial resources are, and will remain, available to the Offeror to satisfy the consideration payable by the Offeror upon full acceptance of the Offers.

GENERAL

Independent Board Committee and Independent Financial Adviser

As at the date of this joint announcement, the Independent Board Committee, comprising the non-executive Directors who have no direct or indirect interest in the Offers (being Mr. Chow Christer Ho, Dr. Cheung Chai Hong, Mr. James Douglas Richard Field, Mr. Chan Tsz King Vincent and Mr. Kong Chi Hang Maurice), has been established in accordance with Rule 2.1 of the Takeovers Code to advise and give recommendation to the Independent Shareholders and the Optionholders as to whether the Offers are fair and reasonable and as to the acceptance of the Offers.

Red Sun Capital has been appointed by the Company with the approval of the Independent Board Committee to advise the Independent Board Committee in respect of the Offers.

Despatch of the Composite Document

It is the intention of the Offeror and the Company to combine the offer document and the offeree board circular into the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, a composite document containing, among other things, (i) details on the terms of the Offers; (ii) the recommendation from the Independent Board Committee in respect of the Offers; and (iii) the letter from the Independent Financial Adviser in respect of the Offers, together with the acceptance and transfer forms, will be despatched to the Shareholders and the Optionholders within 21 days from the date of this joint announcement or such later date as the Executive may approve. Further announcement(s) regarding the despatch of the Composite Document will be made by the Offeror and the Company as and when appropriate.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on GEM of the Stock Exchange was halted with effect from 9:00 a.m. on 10 December 2025 pending the release of this joint announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares on GEM of the Stock Exchange with effect from 9:00 a.m. on 31 December 2025.

WARNING

Shareholders, Optionholders and potential investors are advised to exercise extreme caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers. This joint announcement is made in compliance with the Takeovers Code for the purpose of, among other things, informing the Shareholders, the Optionholders and potential investors of the Company of the Offers to be made. The Directors make no recommendation as to the fairness or reasonableness of the Offers or as to the acceptance of the Offers in this joint announcement.

INTRODUCTION

The Company was informed by the Vendors that on 10 December 2025, the Offeror as purchaser entered into the Sale and Purchase Agreement with the Vendors, pursuant to which the Offeror conditionally agreed to acquire (i) 411,350,000 Shares, representing approximately 51.38% of the total issued share capital of the Company as at the date of this joint announcement, from the First Vendor; (ii) 173,180,000 Shares, representing approximately 21.63% of the total issued share capital of the Company as at the date of this joint announcement, from the Second Vendor; and (iii) 4,950,000 Shares, representing approximately 0.62% of the total issued share capital of the Company as at the date of this joint announcement, from the Third Vendor; altogether a total of 589,480,000 Shares (representing approximately 73.63% of the total issued share capital of the Company as at the date of this joint announcement) for the aggregate Consideration of HK$73,629,777, equivalent to approximately HK$0.12491 per Sale Share.

THE SALE AND PURCHASE AGREEMENT AND SHARE CHARGES

Set out below are the principal terms of the Sale and Purchase Agreement:

Date

10 December 2025

Parties:

(i) Offeror;

(ii) First Vendor;

(iii) Second Vendor; and

(iv) Third Vendor.

Subject matter

The Sales Shares, being 589,480,000 Shares, represent approximately 73.63% of the total issued share capital of the Company as at the date of this joint announcement.

The Offeror conditionally agreed to acquire:

(i) 411,350,000 Shares (representing approximately 51.38% of the total issued share capital of the Company as at the date of this joint announcement) from the First Vendor at the cash consideration of HK$51,380,215 (equivalent to approximately HK$0.12491 per Sale Share);

(ii) 173,180,000 Shares (representing approximately 21.63% of the total issued share capital of the Company as at the date of this joint announcement) from the Second Vendor at the cash consideration of HK$21,631,276 (equivalent to approximately HK$0.12491 per Sale Share); and

(iii) 4,950,000 Shares (representing approximately 0.62% of the total issued share capital of the Company as at the date of this joint announcement) from the Third Vendor at the cash consideration of HK$618,286 (equivalent to approximately HK$0.12491 per Sale Share).

The Sale Shares were acquired by the Offeror free from all encumbrances and together with all rights attached and accrued to them at the Completion including all rights to any dividend or other distribution declared made or paid on or after Completion.

As at the date of this joint announcement, the Company has not declared any dividend which remains unpaid, and the Company has no intention to declare, make or pay any dividend or other distributions prior to the close of the Offers.

Consideration

The Consideration is HK$73,629,777, which is equivalent to approximately HK$0.12491 per Sale Share, and has been agreed between the Offeror and the Vendors after arm's length negotiations and having taken into account of, among others, the Company's historical share price performance, liquidity of the Shares and financial performance of the Group.

