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If you have sold or transferred all your shares in Winfull Group Holdings Limited, you should at once hand this circular to the purchaser or transferee, or to the licensed securities dealer or registered institution in securities or other agent through whom the sale or the transfer was effected for transmission to the purchaser or transferee.

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WINFULL GROUP HOLDINGS LIMITED
宏輝集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 183)

MAJOR TRANSACTION SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCT

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

A letter from the Board is set out on pages 3 to 10 of this circular.

The transaction being the subject matter of this circular has been approved by written Shareholder's approval pursuant to Rule 14.44 of the Listing Rules and this circular is being despatched to the Shareholders for information only.

23 May 2024

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DEFINITIONS

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

“Announcement”	the announcement of the Company dated 19 April 2024 in relation to, among other things, the Subscription
“August Ally”	August Ally Limited, being a company incorporated in the British Virgin Islands with limited liability, which is a wholly-owned subsidiary of the Company
“Board”	the board of Directors
“Company”	Winfull Group Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 183)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hang Seng Bank”	Hang Seng Bank Limited, a company the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 11)
“Hang Seng Insurance”	Hang Seng Insurance Company Limited, a company incorporated in the Hong Kong with limited liability
“Hang Seng Wealth Management Product”	the wealth management product offered by Hang Seng Insurance, namely LegendPower Life Insurance Plan (Single Premium)
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	17 May 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Pong”	Mr. Pong Wilson Wai Sun, the chairman of the Board and an executive Director
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary 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
“Subscription”	the subscription of the Hang Seng Wealth Management Product in an aggregate amount of USD9,200,000 (equivalent to approximately HK\$71,760,000)
“USD”	US dollars, the lawful currency of the United States of America
“Virtue Partner”	Virtue Partner Group Limited, a company incorporated in the British Virgin Islands with limited liability and wholly owned by Mr. Pong
“%”	per cent

In this circular (except for Appendix I), amounts in USD are translated into HK\$ on the basis of USD1.00 = HK\$7.8. The conversion rate is for illustration purposes only and should not be taken as a representation that USD could actually be converted into HK\$ at such rate or at all.

LETTER FROM THE BOARD



WINFULL GROUP HOLDINGS LIMITED

宏輝集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 183)

Executive Directors:

Mr. Pong Wilson Wai San (*Chairman*)
Mr. Lee Wing Yin (*Chief Executive Officer*)

Non-executive Director:

Mr. Lai Hin Wing, Henry

Independent Non-executive Directors:

Mr. Koo Fook Sun, Louis
Ms. Yeung Wing Yan Wendy
Mr. Liu Tsee Ming

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

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

Unit A, 6/F.
9 Queen's Road Central
Central
Hong Kong

23 May 2024

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCT

INTRODUCTION

Reference is made to the Announcement in relation to the Subscription.

On 19 April 2024, August Ally subscribed for wealth management product offered by Hang Seng Insurance, namely, the Hang Seng Wealth Management Product.

LETTER FROM THE BOARD

SUBSCRIPTION OF HANG SENG WEALTH MANAGEMENT PRODUCT

Principal terms of the Hang Seng Wealth Management Product are set out below:

Date of subscription	19 April 2024
Name of the wealth management product	LegendPower Life Insurance Plan (Single Premium)
Total actual subscription amount	USD9,200,000 (equivalent to approximately HK\$71,760,000)
Total notional subscription amount	USD10,000,000 (equivalent to approximately HK\$78,000,000)
Policy term	Whole of life of the insured

If the insured passes away when the policy of the Hang Seng Wealth Management Product is in force, unless there is a contingent insured designated by the policyholder who becomes the new insured, the death benefit will be paid to the beneficiary (i.e. August Ally).

The death benefit shall be the sum of (1) the higher of (i) 101% of total premiums paid or (ii) the guaranteed cash value, (2) non-guaranteed special dividend (if any) and (3) policy value management balance (if any) locked in from exercising the policy value management option, less the amount of indebtedness (if any).

