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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular 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 **Win Hanverky Holdings Limited**, you should at once hand this circular to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**WIN HANVERKY HOLDINGS LIMITED**

**永嘉集團控股有限公司**

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

**(Stock Code: 3322)**

**MAJOR TRANSACTION  
IN RELATION TO  
TRANSFER OF LAND LEASE RIGHT**

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Capitalised terms used on this cover page shall have the same meanings as those defined in the section headed “Definitions” in this circular, unless the context requires otherwise.

A letter from the Board is set out on pages 4 to 14 of this circular.

The Transfer has been approved by a written Shareholder’s approval pursuant to Rule 14.44 of the Listing Rules in lieu of holding a general meeting of the Company. This circular is being despatched to the Shareholders for information only.

23 December 2022

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## DEFINITIONS

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

“Acecook”	Acecook Vietnam Joint Stock Company, a limited liability company incorporated in Vietnam
“Board”	the board of Directors
“Bright Global”	Bright Global (Vinh Long) Garment Factory Company Limited, a limited liability company incorporated in Vietnam and an indirect wholly-owned subsidiary of the Company
“Company”	Win Hanverky Holdings Limited (Stock Code: 3322), a company incorporated under the laws of Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Controlling Shareholder”	Quinta Asia Limited, a limited liability company incorporated in the British Virgin Islands and the controlling shareholder of the Company
“Director(s)”	the director(s) of the Company
“Effective Date”	7 November 2022, being the date of which the Tripartite Agreement and Liquidation Agreement are entered into
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hoa Phu”	Hoa Phu Joint Stock Company, a limited liability company incorporated in Vietnam
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Investment Project”	the investment project by Bright Global registered with the management board of industrial zones of Vinh Long Province in relation to the manufacturing and processing of all kinds of garment
“Investment Registration Certificate”	the investment registration certificate granted by the management board of industrial zones of Vinh Long Province
“Land”	Lot II-4, Hoa Phu Industrial Park, Phuoc Hoa Hamlet, Hoa Phu Commune, Long Ho District, Vinh Long Province, Vietnam

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## DEFINITIONS

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“Land Lease Value”	the land lease value of approximately VND325,275,758,000 (inclusive of 10% value-added tax amounting to approximately VND29,570,523,000) (equivalent to HK\$102,012,000) to be paid by Acecook to Hoa Phu pursuant to the terms under the Tripartite Agreement
“Land Use Right Certificate”	the land use rights, home ownership and land-attached assets certificate in respect of the Land granted by Department of Natural Resources and Environment of Vinh Long Province in Vietnam, relating to the Land which include but are not limited to the rights to use, transfer, pledge and mortgage of the land use rights in accordance with the law of Vietnam, including future modification and adjustments
“Latest Practicable Date”	20 December 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Liquidation Agreement”	the agreement dated 7 November 2022 entered into between Bright Global and Hoa Phu in relation to the termination of the Original Land Lease Agreement
“Liquidation Value”	the liquidation value of approximately VND312,884,300,000 (inclusive of 10% value-added tax) (equivalent to HK\$98,126,000) to be paid from Hoa Phu to Bright Global pursuant to the terms under the Liquidation Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers
“New Land Lease Agreement”	the new land lease agreement to be entered into between Hoa Phu (as the lessor) and Acecook (as the lessee) in respect of the Land
“Original Land Lease Agreement”	the land lease agreement dated 30 November 2018 entered into between Hoa Phu (as the lessor) and Bright Global (as the lessee) in respect of the Land
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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## DEFINITIONS

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“Transfer”	refers to the transactions contemplated under the Liquidation Agreement and Tripartite Agreement for the transfer of land lease rights of the Land from Bright Global to Hoa Phu, and subsequently from Hoa Phu to Acecook
“Transfer Fee”	refers to the transfer fee of approximately VND12,391,458,000 (inclusive of 10% value-added tax) (equivalent to approximately HK\$3,886,000) to be received by Hoa Phu
“Tripartite Agreement”	the agreement dated 7 November 2022 entered into between Bright Global, Hoa Phu and Acecook in relation to the transfer of land lease right of the Land
“Vietnam”	the Socialist Republic of Vietnam
“VND”	Vietnamese dong, the lawful currency of Vietnam
“%”	per cent.

*For the purpose of this circular, the exchange rate of VND3,189 = HK\$1 has been used for currency translation. Such exchange rate is for illustration purpose only and does not constitute a representation that any amount in VND has been, could have been or may be converted at such rate or any other rate.*



**WIN HANVERKY HOLDINGS LIMITED**

**永嘉集團控股有限公司**

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

**(Stock Code: 3322)**

*Executive Directors:*

Mr. LI Kwok Tung Roy (*Chairman*)

Mr. LAI Ching Ping (*Deputy Chairman*)

Mr. LEE Kwok Leung (*Chief Executive Officer*)

Mr. WONG Chi Keung (*Chief Financial Officer*)

*Registered Office:*

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Independent Non-executive Directors:*

Mr. KWAN Kai Cheong

Mr. MA Ka Chun

Ms. CHAN Kit Fun Fanny

*Head Office and Principal Place  
of Business in Hong Kong:*

6th Floor, Phase 6

Hong Kong Spinners Industrial Building

481-483 Castle Peak Road

Kowloon

Hong Kong

23 December 2022

*To the Shareholders*

Dear Sir or Madam,

**MAJOR TRANSACTION  
IN RELATION TO  
TRANSFER OF LAND LEASE RIGHT**

**1. INTRODUCTION**

Reference is made to the announcement of the Company dated 7 November 2022 in relation to the Transfer.

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## LETTER FROM THE BOARD

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On 7 November 2022, Bright Global, Hoa Phu and Acecook have entered into a Tripartite Agreement, pursuant to which (a) Bright Global and Hoa Phu agree to enter into a Liquidation Agreement on the same day to terminate the Original Land Lease Agreement entered into between the parties, transfer the Land Use Right Certificate upon the signing and notarising of the Tripartite Agreement, and return the land lease right of the Land from Bright Global to Hoa Phu upon receiving the Liquidation Value of approximately VND312,884,300,000 (inclusive of 10% value-added tax) (equivalent to approximately HK\$98,126,000) from Hoa Phu; and (b) Hoa Phu and Acecook agree to enter into the New Land Lease Agreement for the lease of land use right of the Land from Hoa Phu to Acecook at an aggregate Land Lease Value of approximately VND325,275,758,000 (inclusive of 10% value-added tax amounting to approximately VND29,570,523,000) (equivalent to approximately HK\$102,012,000) for the entire term, after the termination of the Original Land Lease Agreement with Bright Global.