The first instalment consideration (the "**First Instalment Consideration**") shall be payable by the Offeror upon Completion in the following manner:

(i) as to HK$15,414,809 payable by the Offeror to the First Vendor;

(ii) as to HK$6,489,696 payable by the Offeror to the Second Vendor; and

(iii) as to HK$185,495 payable by the Offeror to the Third Vendor.

As at the date of this announcement, the First Instalment Consideration has been paid.

The second instalment consideration (the "**Second Instalment Consideration**") shall be payable by the Offeror on the date falling on nine months after the Completion Date (which is subject to further extension of not more than three months if requested by the Offeror) in the following manner:

(i) as to HK$35,965,406 payable by the Offeror to the First Vendor;

(ii) as to HK$15,141,580 payable by the Offeror to the Second Vendor; and

(iii) as to HK$432,791 payable by the Offeror to the Third Vendor.

As each of the Vendors will receive deferred payment of part of the Consideration from the Offeror subsequent to Completion, each of the Vendors is treated as providing financing or financial assistance to the Offeror in connection with the acquisition of the Sale Shares and is therefore presumed to be acting in concert with the Offeror under Class (9) of the definition of "acting in concert" under the Takeovers Code.

Completion

Completion took place on 12 December 2025.

On 10 December 2025, the Offeror executed the Share Charges in favour of the First Vendor in respect of 287,945,000 Shares, the Second Vendor in respect of 121,226,000 Shares and the Third Vendor in respect of 3,465,000 Shares (in aggregate, the "**Charged Shares**") as continuing security for payment of the secured obligations of the Offeror with respect to the deferred payment of the Second Instalment Consideration. The Offeror undertakes that the Charged Shares shall represent no less than 51% of the total issued shares of the Company at all times.

On 15 December 2025, the Offeror, Mr. Yang and the First Vendor entered into a deed of undertaking, pursuant to which both the Offeror and Mr. Yang undertake to the First Vendor that they would not sell, transfer, dispose of or encumber any of the Charged Shares without the prior written consent of the First Vendor (the "**Deed of Undertaking**").

MANDATORY UNCONDITIONAL CASH OFFERS

Immediately before Completion, save for the Sale Shares owned by the Vendors and the 8,000,000 Share Options held by Ms. Judy Chan, the Offeror, Mr. Yang or the parties acting in concert with them did not own, control or have direction over any Shares or any outstanding options, derivatives, warrants or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company which are convertible and exchangeable into Shares.

Upon Completion, the Offeror and the parties acting in concert with it are interested in 589,480,000 Shares, representing approximately 73.63% of the total issued share capital of the Company. Pursuant to Rule 26.1 and Rule 13.5 of the Takeovers Code, the Offeror is required to make mandatory unconditional cash offers to acquire (i) the Offer Shares, being all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror) and (ii) to cancel all the outstanding Share Options.

As at the date of this joint announcement, the Company has (i) a total of 800,600,000 Shares in issue; and (ii) 12,400,000 outstanding Share Options conferring rights to subscribe for 12,400,000 new Shares with an exercise price of HK$0.170 to HK$0.186 per Share Option, all of which have been granted pursuant to the Share Option Scheme. Save for the Share Options mentioned above, the Company does not have any outstanding options, derivatives, warrants or securities which are convertible or exchangeable into the Shares or which confer rights to require the issue of Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into the Shares or which confer rights to require the issue of Shares.

Principal terms of the Offers

The Offers will be made by Somerley Capital and Eddid Capital, on behalf of the Offeror and in compliance with the Takeovers Code on the following basis:

The Share Offer

For each Offer Share . . . . . HK$0.12491 in cash

The Share Offer Price of HK$0.12491 is equal to the purchase price per Sale Share paid and payable by the Offeror pursuant to the Sale and Purchase Agreement.

The Share Offer will be extended to all Shareholders other than the Offeror in accordance with the Takeovers Code. The Offer Shares to be acquired under the Share Offer will be fully paid and free from all encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Share Offer is made, being the date of despatch of the Composite Document.

As at the date of this joint announcement, the Company has not declared any dividend which remains unpaid, and the Company has no intention to declare, make or pay any dividend or other distributions prior to the close of the Share Offer. If, after the date of this joint announcement, any dividend or other distribution is made or paid in respect of the Offer Shares, the Offeror will reduce the Share Offer Price by an amount equal to that of the dividend or other distribution pursuant to Note 11 to Rule 23.1 of the Takeovers Code.

The Option Offer

For cancellation of each Share Option . . . . . HK$0.0001 in cash

Pursuant to Rule 13 of the Takeovers Code, the Offeror will make an appropriate cash offer to the Optionholders for the cancellation of the Share Options. The Option Offer Price would normally be the see-through price which represents the amount by which the Share Offer Price per Offer Share exceeds the exercise price of each Share Option. Under the Option Offer, as the exercise price of all outstanding Options exceeds the Share Offer Price, the "see-through" price is negative and the Option Offer Price is at the nominal amount of HK$0.0001 per Share Option.