Expected investment return	The Hang Seng Wealth Management Product offers returns consist of guaranteed cash value and non-guaranteed returns. Guaranteed cash value can only be withdrawn upon surrender in full or in part, cancellation, lapse or termination of the policy.
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LETTER FROM THE BOARD

If August Ally surrenders during the first year of Subscription, it will only receive a guaranteed cash and a non-guaranteed dividend (if any), which in aggregate is less than August Ally's actual subscription amount. The Hang Seng Wealth Management Product will start to generate guaranteed positive returns from the 12th year of Subscription. At the end of the 12th year, the guaranteed cash value will be USD10,004,000, which will in turn generate return of USD804,000 (equivalent to approximately HK\$6.27 million). At the end of the 13th year, the guaranteed cash value will be USD10,028,500. At the end of the 14th year, the guaranteed cash value will be USD10,053,600. At the end of the 15th year, the guaranteed cash value will be USD10,079,400. At the end of the 20th year, the guaranteed cash value will be USD10,215,200. At the end of the 25th year, the guaranteed cash value will be USD10,358,500. At the end of the 30th year, the guaranteed cash value will be USD10,535,800. At the end of the 35th year, the guaranteed cash value will be USD10,738,700.

The non-guaranteed returns (if any) are paid in the form of special dividends to be declared by Hang Seng Insurance at their absolute discretion, which is payable when the policy is in force and upon occurrence of the following (whichever is the earliest):

- (i) the death of the life insured (unless there is a contingent insured who becomes the new life insured); or
- (ii) the cancellation, lapse or termination of the policy; or
- (iii) the surrender of the policy, whether in full or in part; and
- (iv) any payment of mental incapacity benefit under the policy.

LETTER FROM THE BOARD

Assuming the special dividends are declared, the total return at the end of the 3rd year will be around USD11,000,700 (consisting of guaranteed cash value of USD9,028,300 and non-guaranteed special dividend of around USD1,972,400); at the end of the 8th year will be around USD12,667,800 (consisting of guaranteed cash value of USD9,384,400 and non-guaranteed special dividend of around USD3,283,400); the total return at the end of the 12th year will be around USD16,554,400 (consisting of guaranteed cash value of USD10,004,000 and non-guaranteed special dividend of around USD6,550,400); the total return at the end of the 15th year will be around USD19,408,500 (consisting of guaranteed cash value of USD10,079,400 and non-guaranteed special dividend of around USD9,329,100); the total return at the end of the 20th year will be around USD26,548,200 (consisting of guaranteed cash value of USD10,215,200 and non-guaranteed special dividend of around USD16,333,000); the total return at the end of the 25th year will be around USD42,939,000 (consisting of guaranteed cash value of USD10,358,500 and non-guaranteed special dividend of around USD32,580,500); the total return at the end of the 30th year will be around USD57,483,700 (consisting of guaranteed cash value of USD10,535,800 and non-guaranteed special dividend of around USD46,947,900).

After the 5th year of the Subscription, the policyholder shall have the right to exercise the policy value management option to lock-in a portion of the guaranteed cash value and non-guaranteed special dividend (if any) to mitigate the impact of fluctuations in investment market on the Hang Seng Wealth Management Product. Upon exercise of policy value management option, a portion of special dividend (if any) relevant to the portion of the net cash value (if any) to be allocated to the policy value management balance will be declared and such amount (if any) will be allocated to the balance to accumulate with interest.

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Upon partial surrender of the policy, a portion of the special dividend (if any) attributable to the reduced portion of the policy amount will be declared and such amount, if any, will be payable as part of the partial surrender payment.

Surrender

August Ally may surrender the Hang Seng Wealth Management Product in full or in part at any time.

Asset portfolio of the
Hang Seng Wealth
Management Product

The Hang Seng Wealth Management Product's asset portfolio consists of (1) predominantly, fixed income assets issued by government and corporate entities with good credit quality and long term prospects, which may also include a small portion of high-yield fixed income assets; and (2) growth assets, including but not limited to equities, properties, hedge funds and private equities. Subject to Hang Seng Insurance's investment strategy, financial derivatives may be used for hedging or efficient portfolio management.

The asset portfolio is well diversified in different types of assets, and is invested in global geographical markets (mainly the United States of America, Europe, Asia including Hong Kong) and industries. Investment for fixed income assets are mainly in HK\$ and USD to match the currency of the underlying policies while growth assets are invested in various currencies for diversification.

Actual allocations will take into consideration past investment performance of the assets supporting the policies, prevailing market conditions and future outlook, and the guaranteed and non-guaranteed benefits of the policies. The management and investment strategy of the asset portfolio may be subject to change depending on the market conditions and economic outlook.

