

<b>THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION</b>
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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 licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Royal Catering Group Holdings Company Limited, you should at once hand this circular to the purchaser or 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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## **ROYAL CATERING GROUP HOLDINGS COMPANY LIMITED**

**皇璽餐飲集團控股有限公司**

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

**(Stock code: 8300)**

### **MAJOR TRANSACTION IN RELATION TO THE DISPOSAL OF PROPERTY**

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Capitalised terms used on this cover page shall have the same meaning as those defined in this circular unless otherwise stated.

A letter from the Board is set out on pages 3 to 8 of this circular.

Pursuant to Rule 19.44 of the GEM Listing Rules, in lieu of a resolution to be passed at a general meeting of the Company, written Shareholder's approval for the Disposal has been obtained from Fortune Round Limited, a controlling shareholder of the Company directly holding approximately 56.7% of the issued share capital of the Company as at the date of the Preliminary Agreement and the Latest Practicable Date. No general meeting will be convened for approving the Disposal and this circular is despatched to the Shareholders for information only.

*This circular will remain on the "Latest Listed Company Information" page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least seven days from the date of its posting and on the Company's website at [www.hkrcg.com](http://www.hkrcg.com).*

**GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on The Stock Exchange of Hong Kong Limited. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.**

**Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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## DEFINITIONS

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

“Announcement”	the announcement of the Company dated 23 June 2021 in relation to, among other things, the Disposal
“associate”	has the meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Company”	Royal Catering Group Holdings Company Limited (皇璽餐飲集團控股有限公司), a company incorporated in the Cayman Islands with limited liability and whose shares are listed on GEM (Stock Code: 8300)
“Completion”	completion of the Disposal pursuant to the Formal Agreement
“connected person”	has the meaning ascribed to it under the GEM Listing Rules
“controlling shareholder”	has the meaning ascribed thereto under the GEM Listing Rules
“Directors”	director(s) of the Company
“Disposal”	the disposal of the Property by the Vendor to the Purchaser
“Formal Agreement”	the formal agreement for sale and purchase dated 21 July 2021 entered into between the Vendor and the Purchaser in relation to the sale and purchase of the Property
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“GEM”	GEM operated by the Stock Exchange
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Party”	a third party which is independent of and not connected with the Company and its connected persons and not otherwise a connected person of the Company

<b>DEFINITIONS</b>
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“Latest Practicable Date”	9 August 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“major transaction”	has the meaning ascribed to it under the GEM Listing Rules
“notifiable transaction”	has the meaning ascribed to it under the GEM Listing Rules
“percentage ratio(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Preliminary Agreement”	the preliminary sale and purchase agreement dated 23 June 2021 entered into between the Vendor, the Purchaser and the Property Agent in relation to the sale and purchase of the Property
“Property”	the property situated at 12th Floor, Great Smart Tower, No. 230 Wan Chai Road, Hong Kong
“Property Agent”	Centaline Property Agency Limited
“Purchaser”	Eagle City Limited
“Share(s)”	ordinary share(s) with nominal value of HK\$0.01 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
“Vendor”	Kingdom Star Investment Limited, a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of the Company
“%”	per cent

**LETTER FROM THE BOARD**

**ROYAL CATERING GROUP HOLDINGS COMPANY LIMITED**

**皇璽餐飲集團控股有限公司**

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

**(Stock code: 8300)**

***Executive Directors:***

Mr. Wong Man Wai (*Chairman and  
Chief Executive Officer*)  
Mr. Chan Chak To Raymond  
Ms. Lam Wai Kwan

***Registered office:***

Second Floor, Century Yard  
Cricket Square, P.O. Box 902  
Grand Cayman, KY1-1103

***Independent non-executive Directors:***

Mr. Ma Yiu Ho Peter  
Mr. Cai Chun Fai  
Mr. Ng Sai Cheong

***Headquarters, head office and principal  
place of business in Hong Kong:***

Unit 1201, 12th Floor  
Great Smart Tower  
230 Wan Chai Road  
Wan Chai, Hong Kong

9 August 2021

*To the Shareholders,*

Dear Sir or Madam,

**MAJOR TRANSACTION  
IN RELATION TO THE DISPOSAL OF PROPERTY**

**INTRODUCTION**

Reference is made to the Announcement.

On 23 June 2021 (after trading hours), Kingdom Star Investment Limited as the Vendor, an indirectly wholly-owned subsidiary of the Company, the Purchaser and the Property Agent entered into the Preliminary Agreement, pursuant to which the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Property at the consideration of HK\$34.18 million. Subsequently, the Vendor and the Purchaser entered into the Formal Agreement dated 21 July 2021.

For the reasons set out in the section headed “Written Shareholder’s Approval” in this circular, the written approval from Fortune Round Limited will be accepted in lieu of holding a general meeting of the Company to approve the Disposal. This circular will therefore be sent to the Shareholders for their information only.

The purpose of this circular is to provide you with, among other things, (i) further information on the Disposal; and (ii) other information as required under the GEM Listing Rules.

## LETTER FROM THE BOARD

### THE DISPOSAL

Details of the Disposal are set out below:

#### Date of the Preliminary Agreement and the Formal Agreement

23 June 2021, 21 July 2021

#### Parties

- (i) Kingdom Star Investment Limited, as Vendor;
- (ii) Eagle City Limited, as Purchaser; and
- (iii) Centaline Property Agency Limited, as Property Agent.

#### The subject matter

The Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Property on “as is” basis.

#### Consideration and payment terms

The purchase price of the Property shall be HK\$34,180,000, which shall be payable by the Purchaser to the Vendor in the manners as follows:

- (i) HK\$1,500,000 was paid upon signing of the Preliminary Agreement as initial deposit, representing approximately 4.4% of the consideration;
- (ii) HK\$1,918,000, representing approximately 5.6% of the consideration, was paid on 8 July 2021 as further deposit; and
- (iii) the remaining balance of HK\$30,762,000, representing 90% of the consideration, shall be paid upon Completion on or before 30 September 2021 as balance of purchase price.

The consideration was determined after arm’s length negotiations with reference to the market value of similar properties in adjacent locations between the Vendor and the Purchaser on normal commercial terms.