Furthermore, on the same day, Bright Global, as the lessee of the Land under the Original Land Lease Agreement, and Hoa Phu, as the lessor of the Land under the Original Land Lease Agreement have entered into a Liquidation Agreement in accordance with the conditions under the Tripartite Agreement.

The purpose of this circular is to provide you with, among other things, further details of the Transfer and other information as required to be disclosed under the Listing Rules.

## 2. THE TRIPARTITE AGREEMENT

A summary of the principal terms and conditions of the Tripartite Agreement is set out below:

### **Date**

7 November 2022

### **Parties**

- (i) Bright Global (as the lessee of the Original Land Lease Agreement);
- (ii) Hoa Phu (as the lessor of the Original Land Lease Agreement); and
- (iii) Acecook (as the incoming lessee of the New Land Lease Agreement).

### **Term**

From the Effective Date to 5 January 2060 (both dates inclusive).

### **Subject matter**

The land lease right of the Land, which is located at Lot II-4, Hoa Phu Industrial Park, Phuoc Hoa Hamlet, Hoa Phu Commune, Long Ho District, Vinh Long Province, Vietnam, with an area of approximately 113,000 square meters.

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## LETTER FROM THE BOARD

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### **Rights and obligations of Bright Global**

Pursuant to the Tripartite Agreement, Bright Global agrees to carry out the procedures for the liquidation of the Original Land Lease Agreement within three days from the Effective Date, transfer the Land Use Right Certificate and the Land under the original condition to Hoa Phu, and terminate the Investment Project. Bright Global shall have the right in receiving the Liquidation Value of approximately VND312,884,300,000 (inclusive of 10% value-added tax) (equivalent to approximately HK\$98,126,000) from Hoa Phu in relation to the procedures of liquidation of land use rights within three days from the receipt of the corresponding payments by Hoa Phu from Acecook in accordance with the payment schedule as summarised below. As at the Latest Practicable Date, Bright Global and Hoa Phu have started to carry out the procedures for the liquidation of the Original Land Lease Agreement, and Bright Global has received the first and second instalments in relation to the Liquidation Value from Hoa Phu in accordance with the payment schedule as summarised below.

### **Rights and obligations of Acecook**

Pursuant to the Tripartite Agreement, Acecook (as a lessee) agrees to enter into the New Land Lease Agreement directly with Hoa Phu (as a lessor) for the lease of the land use right of the Land for the entire term at an aggregate Land Lease Value of approximately VND325,275,758,000 (inclusive of 10% value-added tax amounting to approximately VND29,570,523,000) (equivalent to approximately HK\$102,012,000). As at the Latest Practicable Date, Acecook has entered into the New Land Lease Agreement with Hoa Phu, and paid the first and second instalments in relation to the Land Lease Value to Hoa Phu in accordance with the payment schedule as summarised below. Furthermore, Acecook has also successfully obtained the Investment Registration Certificate and Land Use Right Certificate from the relevant government authorities prior to 15 December 2022.

The Land Lease Value is determined after arm's length negotiation between the parties on normal commercial terms and with reference to the preliminary valuation of the Land made by an independent international qualified valuer, VAS Valuation Co., Ltd (in association with CBRE).



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## LETTER FROM THE BOARD

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### *Payment schedule and conditions of Land Lease Value from Acecook to Hoa Phu*

The Land Lease Value of approximately VND325,275,758,000 (inclusive of 10% value-added tax amounting to approximately VND29,570,523,000) (equivalent to approximately HK\$102,012,000) shall be paid by Acecook to Hoa Phu in the following manner:

<b>Instalment</b>	<b>Amount</b>	<b>Payment time frame and conditions</b>
<b>1st instalment</b> (being 10% of the Land Lease Value)	: Approximately VND32,527,576,000 (equivalent to approximately HK\$10,201,000)	Within seven days from the signing and notarising date of the New Land Lease Agreement
<b>2nd instalment</b> (being 40% of the Land Lease Value)	: Approximately VND130,110,303,000 (equivalent to approximately HK\$40,805,000)	30 days from the date of the 1st instalment, and the receipt of Investment Registration Certificate by Acecook
<b>3rd instalment</b> (being 40% of the Land Lease Value)	: Approximately VND130,110,303,000 (equivalent to approximately HK\$40,805,000)	15 days from the date of the 2nd instalment, and the receipt of the original receipt of application for the new issuance of Land Use Right Certificate by Acecook
<b>4th instalment</b> (being 10% of the Land Lease Value)	: Approximately VND32,527,576,000 (equivalent to approximately HK\$10,201,000)	After Acecook receiving the Land Use Right Certificate

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## LETTER FROM THE BOARD

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### **Rights and obligations of Hoa Phu**

Pursuant to the Tripartite Agreement, Hoa Phu agrees to carry out the procedures for the liquidation of the Original Land Lease Agreement within three days from the Effective Date. As at the Latest Practicable Date, Bright Global and Hoa Phu have started to carry out the procedures for the liquidation of the Original Land Lease Agreement.

In addition, Hoa Phu (as a lessor) agrees to enter into the New Land Lease Agreement for the lease of the land use right of the Land for the entire term to Acecook (as a lessee), upon the receipt of the Land Use Right Certificate from Bright Global and after the title under the Land Use Right Certificate of the Land has been transferred to it. In particular, Hoa Phu agrees to make payments to Bright Global within three days from the receipt of corresponding payments from Acecook in instalments. As at the Latest Practicable Date, Hoa Phu has entered into the New Land Lease Agreement with Acecook, and paid the first and second instalments in relation to the Liquidation Value to Bright Global in accordance with the payment schedule as summarised below.

### ***Payment schedule of Liquidation Value from Hoa Phu to Bright Global***

Pursuant to the Tripartite Agreement, Hoa Phu shall make payments to Bright Global within three days from the receipt of payments from Acecook in accordance with the payment schedule as summarised above. Furthermore, if Hoa Phu delays in making payments for more than five days from the due date of each instalment without obtaining the consent of Bright Global, Hoa Phu shall pay an interest at the rate of 0.05% per day on the total amount of overdue payments to Bright Global until Hoa Phu fulfils its payment obligations.