The Subscription shall be funded by bank financing of the Group. The Subscription shall also be subject to the obtaining of approval from the majority of the Shareholders. The Company has obtained written approval for the Subscription and the transactions contemplated thereunder in accordance with Rule 14.44 of the Listing Rules from Mr. Pong (for himself and on behalf of Virtue Partner), who was interested in an aggregate of approximately 67.31% of the entire issued share capital of the Company as at the date of the Announcement and approximately 67.51% as at the Latest Practicable Date.

LETTER FROM THE BOARD

REASONS FOR AND BENEFITS OF SUBSCRIBING FOR THE HANG SENG WEALTH MANAGEMENT PRODUCT

In order to enhance the capital efficiency as well as the return from capital operation, the Group reasonably utilises the bank financing available for the purpose of cash management to subscribe for the Hang Seng Wealth Management Product to earn additional income without affecting its cash balance and normal operations. The actual subscription amount of USD9.2 million was determined after taking into account (1) the attractive tier benefit of an 8%-discount offered by Hang Seng Insurance to the Group for products with subscription amount exceeding USD10 million; and (2) the potential high return that could possibly be generated from the Subscription in light of the discount available. Assuming that the Group will subscribe the Hang Seng Wealth Management Product for more than 3 years and the non-guaranteed special dividends will be declared, the total return available for the Group would represent an average return of more than approximately 6.5% per year. Even if a more prudent and conservative approach is adopted for estimations, it is still expected that the Subscription will generate an average return of approximately 3.9% to approximately 4.5% per year, which is relatively attractive when compared to the deposit interest rates for twelve months' deposit offered by commercial banks to the Company which range from approximately 3.4% per annum to approximately 4.25% per annum. As such, it is of the view that the Hang Seng Wealth Management Product offers a better potential return to the Group.

It is currently expected that the Group will subscribe for the Hang Seng Wealth Management Product for a period ranging from 3 years to 12 years, depending on (i) the actual amount of non-guaranteed special dividend to be declared and distributed thereunder; and (ii) whether there are any other investment opportunities or products (including but not limited to time deposits) available to the Group which offer better and higher returns. The Company would closely and effectively monitor and manage the Hang Seng Wealth Management Product on an ongoing basis. In particular, the executive Directors would from time to time liaise and contact with, and attend annual meetings with, the representatives of Hang Seng Insurance to receive updates on the latest status of the Hang Seng Wealth Management Product and to review the performance of the underlying investments and the distribution of non-guaranteed special dividend (if any). The Directors would also review annual reports prepared by Hang Seng Insurance in these regards and make necessary decisions to continue with the Subscription or to proceed with redemption.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Hang Seng Wealth Management Product are determined on normal commercial terms after arm's length negotiation between the Group and Hang Seng Insurance, and are fair and reasonable, and that the entering into of the said transactions is in the interests of the Company and the Shareholders as a whole.

INFORMATION ABOUT THE PARTIES

The Group

The Company is principally engaged in the investment, trading and development of properties and securities investment and trading. August Ally is a company incorporated

LETTER FROM THE BOARD

in the British Virgin Islands with limited liability, which is a wholly-owned subsidiary of the Company and is engaged in the investment and treasury function of the Group.

The insured

The insured is Mr. Lee Wing Yin, an executive Director and the chief executive officer of the Company. He is also the beneficial owner of 1,000,000 Shares and 3,818,000 underlying shares of the Company as at the Latest Practicable Date.

Given that the insured is merely acting as a nominee of the Group in the Subscription and is neither the policy holder nor the beneficiary of the Hang Seng Wealth Management Product, Mr. Lee Wing Yin was not considered to have any material interest in the Subscription and is thus, not required to abstain from voting on the Subscription as a Director or as a Shareholder.

Hang Seng Insurance

Hang Seng Insurance is a private company incorporated in Hong Kong limited by shares which principally engaged in provision of insurance services and is a wholly-owned subsidiary of Hang Seng Bank.

To the best of their knowledge, information and belief and having made all reasonable enquiries, the Directors confirm that Hang Seng Insurance and its ultimate beneficial owners are third parties independent of the Group and its connected persons (as defined under the Listing Rules).

