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**If you are in doubt** as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

**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)**

**(1) POSSIBLE VERY SUBSTANTIAL ACQUISITION  
SUBSCRIPTION OF 2ND WEALTH MANAGEMENT PRODUCT;  
(2) MAJOR TRANSACTION  
ACQUISITION AND SUBSCRIPTION OF EG BONDS;  
AND  
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

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 5 to 20 of this circular. The section headed “The 2nd EG Bonds Subscription” has been approved by written Shareholder’s approval pursuant to Rule 14.44 of the Listing Rules and the relevant section is for information only.

A notice convening the EGM to be held at 7/F., Wheelock House, 20 Pedder Street, Central, Hong Kong on Friday, 2 May 2025 at 3:00 p.m. or any adjournment thereof is set out on pages EGM-1 to EGM-2 of this circular. A form of proxy is enclosed with this circular. Whether or not you intend to attend the EGM, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed (i.e. Wednesday, 30 April 2025 at 3:00 p.m.) for holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting at the EGM or any adjournment thereof if they so wish and in such event, the form of proxy will be deemed to be revoked.

15 April 2025

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## DEFINITIONS

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

“1st EG Bonds”	the perpetual bonds with coupon rate at 4.1% per annum and no fixed redemption date, which are issued by EG, details of which are set out in the announcement of the Company dated 24 November 2023
“1st EG Bonds Acquisition”	the acquisition of the 1st EG Bonds by August Ally from the open market during the period from 23 to 24 November 2023
“1st Hang Seng Wealth Management Product”	the wealth management product offered by Hang Seng Insurance, namely LegendPower Life Insurance Plan (Single Premium), and subscribed by August Ally on 19 April 2024, details of which are set out in the announcement of the Company dated 19 April 2024 and the circular of the Company dated 23 May 2024
“1st Subscription”	the subscription of the 1st Hang Seng Wealth Management Product in an aggregate amount of USD9,200,000 (equivalent to approximately HK\$71,760,000)
“2nd EG Bonds”	perpetual bonds with coupon rate at 7.2% per annum and no fixed redemption date, which are issued by EG, information of which is stated in the section headed “INFORMATION ABOUT THE ISSUER” of the 2nd EG Bonds Announcement
“2nd EG Bonds Announcement”	the announcement of the Company dated 5 March 2025 in relation to, among other things, the 2nd EG Bonds Subscription
“2nd EG Bonds Subscription”	the subscription of the 2nd EG Bonds by August Ally on 5 March 2025
“2nd Hang Seng Wealth Management Product”	the wealth management product to be offered by Hang Seng Insurance, namely LegendPower Life Insurance Plan (Single Premium), and to be subscribed by August Ally

## DEFINITIONS

“2nd Subscription”	the subscription of the 2nd Hang Seng Wealth Management Product in an aggregate amount of USD9,500,000 (equivalent to approximately HK\$74,100,000)
“2nd Subscription Announcement”	the announcement of the Company dated 11 March 2025 in relation to, among other things, the 2nd 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
“China Life Wealth Management Product”	the wealth management product offered by China Life Insurance (Overseas) Company Limited, details of which are set out in the announcement of the Company dated 29 December 2021
“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
“EG Bonds”	collectively, the 1st EG Bonds and the 2nd EG Bonds
“EGM”	the extraordinary general meeting of the Company to be held and convened at 7/F, Wheelock House, 20 Pedder Street, Central, Hong Kong on Friday, 2 May 2025 at 3:00 p.m. or any adjournment thereof for the purpose of considering and, if thought fit, approval the 2nd Subscription and the transactions contemplated thereunder
“Group”	the Company and its subsidiaries
“Guarantor” or “HDCL”	Hysan Development Company Limited, a limited company incorporated in the Hong Kong, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 14)

## DEFINITIONS

“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”	collectively, the 1st Hang Seng Wealth Management Product and the 2nd Hang Seng Wealth Management Product
“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
“Independent Third Party(ies)”	any entity(ies) or person(s) which or who is/are not a connected person of the Company within the meaning ascribed thereto under the Listing Rules
“Issuer” or “EG”	Elect Global Investments Limited, a limited company incorporated in the British Virgin Islands with limited liability and is an indirectly wholly-owned subsidiary of the Guarantor and has no subsidiaries
“Latest Practicable Date”	9 April 2025, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Manulife Wealth Management Product”	the wealth management product offered by Manulife (International) Limited, details of which are set out in the announcement of the Company dated 28 April 2023
“Mr. Pong”	Mr. Pong Wilson Wai San, the chairman of the Board and an executive Director
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

## DEFINITIONS

“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
“Subscriptions”	collectively, the 1st Subscription and the 2nd Subscription
“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

15 April 2025

*To the Shareholders*

Dear Sir or Madam,

**(1) POSSIBLE VERY SUBSTANTIAL ACQUISITION  
SUBSCRIPTION OF 2ND WEALTH MANAGEMENT PRODUCT;  
(2) MAJOR TRANSACTION  
ACQUISITION AND SUBSCRIPTION OF EG BONDS;  
AND  
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

**INTRODUCTION**

References are made to (1) the 2nd Subscription Announcement in relation to the 2nd Subscription; and (2) the 2nd EG Bonds Announcement in relation to the 2nd EG Bonds Subscription.

## LETTER FROM THE BOARD

The purpose of this circular is to provide you with, among other things, (i) further details of the 2nd Subscription and the transactions contemplated thereunder; (ii) further details of the 2nd EG Bonds Subscription and the transactions contemplated thereunder; and (iii) to give you a notice of the EGM and other information as required under the Listing Rules.

### (1) SUBSCRIPTION OF THE 2ND HANG SENG WEALTH MANAGEMENT PRODUCT

The Board announces that August Ally proposes to subscribe for wealth management product offered by Hang Seng Insurance, namely, the 2nd Hang Seng Wealth Management Product.

