

CONTINUING CONNECTED TRANSACTIONS

OVERVIEW

We have entered into a transaction with a party who is our connected person and such transaction will continue following the [REDACTED], thereby constitutes a continuing connected transaction of our Group under Chapter 14A of the Listing Rules.

EXEMPT CONTINUING CONNECTED TRANSACTION

Set out below is a summary of such continuing connected transaction which is fully exempt from the relevant reporting, announcement and independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules. Our Directors confirm that such transaction has been entered into in the ordinary and usual course of business of our Group, is on normal commercial terms and is fair and reasonable and in the interest of our Company and our Shareholders as a whole.

The Lease Agreement

On 20 June 2018, a lease agreement (the “**New Lease Agreement**”) was entered into between Ms. Ng Suk Fun (“**Ms. Ng**”), as the landlord, and WHHE (HK), as the tenant, in respect of the property located at Workshop No. 13, 24th floor, Honour Industrial Centre, No. 6 Sun Yip Street, Hong Kong (the “**Premises**”) with a gross floor area of approximately 1,430 sq.ft.. Under the New Lease Agreement, Ms. Ng leased the Premises to WHHE (HK) for a term commencing from 1 July 2018 to 30 June 2020, at a monthly rent of HK\$22,000, exclusive of water, electricity, gas charges and management fee which are payable by the tenant. The monthly rent of the Premises for the term of the lease was determined after arm’s length negotiation between the parties with reference to the market rent of the Premises as assessed by an independent property valuer.

During the Track Record Period, WHHE (HK) rented the Premises from Ms. Ng. Pursuant to a lease agreement (the “**Lease Agreement**”) dated 1 January 2018 entered into between Ms. Ng, as the landlord, and WHHE (HK), as the tenant, the Premises was leased to WHHE (HK) at a monthly rent of HK\$33,000 from 1 January 2018 to 31 December 2018. The Lease Agreement was terminated and replaced by the New Lease Agreement on 1 July 2018. For FY2015, FY2016, FY2017 and FY2018, the historical rental paid by WHHE (HK) to Ms. Ng amounted to HK\$360,000, HK\$360,000, HK\$360,000 and HK\$312,000 (equivalent to approximately MOP371,000, MOP371,000, MOP371,000 and MOP321,000), respectively. The proposed annual caps of the rent under the New Lease Agreement are set out below:

	For the year ending 31 December 2019	For the six months ending 30 June 2020
Proposed annual cap	HK\$264,000 (equivalent to approximately MOP272,000)	HK\$132,000 (equivalent to approximately MOP136,000)

CONTINUING CONNECTED TRANSACTIONS

As Ms. Ng is the spouse of Mr. Li and Mr. Li is our executive Director and a controlling Shareholder, Ms. Ng is a connected person pursuant to the Listing Rules. Accordingly, the New Lease Agreement, which took effect on 1 July 2018 and will continue after the [REDACTED], will constitute a continuing connected transaction entered into by us under the Listing Rules. As the relevant applicable percentage ratios with respect to the transaction contemplated under the New Lease Agreement on an annual basis are less than 5% and less than HK\$3,000,000, such transaction will, pursuant to Rule 14A.76(1) of the Listing Rules, constitute a *de minimis* continuing connected transaction which will be fully exempt from the relevant reporting, announcement and independent Shareholders’ approval requirements.