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Subscription exceeds 25% but is less than 100%, the Subscription constitutes a major transaction under the Listing Rules and is subject to reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Under Rule 14.44 of the Listing Rules, Shareholders' approval for the Subscription and the transactions contemplated thereunder may be obtained by way of written Shareholders' approval in lieu of holding a general meeting if (1) no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Subscription; and (2) written Shareholders' approval has been obtained from a Shareholder or a closely allied group of Shareholders who together hold more than 50% of the voting rights at that general meeting to approve the Subscription.

The Company has obtained written approval for the Subscription and the transactions contemplated thereunder in accordance with Rule 14.44 of the Listing Rules from Mr. Pong (for himself and on behalf of Virtue Partner), who was the beneficial owner of 46,959,600 Shares and is deemed to be interested in 334,641,966 Shares held by Virtue Partner, which in aggregate represents approximately 67.31% of the entire issued share capital of the Company as at the date of the Announcement.

LETTER FROM THE BOARD

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder or any of their respective close associates have any material interest in the Subscription and the transactions contemplated there under, and none of them is required to abstain from voting on the Subscription and the transactions contemplated thereunder. Accordingly, no general meeting will be held by the Company for approving the Subscription and the transactions contemplated thereunder as is permitted under Rule 14.44 of the Listing Rules.

RECOMMENDATION

The Directors (including the independent non-executive Directors) are of the view that the terms of the Hang Seng Wealth Management Product are determined on normal commercial terms after arm's length negotiation between the Group and Hang Seng Insurance, and are fair and reasonable, and that the Subscription and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole.

Although a general meeting will not be convened by the Company to approve the Subscription and the transactions contemplated thereunder, if such a general meeting were to be convened by the Company, the Board would have recommended the Shareholders to vote in favour of the resolutions to approve the Subscription and the transactions contemplated thereunder.

GENERAL

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

By order of the Board
Winfull Group Holdings Limited
Pong Wilson Wai San
Chairman

1. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for each of the three years ended 30 June 2021, 2022 and 2023 and the six months ended 31 December 2023 are disclosed in the following documents which have been published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (www.winfullgroup.hk):

- (i) annual report of the Company for the year ended 30 June 2021 (pages 53 to 125) (<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/1026/2021102600387.pdf>);
- (ii) annual report of the Company for the year ended 30 June 2022 (pages 56 to 130) (<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/1025/2022102500364.pdf>);
- (iii) annual report of the Company for the year ended 30 June 2023 (pages 64 to 136) (<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/1025/2023102500340.pdf>);
- (iv) interim report of the Company for the six months ended 31 December 2023 (pages 3 to 24) (<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0313/2024031300913.pdf>);

2. STATEMENT OF INDEBTEDNESS

As at the close of business on 31 March 2024, being the latest practicable date for the purpose of this indebtedness statement, the Group had outstanding indebtedness as summarised below:

Borrowings

The Group had total outstanding borrowings of approximately HK\$175,536,000, further details of which are set out below:

- (a) The Group had secured and guaranteed bank and other borrowings of approximately HK\$61,173,000 and secured and unguaranteed bank and other borrowings of approximately HK\$112,051,000; and
- (b) The Group had amounts due to non-controlling shareholders of approximately HK\$2,312,000 which are unsecured, interest-free and repayable on demand.

Saved as aforesaid or as otherwise disclosed herein, and apart from intragroup liabilities and normal account payables in the ordinary course of business, at the close of business on 31 March 2024, the Group did not have any outstanding debt securities, other borrowings or loan capital issued and outstanding, agreed to be issued, or authorised or otherwise created but unissued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchase commitments, guarantees or material contingent liabilities.

3. WORKING CAPITAL

After taking into account the financial resources available to the Group, including the internally generated funds and the available banking facilities, and in the absence of unforeseen circumstances, and also taking into account the effect of the Subscription, the Directors, after due and careful enquiry, are of the opinion that the Group will have sufficient working capital to meet its present requirements for at least 12 months from the date of this circular.

4. MATERIAL ADVERSE CHANGE

The Directors confirm that, save for the increase in loss before income tax of the Group from approximately HK\$20,459,000 for the six months ended 31 December 2022 to approximately HK\$116,515,000 for the six months ended 31 December 2023 as disclosed in the announcement of the Company dated 20 February 2024 and the interim report of the Company for the six months ended 31 December 2023, which was mainly attributable to the fair value loss on investment properties and write-down of properties held for trading, as at the Latest Practicable Date, they were not aware of any material adverse change in the financial or trading position or outlook of the Group since 30 June 2023, being the date to which the latest published audited consolidated financial statements of the Group were made up.