#### Principal terms of the 2nd Hang Seng Wealth Management Product

The Principal terms of the 2nd Hang Seng Wealth Management Product are set out below:

Name of the wealth management product	LegendPower Life Insurance Plan (Single Premium)
Total actual subscription amount	USD9,500,000 (equivalent to approximately HK\$74,100,000).  The actual subscription amount of USD9.5 million was determined after considering (1) the attractive tier benefit offered by Hang Seng Insurance to the Group for products with notional subscription amount exceeding or equal to USD10 million; and (2) the potential high return that could possibly be generated from the 2nd Subscription in light of the discount available.
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 2nd 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).



## LETTER FROM THE BOARD

The death benefit shall be the total 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 2nd 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. If August Ally surrenders during the first year of the 2nd 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 of USD9.5 million. The 2nd Hang Seng Wealth Management Product will start to generate guaranteed positive returns from the 12th year of the 2nd Subscription. Details of the expected guaranteed return are as follows:

<b>End of policy year</b>	<b>Guaranteed cash value <i>(in USD)</i></b>	<b>Return to be generated <i>(in USD)</i></b>
12th year	10,004,000	504,000
13th year	10,028,500	528,500
14th year	10,053,600	553,600
15th year	10,079,400	579,400
20th year	10,215,200	715,200
25th year	10,358,500	858,500
30th year	10,535,800	1,035,800
35th year	10,738,700	1,238,700

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 the 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

## LETTER FROM THE BOARD

- (iii) the surrender of the policy, whether in full or in part; and
- (iv) any payment of mental incapacity benefit under the policy.

Based on the information provided by Hang Seng Insurance, whether the special dividend are payable and the size of the dividend which distributes or pays depend on the performance of relevant participating policies with regard to investment returns on the assets supporting the policies, as well as other factors including but not limited to claims, persistency, expenses, and the long term future performance outlook (both economic and non-economic factors).

For illustration purpose only, assuming the non-guaranteed returns (if any) in the form of special dividends are declared, based on August Ally's actual subscription amount of USD9.5 million, the total cash value and return to be generated will be as follows:

End of policy year	Guaranteed cash value <i>(in USD)</i>	Non-guaranteed special dividend <i>(in approximate USD)</i>	Total cash value <i>(in USD)</i>	Return to be generated <i>(in USD)</i>
1st year	8,300,000	30,000	8,330,000	(1,170,000)
2nd year	9,025,100	977,000	10,002,100	502,100
3rd year	9,028,300	1,972,400	11,000,700	11,000,700
8th year	9,384,400	3,283,400	12,667,800	12,667,800
12th year	10,004,000	6,550,400	16,554,400	16,554,400
15th year	10,079,400	9,329,100	19,408,500	19,408,500
20th year	10,215,200	16,333,000	26,548,200	26,548,200
25th year	10,358,500	32,580,500	42,939,000	42,939,000
30th year	10,535,800	46,947,900	57,483,700	57,483,700

## LETTER FROM THE BOARD

After the 5th year of the 2nd 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 2nd Hang Seng Wealth Management Product. Upon exercise of the 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.

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 2nd Hang Seng Wealth Management Product in full or in part at any time.

Fulfillment rate The fulfillment rate is calculated as the ratio of the aggregate actual accumulated non-guaranteed returns against the aggregate illustrated non-guaranteed returns at the point of sale for the relevant policy at the policy year. The fulfillment rate of the 2nd Hang Wealth Management Product is currently not available as the plan was only launched in 2024. However, based on the information currently available to the Company, the historical fulfillment rate of the non-guaranteed returns of similar product offered by Hang Seng Insurance (the “**Comparable**”) has approached approximately 100%. Having considered that the product structure, asset portfolio, and target asset allocations and strategies of the Comparable and the 2nd Hang Wealth Management Product are substantially the same, the Board is of the view that the Comparable is commensurable to the 2nd Hang Seng Wealth Management Product.

## LETTER FROM THE BOARD

Asset portfolio,  
target asset  
allocation and  
investment  
strategy of the  
2nd Hang Seng  
Wealth  
Management  
Product

The 2nd 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 (e.g. bonds, infrastructure debts and alternative credit), which may also include a small portion of high-yield fixed income assets; and (2) growth assets (e.g. private equity, properties, hedge funds, global equity and Asian equity), 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. As the performance of the growth assets investment plays an important role in determining the level of non-guaranteed benefits, under normal circumstances and free from any investment and operational constraints, Hang Seng Insurance expects that the allocation to growth assets will fall within the higher end of the range as specified below, in order to optimize the chance of achieving the illustrated level of non-guaranteed benefits. The management and investment strategy of the asset portfolio may be subject to change depending on the market conditions and economic outlook.

The current long-term target strategy of the 2nd Hang Seng Wealth Management Product is to allocate assets based on approximately 40-100% of fixed income and approximately 0-60% of growth assets. In particular, approximately 85-100% of bonds to be invested are rated A- or above by S&P Global Ratings and approximately 0-15% of bonds to be invested are rated BBB+ or below by S&P Global Ratings, subject to slight deviation from the above range due to market fluctuation.

## LETTER FROM THE BOARD

The 2nd Subscription shall be funded by external financing and/or internal resources of the Group. The 2nd Subscription shall also be subject to (i) the passing of resolution(s) by the Shareholders at the EGM approving the 2nd Subscription and the transactions contemplated thereunder; and (ii) the Group having obtained sufficient funding available to settle the 2nd Subscription and the transactions contemplated thereunder. As at the Latest Practicable Date, condition (ii) above has been satisfied.

### REASONS FOR AND BENEFITS OF SUBSCRIBING FOR THE 2ND HANG SENG WEALTH MANAGEMENT PRODUCT

The Group has commenced the securities investment and trading business since 2019 with a view to broadening its revenue base. In April 2024, the Group subscribed to the 1st Hang Seng Wealth Management Product, details of which are set out in the announcement of the Company dated 19 April 2024 and the circular of the Company dated 23 May 2024. Subsequently, the 2nd Hang Seng Wealth Management Product was introduced to the Group in around November 2024.