### **Cancellation**

Bright Global, Hoa Phu and Acecook agree in the event that:

- (i) Acecook fails to obtain the Investment Registration Certificate and/or a new Land Use Right Certificate on or before 15 December 2022;
- (ii) Hoa Phu fails or delays to fulfil its payment obligations to Bright Global in accordance with the payment schedule stipulated above, and Bright Global requests in writing to terminate the Tripartite Agreement;
- (iii) Bright Global, Hoa Phu or Acecook is forced to cease or delay the implementation of the Tripartite Agreement and the responsible party fail to remedy the issue within 90 days; or
- (iv) the Tripartite Agreement was being terminated as prescribed by law,

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## LETTER FROM THE BOARD

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Hoa Phu shall refund the full amount of Land Lease Value received to Acecook, and Bright Global shall also return the full amount of Liquidation Value received to Hoa Phu. Furthermore, the Liquidation Agreement and the New Land Lease Agreement shall be automatically terminated and the Original Land Lease Agreement shall be restored.

In particular, prior to 15 December 2022, Acecook has successfully obtained the Investment Registration Certificate and Land Use Right Certificate from the relevant government authorities.

### 3. THE LIQUIDATION AGREEMENT

A summary of the principal terms and conditions of the Liquidation Agreement is set out below:

#### **Date**

7 November 2022

#### **Parties**

- (i) Bright Global (as the lessee of the Original Land Lease Agreement); and
- (ii) Hoa Phu (as the lessor of the Original Land Lease Agreement).

#### **Subject matter**

The land lease right of the Land, which is located at Lot II-4, Hoa Phu Industrial Park, Phuoc Hoa Hamlet, Hoa Phu Commune, Long Ho District, Vinh Long Province, Vietnam, with an area of approximately 113,000 square meters.

#### **Termination of the Original Land Lease Agreement**

Pursuant to the Liquidation Agreement, Bright Global and Hoa Phu agree to terminate the Original Land Lease Agreement, and Bright Global agrees to return the land lease right of the Land, transfer the Land Use Right Certificate and return the Land in its original condition to Hoa Phu upon receiving the Liquidation Value of approximately VND312,884,300,000 (inclusive of 10% value-added tax) (equivalent to approximately HK\$98,126,000) from Hoa Phu.

The Liquidation Value refers to the Land Lease Value minus the Transfer Fee of approximately VND12,391,458,000 (inclusive of 10% value-added tax) (equivalent to approximately HK\$3,886,000) to be received by Hoa Phu. The Transfer Fee is determined after arm's length negotiation between the parties on normal commercial terms, with reference to and in line with the local market practice. In particular, given that Acecook has no right to receive the transfer of land use right in Hoa Phu Industrial Park from Bright Global (as the lessee of the Original Land Lease Agreement) under the Vietnam law, based on the local market practice, Hoa Phu (as the lessor of the Original Land Lease Agreement) must be involved in the Transfer and

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## LETTER FROM THE BOARD

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is in a dominant position to determine the Transfer Fee. Hence, based on the information provided by Hoa Phu in relation to the amount of the transfer fee paid by a lessee of a previous transaction in respect of another piece of land situated in Hoa Phu Industrial Park, upon arm's length negotiation with Hoa Phu, it was agreed that Bright Global shall pay the Transfer Fee representing approximately VND109,000 per square meter to Hoa Phu.

As at the Latest Practicable Date, Bright Global has received the first and second instalments in relation to the Liquidation Value from Hoa Phu in accordance with the payment schedule as summarised below.

### **Payment schedule and conditions of Liquidation Value from Hoa Phu to Bright Global**

The Liquidation Value of approximately VND312,884,300,000 (inclusive of 10% value-added tax) (equivalent to approximately HK\$98,126,000) shall be paid by Hoa Phu to Bright Global in the following manner:

<b>Instalment</b>	<b>Amount</b>	<b>Payment time frame and conditions</b>
<b>1st instalment</b>	: Approximately VND32,527,576,000 (equivalent to approximately HK\$10,201,000)	Within 10 days from the signing and notarising date of the New Land Lease Agreement
<b>2nd instalment</b>	: Approximately VND130,110,303,000 (equivalent to approximately HK\$40,805,000)	30 days from the date of the 1st instalment, and the receipt of Investment Registration Certificate by Acecook
<b>3rd instalment</b>	: Approximately VND130,110,303,000 (equivalent to approximately HK\$40,805,000)	15 days from the date of the 2nd instalment, and the receipt of original receipt of application for the new issuance of Land Use Right Certificate by Acecook
<b>4th instalment</b>	: Approximately VND20,136,118,000 (equivalent to approximately HK\$6,315,000)	Three days from the receipt of the Land Use Right Certificate by Acecook

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## LETTER FROM THE BOARD

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### Cancellation

Bright Global and Hoa Phu agree in the event that:

- (i) Acecook fails to be granted the Investment Registration Certificate and a new Land Use Right Certificate by 15 December 2022;
- (ii) Hoa Phu fails or delays to fulfil its payment obligations to Bright Global in accordance with the payment schedule stipulated above, and Bright Global has requested in writing to terminate the Tripartite Agreement;
- (iii) Bright Global or Hoa Phu being forced to cease or delay the implementation of the Tripartite Agreement and the responsible party fail to remedy the issue within 90 days; or
- (iv) the Tripartite Agreement was being terminated as prescribed by law,

Hoa Phu shall refund the full amount of Land Lease Value received to Acecook, and Bright Global shall also return the full amount of Liquidation Value received to Hoa Phu. Furthermore, the Liquidation Agreement shall be cancelled and the legal validity of the Original Land Lease Agreement shall be automatically restored.

In particular, prior to 15 December 2022, Acecook has successfully obtained the Investment Registration Certificate and Land Use Right Certificate from the relevant government authorities.

### 4. GENERAL INFORMATION

The Group is an integrated manufacturer and retailer for international sports, fashion and outdoor brands.

Bright Global is an indirect wholly-owned subsidiary of the Company and is principally engaged in garment manufacturing in Vietnam.

Hoa Phu is a company incorporated in Vietnam with limited liability and is principally engaged in investment in Hoa Phu Industrial Park, Phuoc Hoa Hamlet, Hoa Phu Commune, Long Ho District, Vinh Long Province, Vietnam. Hoa Phu is ultimately owned by five individuals. In particular, it is owned as to 27.5% by Mr. Ha Duy Dung, 25% by Mr. Vo Chi Luan, 20% by Mr. Nguyen Viet Thanh, 20% by Mr. Dang The Cuong and 7.5% by Mr. Le Van Sanh. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Hoa Phu and its ultimate beneficial owners are third parties independent of the Group and its connected persons.