The Option Offer will be extended to all Optionholders (whether their respective Share Options are vested or not) in accordance with the Takeovers Code. Following acceptance of the Option Offer, the Share Options together with all rights attaching thereto will be entirely cancelled and renounced.

The Offers are unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions.

The Share Offer Price

The Share Offer Price of HK$0.12491 is equal to the purchase price per Sale Share paid and payable by the Offeror under the Sale and Purchase Agreement and represents:

(i) a discount of approximately 52.86% to the closing price of HK$0.2650 per Share as quoted on GEM of the Stock Exchange on 9 December 2025, being the Last Trading Day;

(ii) a discount of approximately 46.85 % to the average closing price of HK$0.2350 per Share based on the daily closing prices as quoted on GEM of the Stock Exchange for the five (5) consecutive trading days immediately prior to and including the Last Trading Day;

(iii) a discount of approximately 44.56% to the average closing price of approximately HK$0.2253 per Share based on the daily closing prices as quoted on GEM of the Stock Exchange for the ten (10) consecutive trading days immediately prior to and including the Last Trading Day;

(iv) a discount of approximately 15.47% to the average closing price of approximately HK$0.1478 per Share based on the daily closing prices as quoted on GEM of the Stock Exchange for the thirty (30) consecutive trading days immediately prior to and including the Last Trading Day;

(v) a discount of approximately 59.86% to the audited consolidated net asset value attributable to the Shareholders of approximately HK$0.3112 per Share as at 31 December 2024, calculated by dividing the Group's audited consolidated net assets attributable to the Shareholders of approximately RMB226,132,000 (equivalent to approximately HK$249,129,624) as at 31 December 2024 by 800,600,000 Shares in issue as at the date of this joint announcement; and

(vi) a premium of approximately 1.17% to the unaudited consolidated net asset value attributable to the Shareholders of approximately HK$0.1235 per Share as at 30 June 2025, calculated by dividing the Group's unaudited consolidated net assets attributable to the Shareholders of approximately RMB89,721,000 (equivalent to approximately HK$98,845,626) as at 30 June 2025 by 800,600,000 Shares in issue as at the date of this joint announcement.

Highest and lowest Share prices

The highest and lowest closing prices of the Shares as quoted on GEM of the Stock Exchange during the six-month period immediately prior to and including the Last Trading Day (i.e. from 10 June 2025 to 9 December 2025) were HK$0.275 per Share on 1 December 2025 and HK$0.103 per Share on 22, 23 and 24 October 2025, respectively.

Total value of the Offers

As at the date of this joint announcement, the total number of issued shares of the Company is 800,600,000 Shares and the total number of outstanding Share Options is 12,400,000.

Assuming no Share Options have been exercised prior to the close of the Offers, there will be 800,600,000 issued Shares. Excluding 589,480,000 Shares, representing approximately 73.63% of the total issued share capital of the Company as at the date of this joint announcement, held by the Offeror upon Completion, and assuming the Offers are accepted in full and on the basis that there is no change in the issued share capital of the Company up to the close of the Offers, (i) a total of 211,120,000 issued Shares (representing approximately 26.37% of the total issued share capital of the Company as at the date of this joint announcement) will be subject to the Share Offer and the value of the Share Offer will be HK$26,370,999.20; and (ii) the total consideration required to satisfy the cancellation of all the outstanding Share Options will be HK$1,240.00. Accordingly, on the basis of full acceptance of the Offers, the maximum cash consideration payable by the Offeror under the Offers would be HK$26,372,239.20.

Assuming all Share Options have been exercised prior to the close of the Offers, there will be 813,000,000 issued Shares. Excluding 589,480,000 Shares held by the Offeror, and assuming the Share Offer is accepted in full and on the basis that there is no other change in the issued share capital of the Company up to the close of the Offers, (i) a total of 223,520,000 issued Shares (representing approximately 27.49% of the total issued share capital of the Company as at the date of this joint announcement as enlarged by the exercise of the Share Options in full)

will be subject to the Share Offer and the value of the Share Offer will be HK$27,919,883.20; and (ii) the total consideration required to satisfy the cancellation of all the outstanding Share Options will be nil. Accordingly, on the basis of full acceptance of the Offers, the maximum cash consideration payable by the Offeror under the Offers would be HK$27,919,883.20.

Financial resources available to the Offeror

The Offeror intends to finance and satisfy the consideration payable under the Offers by the loan facility provided by Eddid Securities and Futures Limited under the Facility Agreement. Pursuant to the Facility Agreement, (i) Shares representing approximately 22.09% of the total issued Shares acquired by the Offeror under the Sale and Purchase Agreement and the Offer Shares that may be acquired by the Offeror pursuant to the Offers have been or will be deposited into the Offeror's securities account maintained with Eddid Securities and Futures Limited, the lender under the Facility Agreement; (ii) the Offeror shall not withdraw any amounts or Shares from its securities account without the prior written consent of Eddid Securities and Futures Limited, the lender under the Facility Agreement; and (iii) the Shares deposited into such securities account will be treated as collateral under the Facility Agreement if any amount of the facility is utilised.