If and when the Disposal becomes unconditional, the Vendor shall pay HK\$341,800 and the Purchaser shall pay HK\$270,000 to the Property Agent as commission not later than 30 September 2021.

<b>LETTER FROM THE BOARD</b>
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**Condition precedent and termination of the Disposal**

Obligations of the Vendor and the Purchaser to complete the Disposal is subject to the satisfaction of the following condition precedent:

At or before the completion,

- (a) the Stock Exchange issues written confirmation that there is no obligation on the part of the Company being triggered in respect of any matters concerning the level of sufficiency of the operation and asset value and/or cash company issue under the GEM Listing Rules; and
- (b) the Company does not receive any indication from the Stock Exchange concerning its objection, suspension, cancellation, revocation and withdrawal of the continuous listing status of the Shares for any reason due to the Disposal (under (including but not limited to) Rules 17.26 and/or 19.82 of the GEM Listing Rules); and
- (c) the Stock Exchange issues written confirmation that Rules 17.26 and/or 19.82 of the GEM Listing Rules will not be triggered in respect of the matters referred to in sub-paragraphs (a) and (b) above; and
- (d) there is no outstanding enquiries raised by the Stock Exchange in respect of the matters referred to in sub-paragraphs (a) and (b) above.

The Vendor warrants and undertakes that it will promptly procure the Company to inform the Stock Exchange of the Disposal and proceed with available practical care and diligence (which shall not have any material adverse impact on the business, financial condition or results of operations of the Group and shall not require the Group to incur any material or substantial costs or capital commitment) to address enquiries raised by the Stock Exchange in relation to the Disposal.

If completion of the Disposal does not or cannot take place before 30 September 2021 by reason of the non-satisfaction of the condition precedent set out above, the Formal Agreement shall become cancelled and terminated and the Vendor shall return to the Purchaser any and all deposits (without interest) previously received by the Vendor within five working days after the date of cancellation and termination.

The parties shall enter into a deed of cancellation and such deed of cancellation shall be registered against the Property at each parties' own costs.

As at the Latest Practicable Date, all of the conditions precedent have been fulfilled.



## LETTER FROM THE BOARD

### **Formal Agreement and Completion**

Formal Agreement for the Disposal dated 21 July 2021 has been entered into by the Vendor and the Purchaser. The Formal Agreement incorporates Part A of the Second Schedule to the Conveyancing and Property Ordinance (Chapter 219 of Laws of Hong Kong) (save and except clauses 10 and 11) and supersedes all prior agreement of the parties with respect to the Disposal.

Subject to satisfaction of the condition precedent set out above, Completion shall take place on any one working day that falls before 30 September 2021. The Vendor shall, at least 14 working days after delivery of all relevant title deeds of the Property to the Purchaser's solicitors and before the intended completion date (taking into account the day on which such notification is given by the Vendor), notify the Purchaser and the Property Agent of the completion date and send all relevant title deeds and documents in respect of the Property to the Purchaser's solicitors. On Completion, the Vendor shall deliver vacant possession of the Property to the Purchaser.

### **Breach of the Formal Agreement**

If and when the condition precedent set out above is satisfied:

- (i) should the Purchaser fail to complete the purchase, the deposit shall be forfeited to the Vendor and the Vendor shall not sue the Purchaser for any liabilities and/or damages caused by the Purchaser's default; or
- (ii) should the Vendor after receiving the deposit paid fail to complete the Disposal, the Vendor shall immediately compensate the Purchaser with a sum equivalent to the amount of deposit as liquidated damages together with the refund of the deposit and the Purchaser shall not take any further action to claim for damages or to enforce specific performance.

### **INFORMATION OF THE PURCHASER AND THE PROPERTY AGENT**

The Purchaser is a company incorporated in Hong Kong with limited liability and principally engaged in property investment. To the best knowledge, information and belief of the Company after having made all necessary and reasonable enquiries, the ultimate holding company of the Purchaser is Golden Resources Development International Limited, a company listed on the Main Board of the Stock Exchange (Stock Exchange: 677).

The Property Agent is a company incorporated in Hong Kong with limited liability and operates property agencies in Hong Kong.

To the best of the Directors' knowledge, information and belief having made all reasonable enquires, each of the Purchaser and the Property Agent and their respective ultimate beneficial owner(s) is an Independent Third Party.

## LETTER FROM THE BOARD

### INFORMATION ON THE PROPERTY

The Property is situated at 12th Floor, Great Smart Tower, No. 230 Wan Chai Road, Hong Kong. The Property has an aggregate gross floor area of 2,975 square feet and is for non-residential use. The Group purchased the Property in June 2018 at HK\$29.8 million and has been principally used as the headquarters, head office and principal place of business in Hong Kong of the Company. For the two financial years immediately preceding the Disposal, no material rental income has been derived from the Property.

With reference to the valuation report on the Property issued by an independent property valuer, the valuation of each of the Property was approximately HK\$34 million as at 30 June 2021, which was carried out based on market approach by comparing with recent market evidence of similar properties assuming the property is sold in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement. Further details in relation to the independent property valuation report on the Property are set out in Appendix II to this circular.

### FINANCIAL EFFECT OF THE DISPOSAL AND USE OF PROCEEDS

Subject to further audit procedures to be performed by the auditors of the Company, no material gain or loss is expected to be recognised by the Group, as the consideration of the Disposal of HK\$34.18 million is slightly higher than the unaudited carrying amount of the Property as of 31 May 2021 of approximately HK\$33.5 million.

The actual amount of gain or loss as a result of the Disposal to be recorded by the Group will be subject to the review and final audit by the auditors of the Company.

It is estimated that the net proceeds from the Disposal would be approximately HK\$33.8 million after deducting related expenses including commission of the Property Agent and legal fees. The Company intends to use the net proceeds from the Disposal as working capital, details of which are set out below:

<b>Intended use of proceeds from the Disposal</b>	<b>HK\$'000</b>
Staff cost	12,100
Properties rental and management fees	7,800
Fuel and utility expenses	1,100
Administration expenses	9,600
Repayment of bank borrowings	<u>3,200</u>
<b>Total</b>	<b><u>33,800</u></b>

### REASONS FOR AND BENEFITS OF THE DISPOSAL

The Company is an exempted company incorporated in the Cayman Islands with limited liability. The Group is principally engaged in the provision of casual dining food catering services in Hong Kong.