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## LETTER FROM THE BOARD

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Acecook is a company incorporated in Vietnam with limited liability and is principally engaged in processing and sales of instant noodles and other food products in Vietnam. Acecook is owned as to 56.6% by Acecook Co., Ltd, a company incorporated in Japan. In particular, to the best of the Directors' knowledge and information, Acecook Co., Ltd. is a company with long history and is well known for its products such as instant noodles and soups, which are widely available in many countries. According to their official website (<https://www.acecook.co.jp/company/outline/>), they have extensive operations in Japan and other countries with more than 6,800 employees as at 31 December 2021 and a total sales of approximately 87.9 billion yen for the year ended 31 December 2021. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Acecook and its ultimate beneficial owner are third parties independent of the Group and its connected persons.

### 5. REASONS FOR AND BENEFIT OF THE TRANSFER

The Land, together with another smaller parcel of land, was acquired from Hoa Phu in November 2018 for the Group's expansion plan in Vietnam (on top of its existing two production facilities in Vietnam) according to its then direction to relocate its major production facility from Mainland China to Southeast Asia countries so as to raise production capacity and reduce operating costs. However, due to the ongoing uncertain operating environment since acquisition, such as the China-US trade disputes in 2019 and the global economic downturn since the outbreak of COVID-19 pandemic in early 2020, the extent of increase in orders from the customers of the Group was not as high as expected. Therefore, the Group decided to uphold the expansion plan of the production facilities in Vietnam until the operating environment becomes more stable, and will continue to rely on its existing production facilities for its manufacturing business. Hence, the two parcels of land are yet to be developed. The Board believes that the crisis in Ukraine, the lingering effects of COVID-19 and the changing monetary and fiscal responses to these events have presented a set of risks to the global market in 2022 and near future. As it is difficult for the Group to ascertain the impacts of these events towards the Group at the moment, the Board has decided to adopt a more prudent approach when determining the development plan for its two parcels of land in Vinh Long Province, Vietnam.

The Board considers that the Transfer (being the larger piece of land among the two parcels of land owned by the Group) would represent a good opportunity to realise the value of Land at a gain immediately and provide the Group with a cash inflow which will further improve the financial position of the Group.

In addition, the Board is of the view that the Transfer is fair and reasonable, on normal commercial terms or better and in the interest of the Company and the Shareholders as a whole. None of the Directors (including the independent non-executive Directors) has a material interest in the Transfer.

After the Transfer, the Board will continue to monitor the global market conditions and the need of the Group in order to determine the direction of handling the smaller parcel of land owned by the Group.

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## LETTER FROM THE BOARD

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### **6. FINANCIAL EFFECT OF THE TRANSFER AND INTENDED USE OF PROCEEDS**

The carrying value of the Land as shown in the unaudited consolidated account of the Company as at 31 October 2022 was approximately HK\$32,491,000. The Group is expected to recognise a gain (after taxation) of approximately HK\$42,000,000 from the Transfer, being the difference between the Liquidation Value and the carrying value of the Land as at 31 October 2022 after related expenses. The expected gain has not yet been audited or reviewed by the auditor of the Company.

It is estimated that the net proceeds (after taxation) from the Transfer (after deduction of tax, legal fees and ancillary expenses) would be approximately HK\$74,000,000. The Group intends to use the net proceeds from the Transfer as general working capital for the daily operation of its existing production facilities in Vietnam or for future investment opportunities should such opportunities arise. The Group expects that the net proceeds from the Transfer will be fully utilised by the Group within one year upon the receipt of full Liquidation Value from Hoa Phu.

### **7. LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Transfer exceed 25%, but are all less than 75%, the Transfer constitutes a major transaction of the Company is therefore subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Transfer.

The Company has received a written approval of the Transfer by the Controlling Shareholder, which holds 743,769,967 Shares, representing approximately 57.91% of the total issued Shares as at the date of the Latest Practicable Date. Accordingly, pursuant to Rule 14.44 of the Listing Rules, no general meeting of the Company will be convened for the purpose of approving the Transfer.

### **8. RECOMMENDATION**

The Directors (including the independent non-executive Directors) are of the view that the Transfer is fair and reasonable and in the interest of the Company and the Shareholders as a whole and would recommend the Shareholders to vote in favour of the Transfer if it had been necessary to hold a general meeting for such purpose.

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**LETTER FROM THE BOARD**

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**9. ADDITIONAL INFORMATION**

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

Yours faithfully,  
By Order of the Board  
**Win Hanverky Holdings Limited**  
**Li Kwok Tung Roy**  
*Chairman*



## 1. FINANCIAL INFORMATION OF THE GROUP

The audited consolidated financial statements of the Group for each of the three years ended 31 December 2019, 2020 and 2021, and the unaudited consolidated financial statements for the six months ended 30 June 2022 are disclosed in the following documents which have been published on the websites of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.winhanverky.com](http://www.winhanverky.com):

- (i) Annual report of the Company for the year ended 31 December 2019 (pages 44–119)  
<https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0423/2020042300973.pdf>
- (ii) Annual report of the Company for the year ended 31 December 2020 (pages 45–119)  
<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0423/2021042301029.pdf>
- (iii) Annual report of the Company for the year ended 31 December 2021 (pages 44–111)  
<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0422/2022042201057.pdf>
- (iv) Interim report of the Company for the six months ended 30 June 2022 (pages 14–39)  
<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0909/2022090900457.pdf>

## 2. STATEMENT OF INDEBTEDNESS

### Bank borrowings

As at 31 October 2022, being the latest practicable date of the purpose of preparing this statement of indebtedness prior to the printing of this circular, the Group had total bank borrowings with a carrying amount of approximately HK\$866,647,000, comprising:

- (i) bank borrowings of approximately HK\$21,640,000 which were unguaranteed and secured by certain land and properties of the Group;
- (ii) bank borrowings of approximately HK\$358,281,000 which were unsecured and guaranteed by the Company and certain subsidiaries of the Company; and
- (iii) bank borrowings of approximately HK\$486,726,000 which were secured by certain land and properties of the Group and guaranteed by the Company and certain subsidiaries of the Company and/or personal guaranteed by certain related parties.