The Offeror confirms that the payment of interest on, repayment of or security for any liability (contingent or otherwise) in relation to the Facility Agreement will not depend to any significant extent on the business of the Group. Somerley Capital and Eddid Capital, being the joint financial advisers to the Offeror, are satisfied that sufficient financial resources are, and will remain, available to the Offeror to satisfy the consideration payable by the Offeror upon full acceptance of the Offers.

Effect of accepting the Offers

By accepting the Share Offer, the Independent Shareholders will sell their tendered Shares to the Offeror which shall be fully paid and free and clear of any lien and together with all rights attaching to them, including all rights to any dividend or other distribution declared, made or paid on or after the date on which the Share Offer is made, being the date of despatch of the Composite Document. As at the date of this joint announcement, no outstanding dividend declared by the Company remains unpaid, and it is advised by the Board that the Company has no intention to make, declare or pay any future dividend or make other distributions until after the close of the Share Offer.

By accepting the Option Offer, the Optionholders will agree to the cancellation of their tendered Share Options and all rights attached thereto with effect from the date on which the Option Offer is made, being the date of despatch of the Composite Document.

Acceptances of the Offers will be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Validity of Share Options upon close of the Offers

Pursuant to the Share Option Scheme, in the event that a general offer is made to all Shareholders, excluding the Offeror and any persons associated with them, the Company shall endeavor to extend such offer to all grantees. Grantees (or their representatives) shall have the right to exercise their Share Options (not already exercised, whether vested or not vested) in full within 14 days following the date on which the Option Offer becomes unconditional (i.e. the date on which the Composite Document is despatched).

Hong Kong stamp duty

Seller's ad valorem stamp duty on acceptances of the Share Offer will be payable by the relevant Independent Shareholders at a rate of 0.1% of (i) the market value of the Offer Shares; or (ii) the consideration payable in respect of the relevant acceptances of the Share Offer by the Offeror, whichever is higher, and will be deducted from the cash amount payable by the Offeror to such Independent Shareholder on acceptance of the Share Offer (where the amount of stamp duty is a fraction of a dollar, the stamp duty will be rounded up to the nearest dollar).

The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the relevant Independent Shareholders who accept the Share Offer and pay the buyer's ad valorem stamp duty in connection with the acceptances of the Share Offer and the transfers of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

No stamp duty is payable in connection with the Option Offer.

Payment

Payment in cash in respect of the Offers will be made as soon as possible but in any event no later than seven (7) business days as defined in the Takeovers Code (each being a day on which the Stock Exchange is open for the transaction of business) after the date of receipt of a duly completed acceptance of the Offers.

No fractions of a cent will be payable and the amount of cash consideration payable to any person who accept the Offers will be rounded up to the nearest cent.

Availability of the Offers

The Offeror intends to make the Offers available to all the Independent Shareholders and Optionholders, including those with registered addresses in a jurisdiction outside Hong Kong. The availability of the Offers to persons with a registered address in a jurisdiction outside Hong Kong may be affected by the laws of the relevant overseas jurisdictions. The making of the Offers to persons with registered addresses in jurisdictions outside Hong Kong may be prohibited or limited by the laws or regulations of the relevant jurisdictions. Such Independent

Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice. Persons who are residents, citizens or nationals outside Hong Kong should inform themselves about and observe, at their own responsibility, any applicable laws, regulations, requirements and restrictions in their own jurisdictions in connection with the acceptance of the Offers, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with the other necessary formalities and the payment of any issue, transfer or other taxes due in respect of such jurisdiction.

Any acceptance by the Independent Shareholders and/or Optionholders with a registered address in a jurisdiction outside Hong Kong will be deemed to constitute a representation and warranty from such overseas Independent Shareholders and/or Optionholders to the Offeror that the local laws and requirements have been complied with and such acceptance shall be valid and binding in accordance with all applicable laws. Such overseas Independent Shareholders and Optionholders should consult their respective professional advisers if in doubt.

Taxation advice

Independent Shareholders and Optionholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offers. None of the Offeror and/or the parties acting in concert with it, the Company, the financial advisers to the Offeror and (as the case may be) their respective ultimate beneficial owners, directors, officers, agents, advisers or associates or any other person involved in the Offers accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offers.