## **LETTER FROM THE BOARD**

The Vendor is a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of the Company. The Vendor is principally engaged in property investment.

The Group purchased the Property in June 2018 at HK\$29.8 million. It has been the Board's intention that the Group holds the Property for its own use as office and value appreciation. In view of the prospects of the property market and economy in Hong Kong, the Directors consider that the Disposal represents an opportunity for the Group to realise the appreciated value of the Property so as to generate additional working capital to the Group.

### **GEM LISTING RULES IMPLICATIONS**

As the highest applicable percentage ratio (as defined under Chapter 19 of the GEM Listing Rules) in respect of the Disposal is more than 25% but less than 75%, the Disposal constitutes a major transaction for the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to reporting, announcement, circular and Shareholders' approval requirements under the GEM Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder or any of their associates has any material interest in the Disposal. As such, no Shareholder would be required to abstain from voting on the relevant resolutions to approve the Disposal if the Company were to convene an extraordinary general meeting for the approval of the same.

As at the Latest Practicable Date, Fortune Round Limited, a controlling Shareholder of the Company, directly holds 1,500,000,000 Shares, representing approximately 56.7% of the issued share capital of the Company, and written Shareholder's approval for the Disposal, has been obtained from Fortune Round Limited.

Accordingly, pursuant to Rule 19.44 of the GEM Listing Rules, such written Shareholders' approval may be accepted in lieu of holding an extraordinary general meeting of the Company to approve the Disposal. As such, no extraordinary general meeting will be convened for approving the Disposal.

### **RECOMMENDATION**

For the reasons set out above, the Directors (including the independent non-executive Directors) consider that the Disposal is on normal commercial terms which are fair and reasonable and the Disposal is in the interests of the Company and its Shareholders as a whole.

If the Company were to convene a special general meeting for the approval of the Disposal, the Directors would recommend the Shareholders to vote in favour of such resolutions.

<b>LETTER FROM THE BOARD</b>
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**ADDITIONAL INFORMATION**

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

Yours faithfully,

By order of the Board

**Royal Catering Group Holdings Company Limited**

**Wong Man Wai**

*Chairman, Chief Executive Officer and Executive Director*

## 1. FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for each of the three years ended 31 March 2019, 2020 and 2021 are disclosed in the following documents which have been published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.hkrcg.com](http://www.hkrcg.com)):

- annual report of the Company for the year ended 31 March 2019 published on 28 June 2019, please see:  
<https://www1.hkexnews.hk/listedco/listconews/gem/2019/0628/gln20190628363.pdf>  
(pages 47 to 127)
- annual report of the Company for the year ended 31 March 2020 published on 30 June 2020, please see:  
<https://www1.hkexnews.hk/listedco/listconews/gem/2020/0630/2020063001688.pdf>  
(pages 49 to 129)
- annual report of the Company for the year ended 31 March 2021 published on 24 June 2021, please see:  
<https://www1.hkexnews.hk/listedco/listconews/gem/2021/0625/2021062500095.pdf>  
(pages 63 to 141)

## 2. STATEMENT OF INDEBTEDNESS

As at the close of business on 30 June 2021, being the latest practicable date for the purpose of this statement of indebtedness, the Group had outstanding indebtedness as follows:

1. approximately HK\$15.5 million was derived from bank borrowings, which had interest rate at 2.75% per annum. The bank borrowings were unsecured and guaranteed by Mr. Wong Man Wai, executive director and beneficial owner of the Company;
2. approximately HK\$10.8 million was derived from lease liabilities of the Group's restaurants, which had interest rates ranging from 4.85% to 5.16% per annum; and
3. approximately HK\$0.1 million was derived from lease liability of the Group's motor vehicle, which had interest rate of 2.25% per annum. The said motor vehicle, the carrying amount of which was approximately HK\$0.1 million, was pledged.

All the Group's borrowings were denominated in Hong Kong dollars. There is no material covenant relating to the Group's outstanding debts.

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Save as otherwise disclosed above, and apart from intra-group liabilities and normal trade payables, the Group did not have, at the close of business on 30 June 2021, any other debt securities issued and outstanding, or authorised or otherwise created but unissued, any other term loans, any other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptance (other than normal trade bills) or acceptance credits or hire purchase commitments, any other mortgages and charges or any guarantees or material contingent liabilities.

### 3. WORKING CAPITAL

The Directors, after due and careful enquiry, are of the opinion that, taking into consideration the financial resources available to the Group including the internally generated funds and available banking facilities of the Group, the Group has sufficient working capital for the Group's present requirements, that is for at least twelve (12) months from the date of publication of this circular.

### 4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group as at 31 March 2021, being the date to which the latest published audited accounts of the Group were made up.

### 5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Hong Kong economy recovered visibly in the first quarter of 2021, with real GDP resuming appreciable year-on-year growth of 7.9%, led by very strong growth of exports of goods. Yet the economic recovery was uneven and overall economic activity remained below the pre-recession level, as the pandemic, social distancing requirements and travel restrictions continued to weigh on certain economic segments. Looking ahead, the more benign global economic conditions should continue to bode well for Hong Kong's external segments in the near term, though international travel and inbound tourism will likely take time to recover.

The Group is a food and beverage group in Hong Kong operating casual dining restaurants under a portfolio of brands both at the Hong Kong International Airport and in the urban area of Hong Kong. During the year ended 31 March 2020 and 2021, the Group was operating three restaurants under the franchised brand of “*Du Hsiao Yueh Restaurant (度小月)*”, one restaurant under the franchised brand of “*Hanlin Tea Room/Hut (翰林茶館/棧)*”, one restaurant under the self-owned brand of “*Da Shia Taiwan (大呷台灣)*” and one restaurant under the self-owned brand of “*Chinese Kitchen (中國廚房)*” (which was temporarily closed from 10 February 2020 until further notice of reopening).