The carrying value of the Group's assets pledged to secure its bank borrowings amounted to approximately HK\$74,587,000 as at 31 October 2022.

### Amounts due to related parties

As at 31 October 2022, the Group had loans from non-controlling interests of subsidiaries of approximately HK\$4,861,000 and payables to non-controlling interests of a subsidiary of approximately HK\$3,140,000 which were unsecured and unguaranteed.

**Lease Liabilities**

As at 31 October 2022, the Group had lease liabilities of approximately HK\$282,726,000 which were secured by rental deposits and unguaranteed.

Save and except for the above and apart from intra-group liabilities and normal trade payables in the ordinary course of business, at the close of business as at 31 October 2022, the Group did not have any debt securities issued and outstanding, or otherwise created but unissued, or loan capital, or other borrowings or similar indebtedness including bank overdrafts and liabilities under acceptances (other than normal trade bills) or acceptance credits, debentures, or hire purchase commitments, or mortgages and charges, and there were no other material contingent liabilities nor guarantees other than corporate guarantees given by the Company, certain subsidiaries of the Company and personal guarantees given by certain related parties.

**3. WORKING CAPITAL STATEMENT**

The Directors are satisfied, after due and careful enquiry and based on the information currently available to the Directors, that after taking into account the effects of the Transfer and the financial resources available to the Group, including internal resources, the net proceeds to be received from the Transfer and the existing cash and bank balances and available banking facilities of the Group, the Group has sufficient working capital for its present requirements for at least the next 12 months from the date of publication of this circular.

**4. MATERIAL ADVERSE CHANGE**

The Directors confirm that since 31 December 2021, being the date to which the latest published audited consolidated financial statements of the Group were made up, up to and including the Latest Practicable Date, there were no material adverse changes in the financial or trading position of the Group.

**5. FINANCIAL AND TRADING PROSPECTS**

The Group is an integrated manufacturer and retailer for internationally renowned sports, fashion and outdoor brands. There are two major business segments, namely Manufacturing and High-end Fashion Retailing. The Manufacturing segment represents manufacturing and sales of (i) sportswear and (ii) high-end functional outerwear of which both primarily under original equipment manufacturing arrangements to customers mainly in Europe, the United States, Mainland China and other countries. The High-end Fashion Retailing segment represents retailing of high-end fashion products in Mainland China, Hong Kong, Macau, Taiwan and Singapore.

In 2022, the global economic is being clouded by the ongoing COVID-19 pandemic, mixing with the elevating interest rate and inflation rate, the fallout from the war between Russia and Ukraine as well as the surging energy and commodity prices. In consideration of the various economic challenges, the Group will continue to closely monitor the developments of the dynamic environment and will remain agile and vigilant by promptly adjusting the operational mode and making swift responses to minimise the impact to the businesses. The completion of the Transfer will release part of the Group's asset value as well as enhancing the Group's cash and financial position in order to safeguard against the strong headwinds ahead.

*The following is the text of a letter and valuation report prepared for the purpose of incorporation in this circular received from VAS Valuation Co., Ltd (in association with CBRE), an independent professional valuer, in connection with the valuation of the property to be transferred by the Company as at 7 November 2022.*

## **CBRE Valuation Services**

IN ASSOCIATION WITH CBRE VIETNAM

A&B Tower, 76A Le Lai, Ben Thanh Ward  
District 1, Ho Chi Minh City, Vietnam

Tax code: 0316113465

www.cbre.com.vn

23 December 2022

The Board of Directors  
Win Hanverky Holdings Limited  
6th Floor, Phase 6  
Hong Kong Spinners Industrial Building  
481–483 Castle Peak Road  
Kowloon  
Hong Kong

Dear Sirs,

In accordance with instruction from Win Hanverky Holdings Limited (the “**Company**”) for us to carry out a valuation of property interest located at Lot II-4, Hoa Phu Industrial Park, Phuoc Hoa Hamlet, Hoa Phu Commune, Long Ho District, Vinh Long Province, Vietnam (the “**Property**”) leased by Bright Global (Vinh Long) Garment Factory Company Limited, we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the Property as at 7 November 2022 (the “**Date of Valuation**”).

### **Valuation Basis, Assumptions and Methodology**

Our valuation is prepared in accordance with the “HKIS Valuation Standards 2020” published by The Hong Kong Institute of Surveyors (the “**HKIS**”), the “RICS Valuation, Global Standards 2022” of the Royal Institution of Chartered Surveyors (the “**RICS**”) Valuation Standards and the “International Valuation Standards 2022” published by the International Valuation Standards Council (the “**IVSC**”) subject to variation to meet local established law. Unless otherwise stated, our valuation is undertaken as External Valuers as defined in the relevant Valuation Standards.

Our valuations are made on the basis of market value which is defined by the International Valuation Standards and followed by the HKIS and RICS to mean “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.”

We have also complied with all the requirements contained in the Companies Ordinance, Chapter 5, Practice Note 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The term ‘Market Value’ as used in the context of this valuation is defined as intended to mean “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.” Market Value is understood as the value of an asset or liability estimated without regard to costs of sale or purchase (or transaction) and without offset for any associated taxes or potential taxes.

Our valuation has been made on the assumption that the owner sells the property on the open market without the benefit or burden of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which would serve to affect the values of the property.

No allowance has been made in our valuations for any charges, mortgages, or amounts owing neither on the property nor for any expenses or taxation which may be incurred in effecting sale. Unless otherwise stated, it is assumed that the property was free from encumbrances, restrictions and outgoings of an onerous nature which could affect their values.

We have valued the Property as a single property interest and 100% of the property interest and not the ownership of companies or the shares within each.

Our valuation is current as at the Date of Valuation only. The value assessed may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value.

We have valued the Property by the Direct Comparison Approach on the assumption that it can be sold in its existing state. Comparison is based on prices realized on actual transactions and/or asking prices of comparable properties. Comparable properties with similar sizes, characteristics and locations are analyzed, and carefully weighed against all respective advantages and disadvantages of each property in order to arrive at a fair comparison of value.

Value-added tax and other service taxes have not been considered for the purpose of the valuation exercise, either at the construction or operation stage.

**Market Condition**

The market value assessed may change significantly and unexpectedly over a relatively short period including as a result of general market movements or factors specific to the particular property. We do not accept liability for losses arising from such subsequent changes in value after the valuation date.