DEALINGS AND INTERESTS IN THE SECURITIES OF THE COMPANY

The Offeror confirms that, as at the date of this joint announcement:

(i) save for the Sale Shares acquired by the Offeror and the Share Options held by Ms. Judy Chan, none of the Offeror, Mr. Yang or parties acting in concert with any of them owns or has control or direction over any voting rights or rights over the Shares, convertible securities, warrants, options of the Company or any derivatives in respect of such securities;

(ii) save for the Sale and Purchase Agreement, the Share Charges and the Facility Agreement, there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Shares which might be material to the Offers;

(iii) there is no agreement or arrangement to which any of the Offeror, Mr. Yang or parties acting in concert with any of them is a party which relates to circumstances in which the Offeror may or may not invoke or seek to invoke a pre-condition or a condition to the Offers;

(iv) none of the Offeror, Mr. Yang or parties acting in concert with any of them has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company;

(v) none of the Offeror, Mr. Yang or parties acting in concert with any of them has received any irrevocable commitment to accept or reject the Offers;

(vi) there is no outstanding derivative in respect of the securities in the Company which has been entered into by the Offeror, Mr. Yang or parties acting in concert with any of them;

(vii) save for the consideration for the Sale Shares payable by the Offeror to the Vendors under the Sale and Purchase Agreement, there is no other consideration, compensation or benefits in whatever form paid or to be paid by the Offeror, Mr. Yang or parties acting in concert with any of them to the Vendors, their ultimate beneficial owners or parties acting in concert with them in connection with the sale and purchase of the Sale Shares under the Sale and Purchase Agreement;

(viii) save for the Sale and Purchase Agreement, the Share Charges and the Deed of Undertaking, there is no understanding, arrangement or agreement or special deal (as defined in Rule 25 of the Takeovers Code) between the Vendors, their ultimate beneficial owners or parties acting in concert with any of them on one hand, and the Offeror, Mr. Yang or parties acting in concert with any of them on the other hand;

(ix) save for the Sale and Purchase Agreement, the Share Charges and the Deed of Undertaking, there is no understanding, arrangement or agreement or special deal (as defined in Rule 25 of the Takeovers Code) between any Shareholder on one hand, and the Offeror, Mr. Yang or parties acting in concert with any of them on the other hand; and

(x) save for the Sale Shares acquired by the Offeror, there has been no dealings in the Shares by the Offeror, the Vendors, Mr. Yang or parties acting in concert with any of them in the past six months preceding 10 December 2025 and up to the date of this joint announcement.

The Directors confirm that, as at the date of this joint announcement, there is no understanding, arrangement or agreement or special deal (as defined in Rule 25 of the Takeovers Code) between any Shareholder on one hand, and the Company, its subsidiaries or associated companies on the other hand.

SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) immediately before Completion; (ii) immediately after Completion and as at the date of this joint announcement; and (iii) immediately after Completion (assuming all Share Options have been exercised):

	Immediately before Completion		**Immediately after Completion and as at the date of this joint announcement**		**Immediately after Completion (assuming all Share Options have been exercised)**	
	Number of Shares held	*Approximate percentage of interest in the Company (%)*	*Number of Shares held*	*Approximate percentage of interest in the Company (%)*	*Number of Shares held*	*Approximate percentage of interest in the Company (%)*
Offeror and parties acting in concert with it[Note 1]	–	–	589,480,000	73.63	589,480,000	72.51
– First Vendor	411,350,000	51.38	–	–	–	–
– Second Vendor	173,180,000	21.63	–	–	–	–
– Third Vendor	4,950,000	0.62	–	–	–	–
– Ms. Judy Chan[Note 2]	–	–	–	–	8,000,000	0.98
Independent Shareholders	211,120,000	26.37	211,120,000	26.37	215,520,000	26.51
Total	**800,600,000**	**100.00**	**800,600,000**	**100.00**	**813,000,000**	**100.00**

Notes:

1. As each of the Vendors will receive deferred payment of part of the Consideration from the Offeror subsequent to Completion, each of the Vendors is treated as providing financing or financial assistance to the Offeror in connection with the acquisition of the Sale Shares and is therefore presumed to be acting in concert with the Offeror under Class (9) of the definition of "acting in concert" under the Takeovers Code.

2. Ms. Judy Chan, being the sole shareholder of the First Vendor and an executive Director, holds 8,000,000 Share Options. Save for Ms. Judy Chan, no other Directors are interested in the Shares or Share Options.

INFORMATION ON THE GROUP

The Company was incorporated in the Cayman Islands with limited liability. The Shares are listed on GEM. The principal activity of the Company is investment holding. The Group is an award-winning, established wine maker based in Shanxi Province, PRC. Since commencing operations in 1997, the Group has been committed to making quality, value for money wine, catering to a wide range of customer taste and pricing preferences. The Group's portfolio of wine products targets at various consumers, from executive clientele and corporate customers with higher spending power to the more price-conscious mass market.

Set out below is a summary of the financial information of the Group for (i) each of the three financial years ended 31 December 2022, 2023 and 2024 as extracted from the annual reports of the Company for the years ended 31 December 2023 and 2024 and for (ii) the six months ended 30 June 2024 and 2025 as extracted from the interim report of the Company for the six months ended 30 June 2025:

	For the six months ended 30 June		**For the year ended 31 December**		
	2025	**2024**	**2024**	**2023**	**2022**
	(RMB'000)	*(RMB'000)*	*(RMB'000)*	*(RMB'000)*	*(RMB'000)*
	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Revenue	18,775	16,583	34,553	64,985	62,119
Proft/(Loss) before income tax	(2,571)	(2,425)	(35,336)	11,461	887
Proft/(Loss) for the year/ period	(2,901)	(3,531)	(41,018)	10,220	(598)

The unaudited consolidated net assets of the Group attributable to Shareholders as at 30 June 2025 was approximately RMB89,721,000.