The Group's operations, financial performance and condition were affected by the pandemic during the year ended 31 March 2021. The financial performance of the Group was worsened by the pandemic. The pandemic severely diminished the demand for dining and catering and in response to the pandemic, the Hong Kong government imposed the social distancing and emergency health measures, the service capability of the restaurants operated by the Group was reduced and the number of customers visiting the Group's restaurants has decreased. Under the effect brought by the pandemic, the Group's revenue worsened during

the year ended 31 March 2021. For illustrative purpose, if government grant, which is non-recurring other income, is excluded, the Group would have experienced a net operating cash outflow for the year ended 31 March 2021. As at the Latest Practicable Date, the future development of the pandemic is not certain. In response to the uncertainty in the Hong Kong economy and in particular the catering industry, the Group will take conservative and prudent business strategies in order to support daily business operations and to cope with the economic uncertainty in the near future, as well as seeking opportunities to strengthen our position in operating restaurants at the HKIA whilst continuing to look for suitable opportunities to expand our business in the urban area of Hong Kong.

All of the Group's revenue is derived in Hong Kong from its restaurants operations. The revenue of the Group decreased by approximately 37.9% from approximately HK\$68.8 million for the year ended 31 March 2020 to approximately HK\$42.7 million for the year ended 31 March 2021. The decrease in revenue was mainly attributable to the negative impacts of the pandemic to our existing restaurants.

The Group recorded a loss of approximately HK\$3.5 million for the year ended 31 March 2021 as compared to a loss of approximately HK\$67.9 million for the corresponding period in 2020. The decrease in loss was mainly due to (i) the decrease in staff costs, (ii) the decrease in depreciation expenses, (iii) the decrease in impairment loss recognised in respect of property, plant and equipment, right-of-use assets and intangible assets and (iv) increase in the government subsidies granted from Hong Kong government and rental concession during the period. The effect was partially offset by significant drop in revenue of the Group, which is mainly due to the negative impacts of the pandemic during the period.

*The following is the text of a letter and a valuation certificate prepared for the purpose of incorporation in this circular received from Vincorn Consulting and Appraisal Limited, an independent valuer, in connection with its valuation of the property interests to be disposed of by the Group. Terms defined in this appendix applies to this appendix only.*

Vincorn Consulting and Appraisal Limited  
Units 1602-4, 16/F, FWD Financial Centre  
No. 308 Des Voeux Road Central  
Hong Kong

**The Board of Directors**

Royal Catering Group Holdings Company Limited  
Unit 1201, 12th Floor, Great Smart Tower,  
No. 230 Wan Chai Road,  
Wan Chai, Hong Kong

9 August 2021

Dear Sirs,

**INSTRUCTION AND VALUATION DATE**

We refer to your instructions for us to assess the Market Value of the property interests located in Hong Kong to be disposed of by Royal Catering Group Holdings Company Limited (the “Company”) and its subsidiaries (hereinafter together referred to as the “Group”) for the purposes of public disclosure. We confirm that we have carried out inspection, made relevant enquiries and searches and obtained such further information as we consider necessary in order to provide you with our opinion of the Market Value of the property interests as at 30 June 2021 (the “Valuation Date”).

**VALUATION STANDARDS**

The valuation has been prepared in accordance with the HKIS Valuation Standards 2020 published by The Hong Kong Institute of Surveyors effective from 31 December 2020 with reference to the International Valuation Standards published by the International Valuation Standards Council effective from 31 January 2020; and the requirements set out in the Chapter 8 of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited issued by The Stock Exchange of Hong Kong Limited.

**VALUATION BASIS**

Our valuation has been undertaken on the basis of Market Value. Market Value is defined as “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”.



**VALUATION ASSUMPTIONS**

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

No allowances have been made for any charges, mortgages or amounts owing on the property interests, nor for any expenses or taxations which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interests are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect the values of the property interests.

As the property interests are held under long term leasehold interests, we have assumed that the owner has free and uninterrupted rights to use the property interests for the whole of the unexpired term of the leasehold interests.

**VALUATION METHODOLOGY**

When valuing the property interests to be disposed of by the Group, we have adopted Market Approach.

Market Approach is universally considered as the most accepted valuation approach for valuing most forms of property. This involves the analysis of recent market evidence of similar properties to compare with the subject under valuation. Each comparable is analysed on the basis of its unit rate; each attribute of the comparables is then compared with the subject and where there are any differences, the unit rate is adjusted in order to arrive at the appropriate unit rate for the subject. This is done by making percentage adjustments to the unit rate for various factors, such as time, location, building age, building quality and so on.

**LAND TENURE AND TITLE INVESTIGATION**

We have made enquires and relevant searches at the Hong Kong Land Registry for property interests located in Hong Kong. However, we have not scrutinized the original documents to verify ownership or to verify any amendments, which may not appear on the copies handed to us. We have relied to a considerable extent on the information provided by the Group.

All legal documents disclosed in this letter and the valuation certificate are for reference only. No responsibility is assumed for any legal matters concerning the legal titles to the property interests set out in this letter and the valuation certificate.

**INFORMATION SOURCES**

We have relied to a considerable extent on the information provided by the Group. We have also accepted advice given to us on matters such as identification of the property, particulars of occupancy, areas and all other relevant matters. Dimensions, measurements and areas included in the valuation are based on information contained in the documents provided to us and are, therefore, only approximations.

We have also been advised by the Group that no material factors or information have been omitted or withheld from the information supplied and consider that we have been provided with sufficient information to reach an informed view. We believe that the assumptions used in preparing our valuation are reasonable and have had no reason to doubt the truth and accuracy of the information provided to us by the Group which is material to the valuation.

**INSPECTION AND INVESTIGATIONS**

The property was inspected externally and internally on 3 June 2021. Although not all areas were accessible for viewing at the time of inspection, we have endeavoured to inspect all areas of the property. Investigations were carried out as necessary. Our investigations have been conducted independently and without influence from any third party in any manner.

We have not tested any services of the property and are therefore unable to report on their present conditions. We have not undertaken any structural surveys of the property and are therefore unable to comment on the structural conditions. We have not carried out any investigations on site to determine the suitability of the ground conditions for any future developments. Our valuation is prepared on the assumption that these aspects are satisfactory and that no extraordinary expenses or delays will be required.

We have not carried out any on-site measurements to verify the correctness of the areas in respect of the property but have assumed that the areas shown on the documents or deduced from the plans are correct. All documents and plans have been used as reference only and all dimensions, measurements and areas are therefore approximations.