**Source of Information**

We have relied on the information given by the Company, in particular, but not limited to occupation condition, floor plans, site area and floor area and other relevant information. No on-site measurement has been taken. Dimensions, measurements and areas included in the valuation certificate are only approximations. We have taken every reasonable care both during reviewing the information provided to us and in making relevant enquiries. We have had no reason to doubt the truth and accuracy of the information provided to us by the Company, which is material to the valuation. We were also advised by the Company that no material facts have been omitted from the information provided to us.

We have not been instructed to independently verify the information provided to us. Our valuation is totally dependent on the adequacy and accuracy of the information supplied and/or the assumptions made. Should it be established subsequently that the details relating to the Property are incorrect or inadequate, we reserve the right to adjust the value reported herein.

We consider that we have been provided with sufficient information to arrive an informed view, and we have no reason to suspect that any material information has been withheld.

**Property Inspection**

We made inspection of the Property for this valuation. During our inspection, we have not carried our investigations on the site to determine the suitability of the ground conditions and the services for any future development.

We have not carried out site measurements to verify the correctness of the areas of the Property. We have assumed that the areas shown on the documents and official site plan are correct. Our valuation is on the basis that these aspects are satisfactory. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations.

Inspection of the Property was carried out on 7 November 2022 by our technical staff Mr. Vuong Thanh Phong, Manager. He has more than 7 years' experience in the valuation of properties in the Vietnam.

**Currency**

The valuation currency is expressed in VND, the exchanging to US\$ is for reference purpose. Applied exchange rate as at the Date of Valuation was US\$1: VND24,874.

We enclose herewith a summary of value and our valuation certificate.

Yours faithfully,  
For and on behalf of

**Service Provider:**  
**VAS Valuation Co., Ltd**

**Consultancy Support by:**  
**CBRE Limited**

**Ho Thi Kim Oanh**  
*MRICS*  
*Director*  
Registered Valuer No. VII11.621  
Ministry of Finance of Vietnam  
RICS Registered Valuer No. 6138871  
Valuation & Advisory Services

**Lin Tien Chi, Stephen**  
*BSc (Surv), MHKIS, MRICS, RPS(GP), MCIREA*  
*Director*  
License No.: E-241898

*Note:* Mrs. Ho Thi Kim Oanh MRICS is a qualified general practice surveyor and has over 16 years of valuation experience in Vietnam.

Mr. Lin Tien Chi, Stephen BSc (Surv), MHKIS, MRICS, RPS(GP), MCIREA is a qualified general practice surveyor and has over 15 years of valuation experience in the People's Republic of China and Hong Kong.

## VALUATION CERTIFICATE

## Property leased by Bright Global (Vinh Long) Garment Factory Company Limited for future development in Vietnam

Property	Description and tenure	Details of occupancy	Market value in existing state as at the Date of Valuation
Lot II-4, Hoa Phu Industrial Park, Phuoc Hoa Hamlet, Hoa Phu Commune, Long Ho District, Vinh Long Province, Vietnam (the “ <b>Property</b> ”)	<p>The Property is a vacant industrial land with site area of approximately 113,233.9 sqm. It is located at Lot II-4, Hoa Phu Industrial Park, Phuoc Hoa Hamlet, Hoa Phu Commune, Long Ho District, Vinh Long Province, Vietnam. The Property is adjacent to D3 street (12m) to the west, adjacent to N2 (12m) to the north.</p> <p>The Property is located approx. 13 km to Northeast of the People’s Committee of Vinh Long Province, approx. 136 km to Northeast of the People’s Committee of Ho Chi Minh City.</p> <p>It is entirely regular shaped and general level topography. At the Date of Valuation, all infrastructures were in place with completed road systems, sewerage systems and telecommunication systems.</p> <p>The Property is held under Land Use Right Certificate with leasehold (upfront payment for infrastructure and land rental), expiring on 5 January 2060 with remaining land use term of approx. 38 years. (According to Land Use Right Certificate No. CV 887762/CT71128 dated 22 July 2020 issued by Department of Natural Resource and Environment of Vinh Long Province).</p>	<p>As at the Date of Valuation, the Property was a parcel of levelled vacant site pending for development. The Property was leased to Bright Global (Vinh Long) Garment Factory Company Limited for a term expiring on 5 January 2060 with a lump sum rent of VND101,663,660,098 for the remaining 38 years which has been fully paid.</p>	<p>US\$11,900,000 (Eleven Million and Nine Hundred Thousand United States Dollars Only)</p>

*Notes:*

1. Investment Registration Certificate No.1078258862 first registered on 23 October 2018 and 3rd amendment on 31 May 2022, the investor of the Property is Bright Will Holdings Limited, the immediate holding company of Bright Global (Vinh Long) Garment Factory Company Limited, with details summarised below:

<b>Company of implementation of investment project</b>	<b>Site area (<i>sqm</i>)</b>	<b>Purpose of project</b>
Bright Global (Vinh Long) Garment Factory Company Limited	113,233.9	Garment manufacturing and processing

2. According to the Land Lease Agreement dated 30 October 2018, the Property is currently leased by Hoa Phu Joint Stock Company to Bright Global (Vinh Long) Garment Factory Company Limited for a term expiring on 5 January 2060 at a rental of VND816,200/sqm/38 years which equals to VND101,663,660,098 for the remaining 38 years. The lump sum rent has already been fully paid.

3. According to the Notice of Handing over Landmarks and Land to the investor dated 11 December 2018 between Hoa Phu Joint Stock Company and Bright Global (Vinh Long) Garment Factory Company Limited, the coordinates of the Property are as follows:

<b>No.</b>	<b>Coordinates X</b>	<b>Coordinates Y</b>
1	1125410.374	548068.729
2	1125414.782	548074.698
3	1125416.524	548081.911
4	1125297.943	548409.429
5	1125000.648	548301.498
6	1125123.557	547964.571

4. The Property has been granted with a Construction Permit dated 15 July 2019 issued by Vinh Long Industrial Park Management Board. The project owner is Bright Global (Vinh Long) Garment Factory Company Limited and the salient points of the Construction Permit are as follows:

<b>Registration No.</b>	<b>Construction area (<i>sqm</i>)</b>	<b>No. of levels</b>	<b>Gross floor area (<i>sqm</i>)</b>
No.8/2019/GPXD	39,872.6	1–3	47,355.8

5. The Property has been granted with a Land Use Right Certificate No. CV 887762/CT71128 dated 22 July 2020 issued by Department of Natural Resource and Environment of Vinh Long Province with details summarised below:

<b>Site area (<i>sqm</i>)</b>	<b>Land use</b>	<b>Land use term</b>
113,233.9	Industrial use	Until 5 January 2060 (38 years remaining)

6. **Zoning and Approvals:** As per Land Use Right Certificate No. CV 887762/CT71128 dated 22 July 2020 issued by Natural Resources and Environment Department of Vinh Long Province, the Property is located in the area designated for industrial use.