5. EFFECT OF THE SUBSCRIPTION ON THE EARNINGS AND ASSETS AND LIABILITIES OF THE GROUP

Given that the Hang Seng Wealth Management Product lasts over one (1) year, it would be classified and recorded as non-current asset under financial instruments at fair value through profit and loss. The Subscription will increase non-current asset of the Group and will decrease cash and bank balances of the Group. The return of the Hang Seng Wealth Management Product will be recorded as revenue of the Group.

6. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The principal activity of the Company is investment holding. The Group is principally engaged in investment, trading and development of properties and securities investment and trading.

The Hong Kong economy staged a recovery in 2024 in the aftermath of the pandemic. However, the external environment is rather complicated and challenging, amid heightened geopolitical tensions and tightened financial conditions continued to dampened economic sentiment. In light of factors including but not limited to the continually tightened monetary policies introduced by the central banks in the United States and Europe, further interest rate hikes imposed by the United State Federal Reserve, sustained inflation as well as international political tensions, consumers and investors had adopted a more cautious approach in respect of their spendings and investments and the local stock market and property market turned more sluggish.

Looking forward, the Group will continue to adopt a prudent strategy on acquiring and disposing properties to mitigate the external pressures arising from the economic slowdown. The Group will continue to look for potential investment properties and development projects for recurring income and capital appreciation, at the same time expanding its securities investment and trading business and loan financing business for the growth of its stable recurring income. These strategies are intended to enable the Group to strive for a long term and steady business growth in the near future.

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 Company. 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' AND CHIEF EXECUTIVES' INTERESTS IN SHARES AND UNDERLYING SHARES

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of the Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code"), were as follows:

Long positions in the Shares and underlying shares of the Company

Name of Director	Number of issued Shares and underlying shares held (Note 1)	Percentage of the issued share capital of the Company (Note 2)
Pong Wilson Wai San (Note 3)	392,303,566 (L)	69.20%
Lee Wing Yin (Note 4)	4,818,000 (L)	0.85%
Lai Hin Wing Henry (Note 5)	200,000 (L)	0.04%
Koo Fook Sun Louis (Note 5)	200,000 (L)	0.04%
Yeung Wing Yan Wendy (Note 5)	200,000 (L)	0.04%

Notes:

- The letter "L" denotes long position in the Shares.
- The percentage shareholdings are based on a total of 566,912,566 Shares in issue as at the Latest Practicable Date.
- Mr. Pong is (1) the beneficial owner of 48,071,600 Shares and 9,590,000 underlying shares of the Company (being share options granted by the Company on 3 June 2014, 17 May 2016 and 26 November 2018, 29 June 2022 and 14 July 2023); and (2) deemed to be interested in 334,641,966 Shares beneficially owned by Virtue Partner, a company wholly owned by Mr. Pong, by virtue of Part XV of the SFO.

4. Mr. Lee Wing Yin is the beneficial owner of 1,000,000 Shares and 3,818,000 underlying shares of the Company (being share options granted by the Company on 3 June 2014, 17 May 2016 and 26 November 2018, 29 June 2022 and 14 July 2023).
5. Each of Mr. Lai Hin Wing Henry, Mr. Koo Fook Sun Louis and Ms. Yeung Wing Yan Wendy is the beneficial owner of 200,000 underlying shares of the Company (being share options granted by the Company on 26 November 2018 and 28 April 2020).

Save as disclosed herein, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) where were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Mr. Pong is a director of Virtue Partner, which has interests in the Shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO. Save for Mr. Pong, as at the Latest Practicable Date, none of the Directors is a director or employee of a company which has interest or short position in the Shares and underlying shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

So far as is known to the Directors and the chief executive of the Company, as at the Latest Practicable Date, the following person (not being Directors or chief executive of the Company) had, or was deemed to have, interests or short positions in the Shares or underlying Shares 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 or who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Long positions in the Shares and underlying shares of the Company