**CURRENCY**

Unless otherwise stated, all monetary figures stated in this report are in Hong Kong Dollar (“HKD”).

The valuation certificate is attached hereto.

Yours faithfully,  
For and on behalf of  
**Vincorn Consulting and Appraisal Limited**  
**Vincent Cheung**  
*BSc(Hons) MBA FRICS MHKIS RPS(GP)*  
*MCIREA MHKSI MISCM MHIREA*  
*RICS Registered Valuer*  
*Registered Real Estate Appraiser & Agent PRC*  
Managing Director

*Note:*

*Vincent Cheung is a fellow of the Royal Institution of Chartered Surveyors, a member of the Hong Kong Institute of Surveyors, a Registered Professional Surveyor (General Practice) under the Surveyors Registration Ordinance (Cap. 417) in Hong Kong Special Administrative Region (“Hong Kong”), a member of China Institute of Real Estate Appraisers and Agents, a member of Hong Kong Securities and Investment Institute, a member of Institute of Shopping Centre Management, a member of Hong Kong Institute of Real Estate Administrators, a Registered Valuer of the Royal Institution of Chartered Surveyors and a Registered Real Estate Appraiser and Agent People’s Republic of China. He is suitably qualified to carry out the valuation and has over 24 years of experience in the valuation of properties of this magnitude and nature in the subject region.*

## VALUATION CERTIFICATE

## Property Interests to be Disposed of by the Group in Hong Kong

Property	Description and Tenure	Occupancy Particulars	Market Value in as at 30 June 2021
12th Floor, Great Smart Tower, No. 230 Wan Chai Road, Wan Chai, Hong Kong  (43/1,209 shares of and in the subject lot)	<p>The property comprises an office on 12th Floor of a 31-storey office building, known as Great Smart Tower.</p> <p>As per our scaled-off measurement on the approved building plan, the property has a saleable area (“SA”) of approximately 1,955.42 square feet (“sq.ft.”). As per the Occupation Permit No. H6/84, it was completed in about 1984.</p> <p>The subject lot is held under a Government Lease for a term of 999 years commencing from 26 December 1860.</p>	<p>As per our on-site inspection and the information provided by the Group, a portion of the property with a SA of approximately 55.38 sq.ft. is currently leased to Redford Business Advisory Services Limited for office use subject to a tenancy with a term of one year from 10 September 2020 to 9 September 2021 at a monthly rent of HKD1,760 inclusive of rates, government rent and management fee, whilst the remaining portion of the property is currently owner-occupied.</p>	<p>HKD34,000,000 (Hong Kong Dollar Thirty Four Million)</p> <p>100% Interest Attributable to the Group Before Disposal:</p> <p>HKD34,000,000 (Hong Kong Dollar Thirty Four Million)</p>

## Notes:

- The property was inspected by Kelvin Hung *Probationer of RICS* on 3 June 2021.
- The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FRICS MHKIS RPS(GP) MCIREA MHKSI MISCM MHIREA RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC* and Kit Cheung *BSc(Hons) MRICS MHKIS RPS(GP) MCIREA RICS Registered Valuer Registered Real Estate Appraiser PRC*.

3. The details of the land search records of the property dated 25 June 2021 are summarised below: —

Item	Details
Registered Owner:	Kingdom Star Investment Limited By an assignment dated 31 October 2018, registered vide Memorial No. 18110901220023
Major Encumbrances:	<ul style="list-style-type: none"> <li>• Deed of Mutual Covenant and Management Agreement in favour of Viewfair Management Limited as “The Manager” dated 11 September 1992, registered vide Memorial No. UB5481605</li> <li>• Memorandum of Change of Name of Building dated 1 July 1993, registered vide Memorial No. UB5695422</li> <li>• Government Notice No. 1688 of 12/5/95 pursuant to Section 22(2) of the Crown Rent and Premium (Apportionment) Ordinance (Cap. 125) dated 12 May 1995, registered vide Memorial No. UB6293558</li> <li>• Government Notice No. 1851 of 22/4/2005 pursuant to Section 22(2) (Remarks: The Government Rent and Premium (Apportionment) Ordinance (Cap. 125)) dated 22 April 2005, registered vide Memorial No. 05042700270023</li> </ul>

4. The property is erected on Section C of Marine Lot No. 124, which is held under a Government Lease. The salient conditions are summarised below: —

Item	Details
Lot Number:	Marine Lot No. 124
Lease Term:	999 years commencing from 26 December 1860
Site Area:	Approximately 19,250 sq.ft.
Major Special Conditions:	The said Lessees or any other person or persons shall not nor will during the continuance of this demise use exercise or follow in or upon the said premises or any part thereof the trade of business of a Brazier, Slaughterman, Soap-maker, Sugar-baker, Fellmonger, Melter of tallow, Oilman, Butcher, Distiller, Victualler or Tavern-keeper, Blacksmith, Nightman, Scavenger or any other noisy noisome or offensive trade or business whatever without the previous licence of His said Majesty signified in writing by the Governor or other person duly authorized in that behalf.

5. The property falls within an area zoned “Other Specified Uses (Mixed Use)” under Hong Kong Planning Area No. 5 Draft Wan Chai Outline Zoning Plan No. S/H5/28 exhibited on 4 May 2018.

6. The general description and market information of the property are summarized below:

Location	: The property is located at No. 230 Wan Chai Road, Wan Chai, Hong Kong.
Transportation	: Hong Kong International Airport and Wan Chai MTR Station are located approximately 37.9 kilometres and 0.7 kilometres away from the Property respectively.
Nature of Surrounding Area	: The area is predominately a commercial area in Wan Chai.

7. Pursuant to the information provided by the Group, Kingdom Star Investment Limited is an indirect wholly-owned subsidiary of the Group.
8. In the course of our valuation of the property, we have considered and analysed the office sale comparables in the vicinity. A total of eight office sale comparables, which are situated within comparable office buildings in the same district as the subject property and were transacted within one year from the valuation date, have been identified and analysed. These comparables are considered relevant to the property in terms of time, physical and locational attributes. The unit rates of the adopted comparables are ranging from HKD15,228 to HKD19,130 per sq.ft. on the basis of SA. Due adjustments in terms of different aspects, including time, location, size, floor level, view, building age and building quality, have been made to the unit rates of the adopted comparables. Based on the above, the adjusted unit rates of the adopted comparables are ranging from HKD16,367 to HKD18,458 per sq.ft. on the basis of SA, representing a weighted average unit rate of HKD17,388 per sq.ft. on the basis of SA.