7. We have been provided the legal opinion of the Property issued by ADK Vietnam Lawyers. In respect of the Property being real estate in Vietnam leased to Bright Global (Vinh Long) Garment Factory Company Limited, the salient points of the legal opinion are as follows:
- Bright Global (Vinh Long) Garment Factory Company Limited is a limited liability company established in Vietnam, has Investment Registration Certificate No. 1078258862 issued on 23 October 2018 and Enterprise Registration Certificate No. 1501093663 issued on 25 October 2018 and specializing in manufacturing and processing garment products of all kinds;
  - Bright Global (Vinh Long) Garment Factory Company Limited has entered into the Land Lease Agreement with the landlord (Hoa Phu Joint Stock Company) in respect of the Property;
  - The Land Lease Agreement is valid, subsisting and legally binding and enforceable and is in no way void or voidable;
  - It is not required to have the Land Lease Agreement registered/filed under Vietnamese Laws;
  - There has been no breach by Hoa Phu Joint Stock Company of all covenants, obligations, conditions or restrictions imposed upon Bright Global (Vinh Long) Garment Factory Company Limited under the Land Lease Agreement;
  - All necessary approvals, consents, authorisations and permits in connection with the use of and occupancy of the Property have been obtained and are valid and subsisting;
  - Bright Global (Vinh Long) Garment Factory Company Limited has all the requisite licenses, permits, authorisations and consents in connection with the use and occupancy of the Property;
  - The Property is not being mortgaged, encumbered, liened, pledged to any other third party;
  - As indicated in the Land Lease Agreement as mentioned above, generally, the lease, transfer or otherwise disposal of the Property by Bright Global (Vinh Long) Garment Factory Company Limited must also be approved in writing by Hoa Phu Joint Stock Company as the lessor of the Land;
  - The present use of the Property is the permitted use under the relevant title documents and the applicable law and regulations of Vietnam, including but not limited to, those for the purpose of the planning, building regulations and the relevant approval (if appropriate) and is not adversely affected or likely to be adversely affected by any planning proposals or regulations;
  - The Property has not been affected by any order or notice of or proceedings involving any governmental or local authority or other body or any agreement with any of the same or by any notices served on Bright Global (Vinh Long) Garment Factory Company Limited by such authority or body; and
  - There is no compulsory purchase notice, order or resolution affecting any of the Property or any closure, demolition, clearance orders, or other orders of the land bureau, building authority or equivalent body affecting any of the above properties, or any circumstances likely to lead to any being made.

8. Comparable transactions that were considered in our valuation include:

	<b>The Property</b>	<b>Comparable 1</b>	<b>Comparable 2</b>	<b>Comparable 3</b>
<b>Project name</b>	113,233.9 sqm industrial land	53,598.6 sqm industrial land	5,000 sqm industrial land	6,833.3 sqm industrial land
<b>Address</b>	Hoa Phu Industrial Park	Binh Minh Industrial Park	Binh Minh Industrial Park	Binh Minh Industrial Park
<b>District/City</b>	Hoa Phu Commune, Long Ho District, Vinh Long Province	My Hoa Commune, Binh Minh District, Vinh Long Province	My Hoa Commune, Binh Minh District, Vinh Long Province	My Hoa Commune, Binh Minh District, Vinh Long Province
<b>Distance to Vinh Long's central business district</b>	Approx. 13 km to Northeast of the People's Committee of Vinh Long Province	Approx. 33 km to Northeast of the People's Committee of Vinh Long Province	Approx. 33 km to Northeast of the People's Committee of Vinh Long Province	Approx. 33 km to Northeast of the People's Committee of Vinh Long Province
<b>Distance to Ho Chi Minh's central business district</b>	Approx. 136 km to Northeast of the People's Committee of Ho Chi Minh City	Approx. 156 km to Northeast of the People's Committee of Ho Chi Minh City	Approx. 156 km to Northeast of the People's Committee of Ho Chi Minh City	Approx. 156 km to Northeast of the People's Committee of Ho Chi Minh City
<b>Land area (sqm)</b>	113,234	56,599	5,000	6,833
<b>Gross floor area (sqm)</b>	N/A	N/A	N/A	N/A
<b>Land tenure</b>	50-years leasehold with upfront payment for land rental and infrastructure, remaining land lease term 38 years, expiring 2060	50-years leasehold with upfront payment for land rental and infrastructure, remaining land lease term 34 years, expiring 2056	50-years leasehold with upfront payment for land rental and infrastructure, remaining land lease term 34 years, expiring 2056	50-years leasehold with upfront payment for land rental and infrastructure, remaining land lease term 34 years, expiring 2056
<b>Proposed development</b>	Industrial use	Industrial use	Industrial use	Industrial use
<b>Development approval</b>	Land use right certificate, land lease agreement issued	Land lease agreement issued, assumed land use right certificate issued	Land lease agreement issued, assumed land use right certificate issued	Land lease agreement issued, assumed land use right certificate issued

	<b>The Property</b>	<b>Comparable 1</b>	<b>Comparable 2</b>	<b>Comparable 3</b>
<b>Street frontage/ Accessibility from main road</b>	N2 Street (12m) D3 Street (12m)	D3 Street (10m) D2 Street (15m) An Internal Street (20m)	1 internal street (15m)	Street D2 (15m) Street N2 (15m)
<b>Land shape</b>	Regular	Regular	Regular	Regular
<b>Current status</b>	Vacant	Vacant	Vacant	Vacant
<b>Coordinate</b>	10°10'38.6"N 105°56'33.4"E	10°02'18.4"N 105°49'17.4"E	10°02'15.0"N 105°49'24.9"E	10°02'07.4"N 105°49'15.3"E
<b>Land price (US\$/sqm)</b>		<b>US\$97</b>	<b>US\$100</b>	<b>US\$100</b>
<b>Total price (US\$)</b>		US\$5,500,000	US\$500,000	US\$700,000
<b>Transaction status</b>		Transacted Q2/2022	Transacted Q1/2022	Transacted Q1/2022

## 1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular 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 circular misleading.