As set out in the annual report of the Company for the year ended 30 June 2024 (the “**Annual Report**”), the Group has taken into account of the following criteria when determining whether to take up an investment and trading opportunity: (a) potential for return on investment in terms of capital appreciation and dividend payment for the targeted holding period; (b) risks exposure in comparison with the Group’s risk tolerance level at the prevailing time; and (c) diversification of the existing investment portfolio. The Board considers the saving plan products are suitable for long term investment and capital reservation, with potential for stable returns. The Group has previously subscribed to other saving plans offered by reputable issuers, such as the China Life Wealth Management Product (details of which are set out in the announcement of the Company dated 29 December 2021) and the Manulife Wealth Management Product (details of which are set out in the announcement of the Company dated 28 April 2023), all of which have shown a 100% payout rate of the illustrated total returns during the period of holding. Although the total payout of the 2nd Hang Seng Wealth Management Product is not entirely guaranteed, the historical data on the Comparable has also shown a 100% fulfilment track record. In addition, based on the past experience of the Group in subscribing for other saving plans products, which normally expected to only start generating positive returns after the third year of the relevant subscriptions the earliest, the 2nd Hang Seng Wealth Management Product could generate positive returns after the second year of the subscription (assuming the illustrated non-guaranteed returns are declared in full).

Having considered that (a) the 2nd Hang Seng Wealth Management Product can generate an average return of approximately 5.3% per annum in three years (assuming the illustrated non-guaranteed returns are declared in full); (b) the risks exposure to the Group in respect of the 2nd Hang Seng Wealth Management Product in comparison with the Group’s risk tolerance level is relatively low as the product is offered by a well-established licensed bank in Hong Kong and considering the expected investment return to be discussed below; and (c) as the 2nd Hang Seng Wealth Management Product, in the face value of USD10 million (equivalent to approximately HK\$78 million), represents only approximately 4.5% of the total assets of the Company as at 30 June 2024

## LETTER FROM THE BOARD

of approximately HK\$1,717.07 million, the Board is of the view that the overall package of the 2nd Hang Seng Wealth Management Product aligns with the investment criteria of the Group, and considers the selected investment product is optimal.

Based on the information as set out in the paragraphs headed “Expected investment return” and “Fulfillment rate” in the section headed “Principal terms of the 2nd Hang Seng Wealth Management Product”, assuming that the Group will subscribe to the 2nd Hang Seng Wealth Management Product for 3 years and the non-guaranteed returns (if any) in the form of special dividends are declared in full, based on the actual subscription amount of USD9.5 million, the expected return from the 2nd Subscription would be approximately USD1.5 million, representing an average return of approximately 5.3% per year. As such, it is of the view that the 2nd Hang Seng Wealth Management Product offers an attractive potential return to the Group.

On the other hand, assuming that (i) the Group will redeem the 2nd Hang Seng Wealth Management Product at the end of the third policy year and (ii) no non-guaranteed return has been declared, the loss that the Group may suffer, based on the actual subscription amount of USD9.5 million and the guaranteed return of approximately USD9.03 million at the end of the third policy year, would only be approximately USD0.47 million (equivalent to approximately HK\$3.67 million), representing approximately 4.94% of the actual subscription amount of USD9.5 million, and approximately 0.21% of the total assets of the Company as at 30 June 2024 of approximately HK\$1,717.07 million. Based on the above, the Board is of the view that the risk exposure is minimal comparing to the full subscription amount of USD9.5 million and the total assets of the Company, and is acceptable considering the expected payout amount of approximately USD11 million at the end of the third policy year.

In respect of the risks relating to the non-guaranteed returns, after taking into account (a) the historical fulfilment rate of the Comparable and (b) the asset portfolio, target asset allocation and investment strategy of the 2nd Hang Seng Wealth Management Product as detailed hereinabove, the Group is of the view that the impact of risk factors in connection with the non-guaranteed returns is low and is optimistic about the returns of the non-guaranteed benefits and believes they are reasonably achievable in the absence of unforeseeable circumstances.

The Company would closely and effectively monitor and manage the 2nd 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 2nd 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 the annual reports prepared by Hang Seng Insurance in these regards and make necessary decisions to continue with the 2nd Subscription or to proceed with redemption.

It is currently expected that the Group will consider whether to continue holding or redeeming the 2nd Hang Seng Wealth Management Product after the third anniversary of the 2nd Subscription, depending on (i) the performance of the Hang Seng Wealth

## LETTER FROM THE BOARD

Management Products; 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 and interest rate environment at the time.

The Group intends to reasonably utilise external financing available to the Group and/or its internal resources to subscribe for the 2nd Hang Seng Wealth Management Product. The external financing (which consists of existing standby facilities available to the Group and investment financing to be obtained) is expected to carry interest at a rate of not higher than the prevailing commercial lending rate (which is in the region of 1.25% over Hong Kong Interbank Offered Rate (i.e., HIBOR) per month (the “**Reference Rate**”). In view of the current market conditions and the best obtainable interest rate currently available to the Group, in the absence of unforeseeable significant interest rate movement, the Group intends on using external financing to finance not less than 70% of the subscription amount of the 2nd Subscription, while the balance will be satisfied by internal resources. Having said that, the actual amount of external financing to be drawn for the 2nd Subscription will be determined by the Board after taking into account the Company’s financial position and the viability and costs of utilising such external financing (including but not limited to the interest expenses based on the prevailing rate) at the material time, with the view to balance the risk and reward and to bring the most optimal return to the Shareholders. The Board believes that by leveraging external financing to invest in the 2nd Hang Seng Wealth Management Product, the 2nd Subscription represents a good investment opportunity and yield enhancement product, thereby enhancing capital efficiency and returns from capital operation.

In assessing the exposure to interest rate risks relating to the 2nd Subscription, the Group has considered, among others, the interest rate-cuts announced by the US Federal Reserve and banks in Hong Kong in the second half of 2024 and the decision of the US Federal Reserve to keep the target range for the federal funds rate unchanged in January 2025, the management of the Group does not expect any unforeseeable interest rate risk as at the Latest Practicable Date. The Group will continuously and cautiously monitor interest rate levels and may consider hedging the significant interest rate exposure when appropriate. In the event of any significant increase in the rate of the external financing or in any event when the applicable interest rate would exceed the abovementioned Reference Rate, the Group will consider to resort to other financial resources available to the Group at the material time, including but not limited to covering the investment by utilising its internal resources, and/or securing a refinancing at a more favourable rate given the sound financial status and the healthy level of cash and cash equivalent of the Group (which as at 31 December 2024 amounted to approximately HK\$213.69 million). As such, the Board is of the view that there are sufficient measures in place to minimise the undue exposures to significant interest rate movements, and the interest rate risks exposure to the Group in respect of the 2nd Hang Seng Wealth Management Product in comparison with the Group’s risk tolerance level is relatively low.