INFORMATION ON THE OFFEROR AND MR. YANG

The Offeror is a company incorporated in the British Virgin Islands with limited liability and is an investment holding company. As at the date of this joint announcement, the Offeror is ultimately, beneficially and wholly-owned by Mr. Yang. Mr. Yang is the sole director of the Offeror.

Mr. Yang, aged 52, is the founder of 1919 Group Co., Ltd* (壹玖壹玖集團有限公司) (the "**1919 Group**") and the chairman and general manager of 1919 Wines & Spirits Platform Technology Co., Ltd* (壹玖壹玖酒類平臺科技股份有限公司). Headquartered in Chengdu, Sichuan Province, the 1919 Group is principally engaged in liquor retail and supply chain management services and provision of both online and offline instant liquor purchase services with delivery. It owns the 1919 Quick Drink APP, third-party e-commerce flagship stores and offline stores in the PRC. The 1919 Group was appointed as an executive member of the 8th Council of the China Alcohol Circulation Association* (中國酒類流通協會第八屆理事會).

Mr. Yang was appointed as a member of the 16th Chengdu Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議第十六屆成都市委員會) and the Ambassador for Attracting Investment and Intelligence (武侯區建圈強鏈招商引智大使) in February 2023. Mr. Yang was accredited as Top 10 Leading Figures of Small and medium-sized Enterprises in the Western Region (十大西部中小企業領軍人物) in May 2023.

As at the date of this joint announcement, Mr. Yang does not hold any directorship in any listed company in Hong Kong and is not a substantial shareholder (as defined in the Listing Rules) of any listed company in Hong Kong.

INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

It is the intention of the Offeror to continue the Group's existing principal business following close of the Offers. The Offeror will conduct a detailed review of the existing principal business operations and financial position of the Group. Based on the review results, the Offeror will formulate business strategies for the Group's future development, and may explore other business opportunities from time to time and consider whether any acquisition or disposal of assets, fund-raising activity or business restructuring plan should be pursued with a view to achieving business diversification and/or long-term business growth of the Group. Notwithstanding the above, as at the date of this joint announcement, the Offeror has no specific proposal for any acquisition or disposal of assets, fund-raising activity or business restructuring in relation to the Group and has not entered into any specific agreement or arrangement with the Group in connection therewith. In the event that any suitable opportunity for such corporate actions arises, further announcement(s) will be made by the Company in accordance with the GEM Listing Rules and the Takeovers Code as and when appropriate.

Proposed change to the composition of the Board

As at the date of this joint announcement, the Board consists of six Directors, comprising one executive Director, namely Ms. Judy Chan, two non-executive Directors, namely Mr. Chow Christer Ho and Dr. Cheung Chai Hong and three independent non-executive Directors, namely Mr. James Douglas Richard Field, Mr. Chan Tsz King Vincent and Mr. Kong Chi Hang Maurice.

Pursuant to the Sale and Purchase Agreement, following the Completion, the Offeror shall procure that during the period from the date of Completion and ending on the date on which the Consideration is settled in full, (i) Ms. Judy Chan and/or her designated persons remain as the executive Director and a director of the relevant subsidiaries which she serve as a director as at the date of the Sale and Purchase Agreement and (ii) Dr. Cheung Chai Hong remains the non-executive Director.

The Offeror may make some changes to the composition of the Board by nominating new Directors at a time no earlier than permitted under the GEM Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate. As at the date of this joint announcement, the Offeror has not reached any final decision as to who will be nominated as new Director(s) of the Company. Any changes to the members of the Board will be made in compliance with the Takeovers Code and the GEM Listing Rules and a further announcement will be made accordingly.

Public float and maintaining the listing status of the Company

The Stock Exchange has stated that if, at the closing of the Offers, the number of Shares held in the hands of the public falls below the minimum percentage as prescribed under Rule 11.23 of the GEM Listing Rules, being 25% of the issued share capital of the Company, or if the Stock Exchange believes that:

(i) a false market exists or may exist in the trading of the Shares; or

(ii) there are insufficient Shares in public hands to maintain an orderly market,

the Stock Exchange will consider exercising its discretion to suspend dealing in the Shares. Therefore, it should be noted that upon closing of the Offers, there may be insufficient public float of the Shares and the trading in the Shares may be suspended until sufficient public float exists for the Shares. The Offeror intends the Company to remain listed on the Stock Exchange. The Offeror and the Directors will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares after the close of the Offers.