## 2. DIRECTORS' DISCLOSURE OF INTEREST

### (a) Interests and short positions of directors and chief executives in share, underlying shares and debentures of the Company

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive(s) of the Company (if any) in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

#### (i) Long position in the shares/underlying shares of the Company

Name of the Directors	Capacity	Number of shares/ underlying shares	Percentage of interest in the Company
Mr. LI Kwok Tung Roy	Interest in a controlled corporation	743,769,967 <sup>1</sup>	57.91%
Mr. LAI Ching Ping	Beneficial owner	4,186,000	0.33%
Mr. LEE Kwok Leung	Beneficial owner	12,000,000 <sup>2</sup>	0.93%
Mr. WONG Chi Keung	Beneficial owner	10,102,000 <sup>3</sup>	0.79%

*Notes:*

- Mr. LI Kwok Tung Roy holds 70% of the issued share capital of Quinta Asia Limited (“**Quinta**”). Mr. LI Kwok Tung Roy has a controlling interest in Quinta and is therefore deemed to be interested in Quinta’s interest in the Company for the purposes of the SFO.

2. Mr. LEE Kwok Leung is interested as a grantee of options to subscribe for up to 12,000,000 Shares under the share option scheme.
3. Mr. WONG Chi Keung holds 102,000 Shares and is interested as a grantee of options to subscribe for up to 10,000,000 Shares under the share option scheme.

*(ii) Long positions in the shares of the associated corporation of the Company*

Name of the directors	Associated corporation	Capacity	Number of shares	Percentage of interest in associated corporation
Mr. LI Kwok Tung Roy	Quinta	Beneficial owner	7	70%
Mr. LAI Ching Ping	Quinta	Beneficial owner	3	30%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive(s) of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

Save as disclosed below, as at the Latest Practicable Date, none of the Directors was a director or employee of a company which had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Name of the company	Name of the Directors	Position held by the Directors in the company
Quinta	Mr. LI Kwok Tung Roy	Director
Quinta	Mr. LAI Ching Ping	Director

**(b) Interest of substantial Shareholders**

As at the Latest Practicable Date, according to the register kept by the Company under section 336 of the SFO, the persons other than a Director or chief executive of the Company who had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO were as follows:

<b>Name of Shareholder</b>	<b>Capacity</b>	<b>Long/short position</b>	<b>Number of Shares</b>	<b>Percentage of interest in the Company</b>
Quinta	Beneficial owner	Long	743,769,967	57.91%

Save as disclosed above, as at the Latest Practicable Date, so far as was known to the Directors, no other person (other than the Directors or chief executive of the Company) had any interests or short positions in the shares and/or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

**3. DIRECTORS' INTERESTS IN ASSETS OF THE GROUP**

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been acquired or disposed of by, or leased to, or which were proposed to be acquired or disposed of by, or leased to, any member of the Group since 31 December 2021 (being the date to which the latest published audited consolidated financial statements of the Group were made up).

**4. DIRECTORS' INTEREST IN CONTRACTS OR ARRANGEMENT**

As at the Latest Practicable Date, so far as the Directors were aware, none of the Directors was materially interested in any contracts or arrangements subsisting as at the Latest Practicable Date which was significant in relation to the business of the Group.

**5. DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had entered, or been proposed to enter, into any service contract with the Company or any other member of the Group which is not expiring or may not be terminable by the Group within one year without payment of compensation (other than statutory compensation).

## 6. DIRECTORS' INTEREST IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors and their respective close associates was considered to have an interest in any business which competes or is likely to compete or have any other conflict of interest, either directly or indirectly, with the business of the Group.

## 7. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) were entered into by members of the Group within the two years immediately preceding the date of this circular which are or may be material:

- (i) the Tripartite Agreement; and
- (ii) the Liquidation Agreement.

Save as disclosed above, there is no material contract (not being entered into the ordinary course of business) entered into by any member of the Group within two years immediately preceding the Latest Practicable Date.

## 8. 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, so far as the Directors were aware, no litigation, arbitration or claim of material importance was pending or threatened against any member of the Group.

## 9. EXPERT AND CONSENT

The following is the qualification of the expert who has given its opinions or advice contained in this circular:

<b>Name</b>	<b>Qualification</b>
VAS Valuation Co., Ltd (in association with CBRE)	Independent professional land valuer

As at the Latest Practicable Date, the above expert did not have any shareholding, directly or indirectly, in any member of the Group or any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in any member of the Group.

As at the Latest Practicable Date, the above expert had given and had not withdrawn its written consent to the issue of this circular with the inclusion herein of its reports and/or letters (as the case may be) given as of the date of this circular and references to its name in the form and context in which it appears.

As at the Latest Practicable Date, the above expert did not have any direct or indirect interest in any assets which had been acquired, disposed of or leased to, or which were proposed to be acquired, disposed of by or leased to, any member of the Group since 31 December 2021, being the date to which the latest published audited consolidated financial statements of the Group were made up.

## 10. GENERAL

- (i) The company secretary of the Company is Ms. LAM Choi Ha, who is a fellow member of the Hong Kong Institute of Certified Public Accountants. She holds a bachelor degree in Business Administration from the Hong Kong Baptist University in 2001.
- (ii) The registered office of the Company is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The head office and the principal place of business of the Company in Hong Kong is 6th Floor, Phase 6, Hong Kong Spinners Industrial Building, 481-483 Castle Peak Road, Kowloon, Hong Kong.
- (iii) The principal share registrar and transfer office in Cayman Islands of the Company is Suntera (Cayman) Limited at Suite 3204, Unit 2A, Block 3, Building D, P.O. Box 1586, Gardenia Court, Camana Bay, Grand Cayman KY1-1100, Cayman Islands.
- (iv) The Hong Kong share registrar and transfer office of the Company is Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (v) This circular is in both English and Chinese. If there is any inconsistency, the English text shall prevail.

## 11. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange and the Company from the date of this circular up to 14 days thereafter:

- (a) the material contracts referred to in the paragraph headed “7. Material Contracts” in this Appendix;
- (b) the valuation report prepared by VAS Valuation Co., Ltd (in association with CBRE), the text of which is set out in Appendix II to this circular; and
- (c) the written consent referred to in the paragraph headed “9. Expert and Consent” in this Appendix.