Should the 2nd Subscription be entirely financed by external financing at the Reference Rate, based on the prevailing commercial lending rate at 1.25% over HIBOR for the interest period of 1 month of 3.50% as at the Latest Practicable Date, and assuming that the Group will subscribe to the 2nd Hang Seng Wealth Management Product for three years, the maximum interest expenses to be incurred for the 2nd Subscription would be

## LETTER FROM THE BOARD

approximately USD1.35 million for three years. Derived from the expected return of USD1.5 million at the end of the third policy year, the 2nd Subscription, after leverage, would still be expected to generate a positive return of approximately USD0.15 million (equivalent to approximately HK\$1.17 million), or in the event that no non-guaranteed return has been declared, based on the guaranteed return of approximately USD9.03 million at the end of the third policy year, the maximum loss would be approximately USD1.82 million (equivalent to approximately HK\$14.20 million). The Company expects that the actual interest expenses to be incurred for the 2nd Subscription would be much lower than the maximum interest expenses illustrated above.

As set out in the Annual Report and the interim report of the Company for the six months ended 31 December 2024, although the market sentiment has improved recently, the residential property market and the non-residential property in Hong Kong remained weak during the last quarter of 2024, and the Group maintains a cautiously optimistic view on the property market, in particular, transactions of office space fell significantly during the six months ended 31 December 2024 and was lower than a year ago. According to the dividend policy of the Company (the “**Dividend Policy**”), the Company’s ability to distribute dividends would depend on various factors, including profits, operating results, cash flow, financial condition, contractual restrictions, capital requirements and other factors that the Directors consider relevant, as well as the interest of the Shareholders. As the Group recorded loss of approximately HK\$242,161,000 for the year ended 30 June 2024 and approximately HK\$53,144,000 for the six months ended 31 December 2024, respectively, the Group has been adopting a prudent approach on acquiring and disposing properties and has been retaining cash for business operation and constantly exploring various investment targets to diversity its business mix in order to maximise the return to the Shareholders. In the event of significant interest rate movement or even in an unlikely event that the external financing is not renewed after periodic review, the cash reserve affords the Company with flexibility to strategise and reallocate its financial resources in a timely manner. Nevertheless, the Company will not rule out the possibility of distributing dividends to its Shareholders as and when appropriate.

The Board is therefore of the view that it has thoroughly weighted the risks and returns pertaining to the 2nd Subscription and the entering into of the 2nd Subscription is in the interests of the Company and its shareholders. The Directors (including the independent non-executive Directors) are of the view that the terms of the 2nd 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 OF THE 2ND SUBSCRIPTION

#### **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 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.



## LETTER FROM THE BOARD

### **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 4,218,000 underlying shares of the Company (being share options granted by the Company on 17 May 2016, 26 November 2018, 14 July 2023 and 15 July 2024) as at the Latest Practicable Date.

Given that the insured is merely acting as a nominee of the Group and is neither the policy holder nor the beneficiary of the Hang Seng Wealth Management Products, the insured does not have any rights under the Hang Seng Wealth Management Products and will not be entitled to any returns of the Hang Seng Wealth Management Products, as such, Mr. Lee Wing Yin is not considered to have any material interest in the 2nd Subscription and is thus not required to abstain from voting on the resolutions approving the 2nd 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 OF THE 2ND SUBSCRIPTION AND THE SUBSCRIPTIONS**

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the 2nd Subscription (on a standalone basis) exceeds 25% but is less than 100%, the 2nd Subscription, if materialised, will constitute 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.

Given that (1) both Hang Seng Wealth Management Products are offered by the same entity, namely Hang Seng Insurance; and (2) the 1st Subscription remains outstanding, the Subscriptions are required to be aggregated pursuant to Rules 14.22 and 14.23 of the Listing Rules. As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Subscriptions (on an aggregated basis) exceeds 100%, the 2nd Subscription, if materialised, will constitute a very substantial acquisition on the part of the Company under Chapter 14 of the Listing Rules and shall therefore be subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

### **(2) THE 2ND EG BONDS SUBSCRIPTION**

On 5 March 2025 (after trading hours), August Ally, has subscribed through the lead managers to the offers of the 2nd EG Bonds by the Issuer, and such orders were confirmed

## LETTER FROM THE BOARD

and August Ally has been allocated with the 2nd EG Bonds in a total subscription amount of USD5,000,000 (equivalent to approximately HK\$39,000,000) on 5 March 2025 (after trading hours), at a total consideration of USD5,000,000 (equivalent to approximately HK\$39,000,000), exclusive of transaction costs.

### PRINCIPAL TERMS OF THE 2ND EG BONDS SUBSCRIPTION

Issuer	:	Elect Global Investments Limited
Guarantor	:	Hysan Development Company Limited
Aggregate Principal Amount	:	USD750,000,000
Total Subscription Amount	:	USD5,000,000
Issue Price	:	100% of the principal amount of the 2nd EG Bonds
Issue Date	:	11 March 2025
Form and Denomination	:	The 2nd EG Bonds will be issued in registered form in the specified denomination of USD200,000 and integral multiples of USD1,000 in excess thereof
Status of the 2nd EG Bonds	:	The 2nd EG Bonds constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and shall at all times rank pari passu and without any preference or priority among themselves
Status of the Guarantee	:	The Guarantor has unconditionally and irrevocably guaranteed on a subordinated basis the due and punctual payment of all sums payable by the Issuer in respect of the 2nd EG Bonds
Interest	:	Fixed rate at 7.2% per annum from and including the issue date, payable semi-annually in arrear in equal instalments on 11 March and 11 September in each year, commencing on 11 September 2025, subject to distribution deferral

## LETTER FROM THE BOARD

- Redemption : The 2nd EG Bonds may be redeemed at the option of the Issuer in whole, but not in part, on any date from and including 11 September 2030, on giving not less than 10 business days nor more than 60 day's notice to the bondholder (which shall be irrevocable), at their principal amount (together with the interest accrued up to, but excluding, the date fixed for redemption) and in writing to the registrar and the fiscal agent
- Listing and Admission to Trading : Application will be made to the Stock Exchange for the listing of, and permission to deal in, the 2nd EG Bonds by way of debt issues to professional investors only, and such permission is effective on 12 March 2025

The 2nd EG Bonds Subscription was funded from its internal resources and bank financing. The 2nd EG Bonds Subscription shall also be subject to the obtaining of approval from the majority of the Shareholders. The Company has obtained written approval for the 2nd EG Bonds 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 67.78% of the entire issued share capital of the Company as at the date of the 2nd EG Bonds Announcement and approximately 68% as at the Latest Practicable Date.