Name of Director	Number of issued Shares and underlying shares held <i>(Note 1)</i>	Percentage of the issued share capital of the Company <i>(Note 2)</i>
Virtue Partner	334,641,966 (L)	59.03%
Tung Ching Yee Helena <i>(Note 3)</i>	392,303,566 (L)	69.20%

Notes:

1. The letter “L” denotes long position in the Shares.
2. The percentage shareholdings are based on a total of 566,912,566 Shares in issue as at the Latest Practicable Date.
3. Ms. Tung Ching Yee Helena is the spouse of Mr. Pong and hence, is deemed to be interested in the Shares which are or are deemed to be owned by Mr. Pong by virtue of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, the Directors and the chief executive of the Company were not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the Shares or underlying Shares 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, or who was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

4. DIRECTORS’ SERVICE CONTRACTS

As at the Latest Practicable Date, save as disclosed below, none of the Directors had any existing or proposed service contract with the Group or associated companies which is not determinable by the employer within one year without payment of compensation (other than statutory compensation):

Mr. Pong, the chairman and executive Director, has entered into a service agreement with the Company for an initial term of 36 months commencing from 17 May 2022 with a monthly emolument of HK\$570,000 (which has been adjusted to HK\$586,000 (inclusive of salary and allowances but excluding any director’s fee) with effect from 1 January 2024 with reference to his roles, experience and responsibilities in the Company) plus discretionary bonus to be decided by the Board.

Mr. Lee Wing Yin, the chief executive officer, company secretary and executive Director, has entered into a service agreement with the Company for a term of 36 months commencing from 1 June 2022 with a monthly emolument of HK\$114,000 (which has been adjusted to HK\$117,200 (inclusive of salary and allowances but excluding any director’s fee) with effect from 1 January 2024 with reference to his roles, experience and responsibilities in the Company) plus discretionary bonus to be decided by the Board.

5. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or their respective associates had any interest in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

6. INTERESTS IN THE GROUP'S ASSETS OR CONTRACTS OR ARRANGEMENTS SIGNIFICANT TO THE GROUP

As at the Latest Practicable Date, none of the Directors had any direct or indirect interests in any assets which have been acquired or disposed of by or leased to, or were proposed to be acquired or disposed of by or leased to, any member of the Group since 30 June 2023, being the date to which the latest published audited financial statements of the Group were made up.

As at the Latest Practicable Date, none of the Directors was materially interested, whether directly or indirectly, in any contract or arrangement subsisting as at the Latest Practicable Date which was significant in relation to the business of the Group.

7. LITIGATION

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

8. MATERIAL CONTRACTS

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

- (a) the terms of business letter dated 19 April 2024 in relation to the Subscription of the Hang Seng Wealth Management Product; and
- (b) the agreement dated 17 June 2022 entered into between World Fair Global Limited (a wholly owned subsidiary of the Company) as vendor with Au Wing Wah and Kong Pik Fan as purchasers, in relation to, among others, the disposal of sale shares and sale loan in Universal Honor Holdings Limited for a total consideration of HK\$40,000,000, details of which are set out in the announcement of the Company dated 17 June 2022.

9. GENERAL

- (a) The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company in Hong Kong is located at Unit A, 6/F, 9 Queen's Road Central, Hong Kong.
- (b) The secretary of the Company is Mr. Lee Wing Yin, who is an associate member of the Hong Kong Institute of Certified Public Accountants and a fellow member of The Association of Chartered Certified Accountants.

- (c) The share registrar and transfer office of the Company is Tricor Tengis Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (d) In the event of inconsistency, the English text of this circular shall prevail over the Chinese text.

10. DOCUMENTS ON DISPLAY

Copies of the following documents are available on display (i) on the investor website of the Company at www.winfullgroup.hk; (ii) the website of the Stock Exchange at <https://www.hkexnews.hk/index.htm>; and (iii) at the office of the Company at Unit A, 6/F., 9 Queen's Road Central, Central, Hong Kong, during normal business hours from 9:30 a.m. to 5:00 p.m. on any weekday, except public holidays, for the period of 14 days commencing from the date of this circular:

- (1) the published annual reports of the Company for the years ended 30 June 2021, 2022 and 2023;
- (2) the published interim report of the Company for the six months ended 31 December 2023;
- (3) the letter from the Board, the text of which is set out in the section headed "Letter from the Board" in this circular; and
- (4) the material contracts referred to in the paragraph headed "Material contracts" in this appendix.