The following table sets forth the details of eight office comparable transactions and the adopted adjustments:

	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5	Comparable 6	Comparable 7	Comparable 8
Name of Building	Morrison Plaza	Vulcan House	Workingfield Commercial Building	CNT Tower	Golden Star Building	Great Smart Tower	Workingfield Commercial Building	Amber Commercial Building
Address	Nos. 5 – 9A Morrison Hill Road	Nos. 21 – 23 Leighton Road	Nos. 408 – 412 Jaffe Road	Nos. 326 – 338 Hennessy Road	Nos. 20 – 24 Lockhart Road	No. 230 Wan Chai Road	Nos. 408 – 412 Jaffe Road	Nos. 70 – 74 Morrison Hill Road
District	Wan Chai	Wan Chai	Wan Chai	Wan Chai	Wan Chai	Wan Chai	Wan Chai	Wan Chai
Year of Completion	1996	1980	1992	1993	1978	1984	1992	1980
Floor	7/F	11/F	21/F	19/F	2/F	24/F	13/F	22/F
Unit (if any)	N/A	Unit A	Unit 7	Unit E	N/A	Unit C	Unit 3	N/A
SA (sq.ft.)	2,552.00	430.00	200.00	575.00	2,955.00	488.00	230.00	1,403.00
Ancillary Area (sq.ft.) (if any)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Roof: 867.00
Nature	Agreement for Sale and Purchase	Agreement for Sale and Purchase	Provisional Agreement for Sale and Purchase	Agreement for Sale and Purchase	Agreement for Sale and Purchase	Agreement for Sale and Purchase	Agreement for Sale and Purchase	Agreement for Sale and Purchase
Date of Instrument	4 Jun 2021	27 Apr 2021	26 Apr 2021	15 Mar 2021	22 Feb 2021	4 Feb 2021	12 Dec 2020	9 Sep 2020
Consideration (HKD)	40,511,600	7,150,000	3,600,000	11,000,000	45,000,000	8,500,000	4,030,000	25,000,000
Saleable Unit Rate (HKD/sq.ft.)	15,874	16,628	18,000	19,130	15,228	17,418	17,522	17,819
<b>Adjustment</b>								
Time	0	+	+	+	+	+	+	+
Location	+	+	0	0	0	0	0	+
Building Age	–	+	–	–	+	0	–	+
Floor Level	+	+	–	–	+	–	–	–
Size	+	–	–	–	+	–	–	–
View	0	0	0	0	0	0	0	0
Building Quality	0	0	0	0	+	0	0	+
Adjusted Saleable Unit Rate (HKD/sq.ft.)	16,986	17,290	16,367	17,849	18,458	16,717	16,996	18,444

## 1. RESPONSIBILITY STATEMENT

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

### (a) The interests and short positions of the Directors and the chief executive in the Shares, underlying shares and debentures of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”)) which were required to be notified to the Company and the Stock Exchange under Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they are taken or deemed to have under such provisions of the SFO) or as recorded in the register of the Company required to be kept under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

#### Long positions in the Shares

Name of Director	Capacity	Number of ordinary shares interested	Percentage of shareholding
Mr. Wong Man Wai	Interest of controlled corporation	1,500,000,000	56.7%

These 1,500,000,000 Shares are held by Fortune Round Limited, a company incorporated in the British Virgin Islands and wholly-owned by Mr. Wong Man Wai. Therefore, Mr. Wong Man Wai is deemed to be interested in all the Shares held by Fortune Round Limited for the purpose of the SFO. Mr. Wong Man Wai is the sole director of Fortune Round Limited.

**Long positions in the underlying shares**

<b>Name of Director</b>	<b>Capacity</b>	<b>Number of ordinary shares interested</b>	<b>Percentage of shareholding</b>
Ms. Lam Wai Kwan	Beneficial owner	20,000,000	0.76%
Mr. Chan Chak To Raymond	Beneficial owner	20,000,000	0.76%

On 5 October 2016, each of Ms. Lam Wai Kwan and Mr. Chan Chak To Raymond was granted 20,000,000 options exercisable within 10 years from 5 October 2016 to subscribe for Shares at the exercise price of HK\$0.163 per Share pursuant to the Share Option Scheme.

**Long positions in the shares of associated corporation**

<b>Name of Director</b>	<b>Name of associated corporation</b>	<b>Capacity</b>	<b>Number of ordinary shares interested</b>	<b>Percentage of shareholding</b>
Mr. Wong Man Wai	Fortune Round Limited	Beneficial owner	1	100%

Save as disclosed above and so far as is known to the Directors, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interests or short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange under 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 as recorded in the register of the Company required to be kept under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

**(b) The interests and short positions of the substantial Shareholders and other persons in the Shares, underlying shares and debentures of the Company**

As at the Latest Practicable Date and so far as is known to the Directors, the following persons (other than the Directors or chief executive of the Company) had interests and short positions in the Shares or underlying shares of the Company which were required to be notified to the Company under Divisions 2 and 3 of Part XV of the SFO or as recorded in the register of the Company required to be kept under Section 336 of the SFO were as follows:



**Long positions in the Shares**

<b>Name of Shareholders</b>	<b>Capacity</b>	<b>Number of ordinary shares interested</b>	<b>Percentage of shareholding</b>
Fortune Round Limited	Beneficial owner (note 1)	1,500,000,000	56.7%
Ms. Li Wing Yin	Interest of spouse (note 2)	1,500,000,000	56.7%
Keenfull Investments Limited	Beneficial owner (note 3)	317,280,000	12.0%
Mr. Li Chi Keung	Interest of controlled corporation (note 3)	317,280,000	12.0%
Ms. Wong Hoi Ping	Interest of spouse (note 4)	317,280,000	12.0%