### REASONS FOR AND BENEFITS OF THE 2ND EG BONDS SUBSCRIPTION

The Group acquired and subscribed the EG Bonds for investment purposes. The Directors consider that (a) the 2nd EG Bonds Subscription can generate stable return to the Group; (b) the risks exposure to the Group in respect of the 1st EG Bonds Acquisition and the 2nd EG Bonds Subscription is relatively low as the EG Bonds are guaranteed by the Guarantor; and (c) the 2nd EG Bonds Subscription could diversify the Group's investment portfolio. The Board is of the view that the 1st EG Bonds Acquisition and the 2nd EG Bonds Subscription are in line with the Group's investment strategy. The Directors consider the terms of the 1st EG Bonds Acquisition and the 2nd EG Bonds Subscription and their respective terms and conditions are on normal commercial terms which are fair and reasonable and the 1st EG Bonds Acquisition and the 2nd EG Bonds Subscription are in the interests of the Company and the Shareholders as a whole.

The Directors (including the independent non-executive Directors) are of the view that the 2nd EG Bonds Subscription and the terms thereof are fair and reasonable and on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

## LETTER FROM THE BOARD

### INFORMATION ABOUT THE PARTIES OF THE ISSUER

#### The Issuer

According to the public information available to the Directors. The Issuer is a limited company incorporated in the British Virgin Islands. The Issuer was established for the sole purpose of raising financing for the Guarantor and/or its subsidiaries for general corporate purposes and refinancing of existing indebtedness. HDCL is the Guarantor of the EG Bonds. HDCL is a company incorporated in Hong Kong and the shares of which are listed on the Main Board of the Stock Exchange. The core business of HDCL and its subsidiaries comprises property investment, management and development.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Directors confirm that the Issuer and their respective ultimate beneficial owners are Independent Third Parties.

### LISTING RULES IMPLICATIONS OF THE 2ND EG BONDS SUBSCRIPTION

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the 1st EG Bonds Acquisition and the 2nd EG Bonds Subscription (on an aggregate basis) exceeds 25% but is less than 100%, the 1st EG Bonds Acquisition and the 2nd EG Bonds 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 2nd EG Bonds 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 2nd EG Bonds 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 2nd EG Bonds Subscription.

The Company has obtained written approval for the 2nd EG Bonds 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 49,599,600 Shares and is deemed to be interested in 334,641,966 Shares held by Virtue Partner, which in aggregate represents approximately 67.78% of the entire issued share capital of the Company as at the date of the 2nd EG Bonds Announcement.

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 2nd EG Bonds Subscription and the transactions contemplated there under, and none of them is required to abstain from voting on the 2nd EG Bonds Subscription and the transactions contemplated thereunder. Accordingly, no general meeting will be held by the Company for approving the 2nd EG Bonds Subscription and the transactions contemplated thereunder as is permitted under Rule 14.44 of the Listing Rules.

## LETTER FROM THE BOARD

### EGM

The notice of EGM convening the EGM at which an ordinary resolution will be proposed to the Shareholders to consider and, if thought fit, to approve the 2nd Subscription and the transactions contemplated thereunder are set out on pages EGM-1 to EGM-2 of this circular.

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 2nd Subscription and the transactions contemplated there under, and none of them is required to abstain from voting on the 2nd Subscription and the transactions contemplated thereunder.

Whether or not you intend to attend the EGM, you are requested to complete and return the form of proxy accompanying with this circular in accordance with the instructions printed thereon not less than 48 hours before the time appointed (i.e. Wednesday, 30 April 2025 at 3:00 p.m.) for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof in person if you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, all resolution(s) at the EGM shall be taken by way of poll and an announcement will be made by the Company on the results of the EGM.

### CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Monday, 28 April 2025 to Friday, 2 May 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the EGM, unregistered holders of Shares shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited of 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. on Friday, 25 April 2025.

### RECOMMENDATION

The Directors (including the independent non-executive Directors) are of the view that the terms of the 2nd 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 2nd Subscription and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolution at the EGM.

Further, the Directors (including the independent non-executive Directors) are of the view that the 2nd EG Bonds Subscription and the terms thereof are fair and reasonable and on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

## LETTER FROM THE BOARD

Although a general meeting will not be convened by the Company to approve the 2nd EG Bonds 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 2nd EG Bonds 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 2022, 2023 and 2024 and the six months ended 31 December 2024 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](http://www.winfullgroup.hk)):

- (i) 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>);
- (ii) 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>);
- (iii) annual report of the Company for the year ended 30 June 2024 (pages 67 to 134) (<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/1024/2024102400685.pdf>); and
- (iv) interim report of the Company for the six months ended 31 December 2024 (pages 3 to 41) (<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0310/2025031000992.pdf>).

## 2. STATEMENT OF INDEBTEDNESS

As at the close of business on 28 February 2025, 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\$239,390,000, further details of which are set out below:

- (a) The Group had secured and guaranteed bank and other borrowings of approximately HK\$152,963,000 and secured and unguaranteed bank borrowings of approximately HK\$84,115,000; 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 28 February 2025, the Group did not have any outstanding term loans, 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 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 2nd Subscription and the 2nd EG Bonds 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 decrease in loss attributable to owners of the Company from approximately HK\$117 million for the six months ended 31 December 2023 to approximately HK\$53 million for the six months ended 31 December 2024 as disclosed in the announcement of the Company dated 24 February 2025, the interim results announcement and the interim report of the Company for the six months ended 31 December 2024, which was mainly attributable to the decrease in the fair value loss on investment properties, write-down of properties held for trading and fair value loss of financial instruments at fair value through profit or loss, 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 2024, being the date to which the latest published audited consolidated financial statements of the Group were made up.