GENERAL

Independent Board Committee and Independent Financial Adviser

As at the date of this joint announcement, the Independent Board Committee, comprising the non-executive Directors who have no direct or indirect interest in the Offers (including Mr. Chow Christer Ho, Dr. Cheung Chai Hong, Mr. James Douglas Richard Field, Mr. Chan Tsz King Vincent and Mr. Kong Chi Hang Maurice), has been established in accordance with Rule 2.1 of the Takeovers Code to advise and give a recommendation to the Independent Shareholders as to whether the Offers are fair and reasonable and as to the acceptance of the Offers.

Red Sun Capital has been appointed by the Company with the approval of the Independent Board Committee to advise the Independent Board Committee in respect of the Offers.

Despatch of the Composite Document

It is the intention of the Offeror and the Company to combine the offer document and the offeree board circular into the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, a composite document containing, among other things, (i) details on the terms of the Offers; (ii) the recommendation from the Independent Board Committee in respect of the Offers; (iii) the letter from the Independent Financial Adviser in respect of the Offers, together with the acceptance and transfer forms, will be despatched to the Shareholders and Optionholders within 21 days from the date of this joint announcement or such later date as the Executive may approve. Further announcement(s) regarding the despatch of the Composite Document will be made by the Offeror and the Company as and when appropriate.

Dealings disclosure

For the purposes of the Takeovers Code, the Offer Period has commenced on the date of this joint announcement.

In accordance with Rule 3.8 of the Takeovers Code, associates of the Company and the Offeror (including but not limited to a person who owns or controls 5% or more of any class of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company and the Offeror) are hereby reminded to disclose their dealings in the relevant securities of the Company pursuant to the requirements of the Takeovers Code.

The full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below pursuant to Rule 3.8 of the Takeovers Code:

"Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates (as defined in the Takeovers Code) of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than $1 million.

This dispensation does not alter the obligation of principals, associates (as defined in the Takeovers Code) and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation."

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on GEM of the Stock Exchange was halted with effect from 9:00 a.m. on 10 December 2025 pending the release of this joint announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares on GEM of the Stock Exchange with effect from 9:00 a.m. on 31 December 2025.

WARNING

Shareholders, Optionholders and potential investors are advised to exercise extreme caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers. This joint announcement is made in compliance with the Takeovers Code for the purpose of, among other things, informing the Shareholders, the Optionholders and potential investors of the Company of the Offers to be made. The Directors make no recommendation as to the fairness or reasonableness of the Offers or as to the acceptance of the Offers in this joint announcement.

DEFINITIONS

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

"acting in concert"	has the meaning given to it under the Takeovers Code
"Board"	the board of Directors
"CCASS"	the Central Clearing and Settlement System established and operated by the Hong Kong Securities Clearing Company Limited
"Company"	Grace Wine Holdings Limited (stock code: 8146), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM of the Stock Exchange
"Completion"	completion of the sale and purchase of the Sale Shares in accordance with the Sale and Purchase Agreement
"Completion Date"	the date on which Completion took place (i.e. 12 December 2025), being the date on which the last of the conditions precedent under the Sale and Purchase Agreement is fulfilled (or otherwise waived)

"Composite Document"	the composite offer and response document to be jointly issued by the Offeror and the Company to the Shareholders in connection with the Offers in compliance with the Takeovers Code
"Consideration"	the aggregate consideration of HK$73,629,777 payable by the Offeror to the Vendors for the acquisition of the Sale Shares under the Sale and Purchase Agreement
"Director"	the director(s) of the Company from time to time
"Eddid Capital"	Eddid Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance under the licensing condition that in the capacity as an adviser to a client on matters/transactions falling within the ambit of the Takeovers Code, act together with another adviser (to the client) not subject to this condition) regulated activities under the SFO, as one of the joint financial advisers to the Offeror in respect of the Offers
"Executive"	the executive director of the Corporate Finance Division of the SFC or any delegate of the executive director
"Facility Agreement"	the facility agreement entered into by Eddid Securities and Future Limited as the lender, the Offeror as the borrower and Mr. Yang as the guarantor in relation to a loan facility of up to HK$28,000,000 for financing the consideration payable by the Offeror pursuant to the Offers
"First Vendor"	Macmillan Equity Limited, a company incorporated in the British Virgin Islands with limited liability, which is ultimately and beneficially owned as to 100% by Ms. Judy Chan
"GEM"	the GEM operated by the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM as amended by the Stock Exchange from time to time
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC

"Independent Board Committee"	an independent committee of the Board comprising the non-executive Directors who have no direct or indirect interest in the Offers, being Mr. Chow Christer Ho, Dr. Cheung Chai Hong, Mr. James Douglas Richard Field, Mr. Chan Tsz King, Vincent and Mr. Kong Chi Hang Maurice, which has been established for the purpose of advising and giving a recommendation to the Independent Shareholders in respect of the Offers
"Independent Shareholders"	the Shareholders other than the Offeror and parties acting in concert with it
"Last Trading Day"	9 December 2025, being the last trading day on which the Shares were traded on GEM of the Stock Exchange before the publication of this joint announcement
"Mr. Yang"	Mr. Yang Lingjiang
"Offer Period"	has the same meaning ascribed to it under the Takeovers Code and commencing from 30 December 2025, being the date of this joint announcement, and ending on the date when the Offers close
"Offer Share(s)"	all the Share(s) in issue, other than those Shares already owned and/or agreed to be acquired by the Offeror
"Offeror"	Hill Valley Investment Co Ltd, a company incorporated in the British Virgin Islands with limited liability, which is ultimately, beneficially and wholly-owned by Mr. Yang
"Offers"	collectively, the Share Offer and the Option Offer
"Option Offer"	the mandatory unconditional cash offer to cancel the outstanding Share Options to be made by Somerley Capital and Eddid Capital on behalf of the Offeror at the Option Offer Price in accordance with the Takeovers Code
"Option Offer Price"	HK$0.0001 for each Share Option in respect of the Option Offer
"Optionholder(s)"	the holder(s) of the Share Option(s)

"PRC"	the People's Republic of China and for the purpose of this joint announcement, excluding Hong Kong, Taiwan and the Macau Special Administrative Region of the PRC
"Red Sun Capital" or "Independent Financial Adviser"	Red Sun Capital Limited, a licensed corporation authorised to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, which has been appointed by the Company as the independent financial adviser, with the approval of the Independent Board Committee, to advise the Independent Board Committee in respect of the Offers
"RMB"	Renminbi, the lawful currency of the PRC
"Sale and Purchase Agreement"	the conditional sale and purchase agreement dated 10 December 2025 entered into by and among the Vendors and the Offeror in relation to the sale and purchase of the Sale Shares
"Sale Shares"	589,480,000 Shares, representing approximately 73.63% of the total issued share capital of the Company as at the date of this joint announcement, sold by the Vendors to the Offeror pursuant to the Sale and Purchase Agreement, and each a Sale Share
"Second Vendor"	Palgrave Enterprises Limited, a company incorporated in the British Virgin Islands with limited liability, which is ultimately and beneficially owned as to 100% by Ms. Wong Shu Ying
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of nominal value of HK$0.001 each in the issued share capital of the Company
"Share Charge Agreements"	the share charge agreements dated 10 December 2025 executed by the Offeror in favour of each of the Vendors
"Share Charges"	the charges over the Charged Shares pursuant to the Share Charge Agreements as security for the Offeror's payment obligations in respect of the Second Instalment Consideration under the Sale and Purchase Agreement

"Share Offer"	the mandatory unconditional cash offer for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror) to be made by Somerley Capital and Eddid Capital on behalf of the Offeror at the Offer Price in accordance with the Takeovers Code for the Offer Shares
"Share Offer Price"	HK$0.12491 per Offer Share
"Share Option(s)"	the outstanding share option(s) granted by the Company under the Share Option Scheme
"Share Option Scheme"	the share option scheme of the Company conditionally adopted on 1 June 2018
"Shareholder(s)"	holder(s) of the Share(s)
"Somerley Capital"	Somerley Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, as one of the joint financial advisers to the Offeror in respect of the Offers
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers
"Third Vendor"	Ms. Wong Shu Ying
"Vendors"	collectively, the First Vendor, the Second Vendor and the Third Vendor
"%"	per cent.

In this joint announcement, the amounts denominated in RMB have been translated into Hong Kong dollars at the rate of RMB1 = HK$1.1017 (being the exchange rate as quoted by Bloomberg on the Last Trading Day). Such conversion rate is for illustration purpose only and should not be construed as a representation that the amounts in question have been, could have been or could be converted at any particular rate or at all.

By order of the sole director of
Hill Valley Investment Co Ltd
Yang Lingjiang
Director

By order of the Board of
Grace Wine Holdings Limited
Judy Chan
Chairlady, Chief Executive Officer and Executive Director

Hong Kong, 30 December 2025

* *For identification purpose only*

As at the date of this announcement, the Board comprises Ms. Judy Chan as the executive Director, Mr. Chow Christer Ho and Dr. Cheung Chai Hong as the non-executive Directors, and Mr. James Douglas Richard Field, Mr. Chan Tsz King Vincent and Mr. Kong Chi Hang Maurice as the independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of information contained in this joint announcement (other than any information relating to the Offeror and parties acting in concert with it but including information relating to the Vendors) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those opinions expressed by the sole director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the sole director of the Offeror is Mr. Yang Lingjiang. The sole director of the Offeror accepts full responsibility for the accuracy of information contained in this joint announcement (other than any information relating to the Group, the Directors and the Vendors) and confirm, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than those opinions expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

This announcement will remain on the website of the Stock Exchange at www.hkexnews.com on the "Latest Listed Company Information" page for at least 7 days from the date of its posting and on the Company's website at www.gracewine.com.hk.

The English text of this joint announcement shall prevail over its Chinese text.