*Notes:*

1. Fortune Round Limited is a company incorporated in the British Virgin Islands and wholly-owned by Mr. Wong Man Wai. Therefore, Mr. Wong Man Wai is deemed to be interested in all the Shares held by Fortune Round Limited for the purposes of the SFO. Mr. Wong Man Wai is the sole director of Fortune Round Limited.
2. Ms. Li Wing Yin is the spouse of Mr. Wong Man Wai. She is deemed to be interested in all the Shares in which Mr. Wong Man Wai is interested under the SFO.
3. Keenfull Investments Limited, a company incorporated in the British Virgin Islands, is wholly owned by Mr. Li Chi Keung. Therefore, Mr. Li Chi Keung is deemed to be interested in the 317,280,000 Shares held by Keenfull Investments Limited for the purpose of the SFO. Mr. Li Chi Keung is the father of Ms. Li Wing Yin and accordingly, the father-in-law of Mr. Wong Man Wai, our controlling shareholder.
4. Ms. Wong Hoi Ping is the spouse of Mr. Li Chi Keung. She is deemed to be interested in all the Shares in which Mr. Li Chi Keung is interested under the SFO.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any interests or short positions of any persons (other than the Directors or chief executive of the Company) in the Shares or underlying shares of the Company which were required to be disclosed under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company to be kept under Section 336 of the SFO.

**3. DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group which is not expiring or is not determinable by the Group within one year without payment of any compensation (other than statutory compensation).

**4. COMPETING INTERESTS**

As at the Latest Practicable Date, the Directors are not aware of any business or interest of the Directors or the controlling Shareholders or any of their respective close associates (as defined in the GEM Listing Rules) that competes or may compete with the business of the Group and any other conflict of interests which any such person has or may have with the Group.

**5. LITIGATIONS**

As at the Latest Practicable Date, the Group is not engaged in any litigation or arbitration or claim of material importance and there is no litigation or arbitration or claim of material importance is pending or threatened against any member of the Group.

**6. DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS**

As at the Latest Practicable Date, none of the Directors had any direct or indirectly interest in any assets which had been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2021, the date to which the latest published audited accounts of the Group were made up.

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

**7. MATERIAL CONTRACTS**

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

- (a) the Formal Agreement;
- (b) the Preliminary Agreement;
- (c) the agreement for the sale and purchase dated 10 March 2021 entered into between Alliance Catering Company Limited as purchaser and Mr. Chan and Ms. Luk as vendors, pursuant to which Alliance Catering Company Limited agreed to purchase and each of Mr. Chan and Ms. Luk agreed to sell 2.5% of the total issued shares of Du Hsiao Yueh (Hong Kong) Limited at the consideration of HK\$350,000, respectively;

- (d) the agreement for the sale and purchase dated 22 February 2021 entered into between Alliance Catering Company Limited as purchaser and LM Hospitality Management & Consultants Limited as vendor, pursuant to which Alliance Catering Company Limited agreed to purchase and LM Hospitality Management & Consultants Limited agreed to sell 5% of the total issued shares of Du Hsiao Yueh (Hong Kong) Limited at the consideration of HK\$700,000;
- (e) agreement dated 30 September 2019 entered into between Charm Sky Enterprise Limited as vendor, Simple Future Investment Limited as purchaser and Bright Up (HK) Limited as target company, pursuant to which Charm Sky Enterprise Limited agreed to sell and Simple Future Investment Limited agreed to purchase 40% of the issued share capital of Bright Up (HK) Limited at the consideration of HK\$192,999;
- (f) agreement dated 30 September 2019 entered into between Tao Heung Seafood Hotpot Restaurant Limited as vendor, Alliance Catering Company Limited as purchaser and Du Hsiao Yueh (Hong Kong) Limited as target company, pursuant to which Tao Heung Seafood Hotpot Restaurant Limited agreed to sell and Alliance Catering Company Limited agreed to purchase 30% of the issued share capital of Du Hsiao Yueh (Hong Kong) Limited at the consideration of HK\$5,470,000;
- (g) agreement dated 30 September 2019 entered into between Charm Sky Enterprise Limited as vendor, Simple Future Investment Limited as purchaser and Forever Drinks Limited as target company, pursuant to which Charm Sky Enterprise Limited agreed to sell and Simple Future Investment Limited agreed to purchase 40% of the issued share capital of Forever Drinks Limited at the consideration of HK\$1; and
- (h) agreement dated 30 September 2019 entered into between Charm Sky Enterprise Limited as vendor, Simple Future Investment Limited as purchaser and Sky Grand International Development Limited as target company, pursuant to which Charm Sky Enterprise Limited agreed to sell and Simple Future Investment Limited agreed to purchase 40% of the issued share capital of Sky Grand International Development Limited at the consideration of HK\$ 87,000.

## 8. AUDIT COMMITTEE

As at the Latest Practicable Date, the audit committee of the Company consists of three independent non-executive Directors, namely Mr. Ma Yiu Ho Peter, Mr. Cai Chun Fai and Mr. Ng Sai Cheong. The primary duties of the Audit Committee are to make recommendations to the Board on appointment or reappointment and removal of external auditors; review and monitor the independence of the external auditor of the Group; review financial statements of our Company and judgments in respect of financial reporting; and review and oversee the effectiveness of the procedures of the financial control, risk management and internal control procedures of our Group.

Biographical details of the members of the audit committee of the Company are set out below:

**Mr. Ma Yiu Ho Peter (馬遙豪先生) (“Mr. Ma”)**, aged 56, is an independent non-executive Director and the chairman of the Audit Committee. He joined the Group since July 2016.

He is currently the financial controller of Chyau Fwu Properties Limited, a company principally engaged in property development and hospitality. He has been a member of the Hong Kong Institute of Certified Public Accountants since February 1990 and a fellow member of the Association of Chartered Certified Accountants (UK) since April 1994. Mr. Ma obtained a master degree of business administration from the Hong Kong University of Science and Technology in November 1995. He is also a member of the Hong Kong Institute of Directors since December 2015. He has over 20 years of experience in the finance and accounting field and worked as the financial controller and company secretary of The Hong Kong Parkview Group Limited (now named as Joy City Property Limited) (stock code: 207); the financial controller, qualified accountant and authorised representative of V1 Group Limited (formerly known as VODone Limited) (stock code: 82), both are listed companies on the Main Board of the Stock Exchange; chief financial officer of Superior Fastening Technology Limited (stock code: 5DW), a listed company on the Singapore Exchange.