**5. EFFECT OF THE 2ND SUBSCRIPTION ON THE EARNINGS AND ASSETS AND LIABILITIES OF THE GROUP**

The 2nd Hang Seng Wealth Management Product would be classified and recorded as non-current asset under financial instruments at fair value through profit and loss ("FVTPL"). At the date of completion of the 2nd Subscription, the Group's financial instruments at FVTPL will increase by USD9,500,000 (equivalent to approximately HK\$74,100,000). The 2nd Subscription shall be funded by external financing and/or internal resources of the Group. Solely for illustration purpose and assuming that the Group will use external financing to cover the entire subscription amount of the 2nd Subscription, the Group's borrowings in the current liabilities will be increased by approximately HK\$74,100,000 in the consolidated statement of financial position. At the end of each reporting period, the 2nd Hang Seng Wealth Management Product will be measured and recognised at fair value in the consolidated statement of financial position. The change in fair value will then be recognised as fair value gain or loss on financial instruments at FVTPL in the consolidated income statement.



## 6. EFFECT OF THE 1ST EG BONDS ACQUISITION AND THE 2ND EG BONDS SUBSCRIPTION ON THE EARNINGS AND ASSETS AND LIABILITIES OF THE GROUP

The EG Bonds would be classified and recorded as non-current asset under debt instruments at fair value through other comprehensive income (“FVOCI”). At the date of completion of the 2nd EG Bonds Subscription, the Group’s debt instruments at FVOCI will increase by USD5,000,000 (equivalent to approximately HK\$39,000,000) and the Group’s cash and bank balances will decrease by the same amount in the consolidated statement of financial position. At the end of each reporting period, all of the EG Bonds will be measured and recognised at fair value in the consolidated statement of financial position. The change in fair value will then be recognised as changes in fair value of debt instruments at FVOCI in the consolidated statement of comprehensive income. In addition, the Group will recognise the interest income generated by the EG Bonds as revenue in the consolidated income statement. Estimated annual interest income from the EG Bonds is US\$503,000 (equivalent to approximately HK\$3,927,000), which is calculated based on the fixed interest rates of 4.1% and 7.2% for 1st EG Bonds and 2nd EG Bonds respectively.

## 7. 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 continued to expand, through at a moderated pace in the last quarter of year 2024. Total export of goods grew at a moderated pace alongside softening economic growth in some major markets. Analysed by major market and by reference to external merchandise trade statistics, export to Mainland continued to increase. The business sentiment stayed generally subdued, but some indicators have shown signs of improvement most recently.

Looking forward, we expect the Hong Kong and global economy continues to recover and the external environment remained difficult for the year 2025. The soaring inflation and on-going geopolitical tension are still the biggest threats to the world economy for now. While the impact of soaring inflation has yet to be finished, Hong Kong and global economic activities are expected to remain subdued in the short to medium term as containment measures are likely to continue for a while. This, together with intensified Sino-US tensions, continued tension in Ukraine, increased trade protectionism and continued geopolitical risks, will pose further challenges and uncertainties to economic recovery.

The Group will continue to adopt a prudent approach on acquiring and disposing properties. In addition, 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 maintain its competitiveness thereby ensuring the Group's sustainability and securing the Shareholders' benefits. As at the Latest Practicable Date, the Group has no plan on investing in new investment properties and development projects.

## 8. MANAGEMENT DISCUSSION AND ANALYSIS OF THE GROUP

Set out below are the management discussion and analysis on the Group for the three years ended 30 June 2022, 2023 and 2024 and the six months ended 31 December 2024.

### For the year ended 30 June 2022 ("FY2022")

#### *Financial review*

For FY2022, the Group recorded a turnover of approximately HK\$26,452,000, representing a decrease of approximately 1.1% compared with that of approximately HK\$26,759,000 for the last financial year. The decrease in turnover was mainly attributed to the decrease in turnover from loan financing business for FY2022.

Loss before income tax of the Group for FY2022 was approximately HK\$143,517,000, while there was a profit before income tax of approximately HK\$31,985,000 for the last financial year. The loss for FY2022 was mainly attributable to fair value loss on investment properties and fair value loss on financial instruments and equity instruments.

#### *Business overview*

*Property Development Business:* During FY2022, the Group is engaged in one property development project, which is located in Birmingham, the United Kingdom ("UK"). It is a property development project at 50 School Road, Moseley, Birmingham, the UK. The project has a site area of 15,800 square feet and it can be developed into a residential building with gross floor area of approximately 12,000 square feet. The acquisition of the land was completed on 26 October 2018 and the development planning has been completed in the last financial year. Because of COVID-19, the development has been delayed and was completed in November of 2021. A local agent has been appointed for selling and leasing of the apartments. Three units have been leased to independent third parties as at 30 June 2022. During FY2022, the Group reported a segment profit of approximately HK\$7,896,000 derived from the property development business.

*Property Investment and Trading:* As at 30 June 2022, the Group has twelve commercial, industrial and residential properties for investment and trading purposes, which are mainly in Hong Kong, one commercial property in Cardiff, the UK and two serviced apartments in Hokkaido, Japan, for investment purpose. During FY2022, the Group recorded a fair value loss on investment properties of approximately HK\$110,502,000 (2021: fair value gain of approximately

HK\$55,133,000) and a write-down of properties held for trading of approximately HK\$888,000 (2021: a reversal of writedown of approximately HK\$2,633,000). The fair value loss on investment properties is mainly due to the fair value loss on the commercial office properties at 9 Queen's Road Central in Hong Kong and in Cardiff, the UK. A more detailed explanation of the fair value loss for these two investment properties is set out in the annual report of the Company for FY2022. During FY2022, the Group reported a segment loss of approximately HK\$94,185,000 derived from the property investment and trading business.

*Securities Investment and Trading:* During FY2022, the Group recorded a net loss in fair value of the investments portfolio in this segment of approximately HK\$3,259,000 (2021: approximately HK\$358,000). The Group reported a segment loss of approximately HK\$2,871,000 (2021: segment profit of approximately HK\$187,000) during FY2022. The Group received interest income from those debt instruments in this segment of approximately HK\$67,000 (2021: approximately HK\$414,000) during FY2022. As at 30 June 2022, the carrying amount of the investments in this segment amounted to approximately HK\$7,441,000 (2021: approximately HK\$7,629,000). This value represents an investment portfolio comprising equity instruments, financial instruments and cryptocurrencies. During FY2022, the Group reported a segment loss of approximately HK\$32,264,000 derived from the securities investment and trading business.

*Loan Financing:* During FY2022, the Group recorded an interest income from the loan financing business amounting to approximately HK\$738,000 (2021: approximately HK\$2,009,000), representing approximately 3% (2021: approximately 8%) of the total revenue of the Group. Profit derived from loan financing business was approximately HK\$702,000 for FY2022 (2021: approximately HK\$1,853,000). There are no loans receivable as at 30 June 2022 (2021: carrying amount of loans receivable approximately HK\$17,315,000). During FY2022, the Group recorded a segment profit of approximately HK\$702,000 derived from the loan financing business.

#### *Liquidity, Financial Resources and Capital Structure*

As at 30 June 2022, the Group had net current assets of approximately HK\$238,398,000 (2021: approximately HK\$275,629,000) including cash and bank balances of approximately HK\$212,564,000 (2021: approximately HK\$183,179,000).

The gearing ratio was approximately 11% as at 30 June 2022 (2021: approximately 11%). The gearing ratio is derived by dividing the total of borrowings by total assets. The gearing ratio remains stable for FY2022 when compared to 30 June 2021.

During FY2022, the Group financed its operations with its own working capital and bank borrowings. As at 30 June 2022, the secured bank borrowing of the Group was approximately HK\$220,632,000 (2021: approximately HK\$234,707,000), in which approximately HK\$183,681,000 (2021: approximately HK\$195,826,000) are repayable within a period of not exceeding 5 years and approximately

HK\$36,951,000 is repayable beyond 5 years (2021: approximately HK\$38,881,000), and there was no other borrowing as at 30 June 2022 (2021: Nil). The figures ignore the effect of repayment on demand clause and are based on the schedule repayment dates in bank loan agreement.

During FY2022, the Group had no fixed interest rate borrowings.

During FY2022, the borrowings and cash and cash equivalents of the Group were denominated in Hong Kong dollar (“HKD”), United States dollar (“USD”), British Pound Sterling (“GBP”), Euro (“EUR”), Japanese Yen (“JPY”), Renminbi (“RMB”) and Australia dollar (“AUD”).

*Significant Investment Held, Material Acquisitions or Disposals of Subsidiaries and Affiliated Companies, and Future Plans for Material Investments or Capital Assets*

On 23 December 2021, Luck Wise Investment Limited (“Luck Wise”) executed the capital contribution agreement in relation to the contribution of RMB20 million by Luck Wise to Tianjin Zhongwei Equity Investment Fund Partnership (Limited Partnership) (the “Partnership”). Luck Wise (as limited partner of the Partnership) and Suzhou Zhongyiwei Private Equity Fund Management Partnership (Limited Partnership) (as general partner of the Partnership) will enter into the limited partnership agreement for the purpose of the establishment of the Partnership. For details of the transaction, please refer to the Company’s announcement dated 23 December 2021.

On 29 December 2021, August Ally subscribed for wealth management product offered by China Life Insurance (Overseas) Company Limited, namely, the China Life Wealth Management Product, in an aggregate subscription amount of USD4,825,067.51. For details of the transaction, please refer to the Company’s announcement dated 29 December 2021.

On 17 January 2022, Alpha Easy Limited, a wholly-owned subsidiary of the Company, entered into the conditional sale and purchase agreement with Charm Stand Limited, pursuant to which Alpha Easy Limited shall acquire 49 issued shares of Brilliant Icon Limited, representing 49% of the issued share capital of Brilliant Icon Limited, and all obligations, liabilities and debts owing or incurred by Brilliant Icon Limited to Charm Stand Limited and/ or its associates from Charm Stand Limited for a total consideration of HK\$15,000,000. For details of the transaction, please refer to the Company’s announcement dated 17 January 2022.

On 8 April 2022, Baronessa Limited, a wholly-owned subsidiary of the Company, entered into the preliminary sale and purchase agreement with Kindfield Investment Limited and Centaline Property Agency Limited, pursuant to which Baronessa Limited agreed to sell, and Kindfield Investment Limited agreed to purchase, an office unit located in Mid-Levels, Central, Hong Kong, with a gross floor area of approximately 1,431 sq. ft. owned by Baronessa Limited at the consideration of HK\$19,200,000. For details of the transaction, please refer to the Company’s announcement dated 8 April 2022.

On 17 June 2022 (after trading hours), World Fair Global Limited, a wholly-owned subsidiary of the Company, as vendor entered into the agreement with Mr. Au Wing Wah and Ms. Kong Pik Fan, pursuant to which World Fair Global Limited shall sell 20% of the issued share capital of Universal Honor Holdings Limited, and 20% of all obligations, liabilities and debts owing or incurred by Universal Honor Holdings Limited to Mr. Au Wing Wah and Ms. Kong Pik Fan for a total consideration of HK\$40,000,000. For details of the transaction, please refer to the Company's announcement dated 17 June 2022.

During FY2022, the securities investments held by the Group are set out on page 10 of the annual report of the Company for FY2022.

The total size of carrying amount and outstanding commitment for each of those investments as at 30 June 2022 represents approximately 0.001% to 1.98% of the total assets of the Group as at 30 June 2022.

Save for those disclosed above, there were no significant investment held, material acquisitions or disposals of subsidiaries and affiliated companies during FY2022 and there is no plan for material investments or capital assets as at the date of the annual report for FY2022.