Mr. Ma has also worked for Standard Chartered Equitor Trustee HK Limited and Hong Kong Government’s Audit Department. Mr. Ma has been a director of the following listed companies on the Stock Exchange during the periods indicated below:

<b>Name of listed company (stock code)</b>	<b>Position held</b>	<b>Period during which he held directorship</b>
Indigo Star Holdings Limited (stock code: 8373)	Independent non-executive director	October 2017 — CURRENT
TEM Holdings Limited (stock code: 8346)	Independent non-executive director	April 2016 — January 2021
Mobile Internet (China) Holdings Limited (stock code: 1439)	Independent non-executive director	December 2013 — August 2020
Convoy Global Holdings Limited (stock code: 1019)	Independent non-executive director	March 2010 — July 2018
Huisheng International Holdings Limited (stock code: 1340)	Independent non-executive director	February 2014 to July 2017
China Ocean Fishing Holdings Limited (formerly known as Sky Forever Supply Chain Management Group Limited) (stock code: 8047)	Independent non-executive director	July 2014 to May 2015

**Mr. Cai Chun Fai (蔡振輝先生) (“Mr. Cai”)**, aged 39, is an independent non-executive Director, the chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee. He joined the Group since July 2016.

Mr. Cai holds the degree of Bachelor of Arts in Accountancy from the Hong Kong Polytechnic University. He is a member of the Hong Kong Institute of Certified Public Accountants. Mr. Cai has over ten years’ experience in auditing, accounting and financial management. He is an executive director and the company secretary of Zhaobangji Properties Holdings Limited (stock code: 1660), a company listed on the Main Board of the Stock Exchange, since March 2019. He was an independent non-executive director of My Heart Bodibra Group Limited (stock code: 8297), a company listed on the GEM of the Stock Exchange, from February 2018 to April 2021. He was an independent non-executive director of Inno-Tech Holdings Limited (stock code: 8202), a company listed on the GEM of the Stock Exchange, from 2 to 14 February 2018.

**Mr. Ng Sai Cheong (伍世昌先生) (“Mr. Ng”)**, aged 44, is an independent non-executive Director and a member of the Audit Committee, Remuneration Committee and Nomination Committee. He joined the Group since August 2018.

Mr. Ng has more than 20 years of experience in auditing and accounting. Mr. Ng worked at Lee Sik Wai & Co., an accounting firm, between June 1998 and April 2000 with his last position held as semi-senior. He then worked at Charles Chan, Ip & Fung CPA Limited (currently known as CCIF CPA Limited) from April 2000 to February 2001 with his last position held as auditor. Between February 2001 and September 2002 and between October 2002 and September 2003, he served as a staff accountant and senior accountant, respectively, at Ernst & Young. He later joined Beauty China Holdings Limited (a company formerly listed on the Singapore Stock Exchange (stock code: B15.SG)) as an accounting manager in October 2003 and was promoted to assistant financial controller in October 2007, a position which he had held until August 2009. He then worked at Top Express Holdings Limited between September 2009 and April 2012 with his last position held as chief financial officer.

Mr. Ng was the financial controller of Kwan On Holdings Limited, a company listed on the Main Board (stock code: 1559), since August 2012 and its company secretary since January 2013 and has been retitled to chief financial officer and company secretary since February 2018 and resigned as the chief financial officer and company secretary in December 2018. Mr. Ng has been the executive director of Indigo Star Holdings Limited (stock code: 8373), a company listed on GEM of the Stock Exchange, since April 2017 and its company secretary from April 2017 to September 2017.

Mr. Ng graduated from The Hong Kong University of Science and Technology in November 1998 with a bachelor of business administration degree in accounting and obtained a master of corporate governance degree from The Open University of Hong Kong in June 2007. Mr. Ng has become an associate of Hong Kong Society of Accountants (currently known as Hong Kong Institute of Certified Public Accountants) since March 2003. He is an associate of the Hong Kong Institute of Chartered Secretaries and an associate of The Institute of Chartered Secretaries and Administrators.

**9. QUALIFICATION AND CONSENT OF EXPERT**

The following are the qualification of the expert who has given opinions, letter or advice included in this circular:

<b>Name</b>	<b>Qualification</b>
Vincorn Consulting and Appraisal Limited	Independent property valuer

As at the Latest Practicable Date, the expert above has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letters or opinions or reports or references to its name in the form and context in which it appears.

As at the Latest Practicable Date, the expert above had no shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, the expert above had no interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or which were proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2021, being the date to which the latest published audited accounts of the Company were made up.

**10. MISCELLANEOUS**

- (a) The registered office of the Company is located at Second Floor, Century Yard, Cricket Square, P.O. Box 902, Grand Cayman, KY1-1103.
- (b) The headquarters, head office and principal place of business in Hong Kong of the Company is Unit 1201, 12th Floor, Great Smart Tower, 230 Wan Chai Road, Wan Chai, Hong Kong.
- (c) The Hong Kong share registrars and transfer office of the Company is Tricor Investor Services Limited located at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (d) The company secretary of the Company is Mr. Ng Shing Kin, who is a member of the Hong Kong Institute of Certified Public Accountants.
- (e) The compliance officer of the Company is Mr. Wong Man Wai.
- (f) In the event of any inconsistency, the English text of this circular shall prevail over its Chinese text.

**11. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the principal place of business of the Company in Hong Kong at Unit 1201, 12/F, Great Smart Tower, 230 Wan Chai Road, Wanchai, Hong Kong during normal business hours for a period of 14 days from the date of this circular:

- (a) the memorandum and articles of association of the Company;
- (b) the annual reports of the Company for each of the two financial years ended 31 March 2020 and 2021;
- (c) the first quarterly report of the Company for the three months end 30 June 2021;
- (d) the valuation report on the Property issued by Vincorn Consulting and Appraisal Limited, the text of which is set out in Appendix II to this circular;
- (e) the material contracts referred to in the paragraph headed “7. Material Contracts” of this appendix;
- (f) the written consents referred to in paragraph headed “9. Qualification and consent of Expert” of this appendix; and
- (g) this circular.