#### *Pledge of Assets*

As at 30 June 2022, the leasehold properties, certain investment properties and financial instruments at FVTPL with carrying amount of approximately HK\$128,856,000 (2021: approximately HK\$131,650,000), approximately HK\$414,496,000 (2021: approximately HK\$513,771,000) and approximately HK\$33,044,000 (2021: Nil) respectively and bank deposits of approximately HK\$164,480,000 (2021: approximately HK\$201,514,000) were pledged to secure bank borrowings for the Group.

#### *Contingent Liabilities*

As at 30 June 2022, the Company has no contingent liabilities (2021: Nil).

#### *Foreign Exchange Exposure*

The Group's income and expenditure during FY2022 were denominated in USD, GBP, EUR, JPY and HKD, and most of the assets and liabilities as at 30 June 2022 were denominated in USD, GBP, EUR, JPY and HKD. Accordingly, the Board is of the view that, to a certain extent, the Group is exposed to foreign currency exchange risk. For the USD foreign exchange exposure, the Board believes the exposure is small as the exchange rate of USD to HKD is comparatively stable. However, the Group is exposed to GBP, EUR, JPY and AUD foreign exchange exposure and fluctuation of exchange rates of GBP, EUR, JPY and AUD against HKD could affect the Group's results of operations. During FY2022, foreign currency banking facilities for GBP, EUR, JPY and AUD were arranged for acquisition of properties and investments in these currencies to hedge for foreign exchange exposure.

*Treasury Policies*

The Group adopts a conservative approach towards its treasury policies. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluations of the financial conditions of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

*Employees and Remuneration Policies*

As at 30 June 2022, the Group had 17 (2021: 24) employees, including the Directors. Total staff costs (including Directors' emoluments) were approximately HK\$18,663,000 for FY2022 as compared to approximately HK\$19,661,000 in last year. Remuneration is determined with reference to market terms and the performance, qualification and experience of individual employee. Year-end bonus based on individual performance will be paid to employees as recognition of and reward for their contributions. Other benefits include contributions to statutory mandatory provident fund scheme to its employees in Hong Kong and share option scheme.

**For the year ended 30 June 2023 ("FY2023")***Financial review*

For FY2023, the Group recorded a turnover of approximately HK\$38,029,000, representing an increase of approximately 14.0% compared with that of approximately HK\$33,353,000 for the last financial year. The increase in turnover was mainly attributed to the increase in turnover from property development business for FY2023.

Loss before income tax of the Group for FY2023 was approximately HK\$69,352,000, representing a decrease of approximately 51.7% comparing with that of approximately HK\$143,517,000 for the last financial year. The loss for FY2023 was mainly attributable to fair value loss on financial instruments.

*Business overview*

*Property Development Business:* During FY2023, the Group is engaged in one property development project, which is located in Birmingham, the United Kingdom ("UK"). It is a property development project at 50 School Road, Moseley, Birmingham, the UK. The project has a site area of 15,800 square feet and it can be developed into a residential building with gross floor area of approximately 12,000 square feet. The acquisition of the land was completed on 26 October 2018 and the development planning has been completed in the last financial year. Because of COVID-19, the development has been delayed and was completed in November of 2021. A local agent has been appointed for selling and leasing of the apartments. Ten units have been leased to independent third parties as at 30 June 2023, while only

three units have been sold to independent third parties during FY2023. During FY2023, the Group reported a segment profit of approximately HK\$3,711,000 derived from the property development business.

*Property Investment and Trading:* As at 30 June 2023, the Group has eleven commercial, industrial and residential properties for investment and trading purposes, which are mainly in Hong Kong, one commercial property in Cardiff, the UK and two serviced apartments in Hokkaido, Japan, for investment purpose. During FY2023, the Group recorded a fair value loss on investment properties of approximately HK\$11,407,000 (2022: approximately HK\$110,502,000) and a write-down of properties held for trading of approximately HK\$282,000 (2022: approximately HK\$888,000). The fair value loss on investment properties is mainly due to the fair value loss on the commercial office properties at Kenning Industrial Building in Hong Kong and in Cardiff, the UK. During FY2023, the Group reported a segment profit of approximately HK\$3,050,000 derived from the property investment and trading business.

*Securities Investment and Trading:* During FY2023, the Group recorded a net loss in fair value of the investments portfolio in this segment of approximately HK\$55,428,000 (2022: approximately HK\$46,542,000). The Group reported a segment loss of approximately HK\$60,729,000 (2022: approximately HK\$32,264,000) during FY2023. The Group received investment income from investment portfolio for this segment of approximately HK\$4,230,000 (2022: approximately HK\$10,771,000) during FY2023. As at 30 June 2023, the carrying amount of the investments in this segment amounted to approximately HK\$471,798,000 (2022: approximately HK\$403,856,000). This value represents an investment portfolio comprising equity instruments, debt instruments, financial instruments and cryptocurrencies. During FY2023, the Group reported a segment loss of approximately HK\$59,377,000 derived from the securities investment and trading business.

*Loan Financing:* During FY2023, the Group recorded an interest income from the loan financing business amounting to approximately HK\$3,526,000 (2022: approximately HK\$738,000), representing approximately 9.3% (2022: approximately 2.2%) of the total revenue of the Group. Profit derived from loan financing business was approximately HK\$1,265,000 for FY2023 (2022: approximately HK\$702,000). Both revenue and profit derived from loan financing business was increased for FY2023 since the loan receivables were increased during FY2023. During FY2023, the Group recorded a segment profit of approximately HK\$1,265,000 derived from the loan financing business.

The carrying amount of loan receivable for loan financing business as at 30 June 2023 was approximately HK\$33,507,000 (2022: approximately HK\$6,565,000) which is mainly secured by share mortgage and a deed of assignment of the borrower's commitment under a mezzanine loan agreement with fair value of approximately HK\$27,213,000. For details of the transactions, please refer to the Company's announcements dated 3 May 2022 and 23 December 2022. The Group is not permitted to sell or repledge the collaterals, if any, in the absence of default by

the borrowers. The largest borrower of the Group itself accounted for approximately 58% (2022: 84%) of the Group's loan receivable at 30 June 2023.

During FY2023, the interest rate on the Group's fixed rate loan receivable was ranged from 3.33% to 20% (2022: ranged from of 3.33% to 20%) per annum. All loan receivables during FY2023 are fixed rate loans.

#### *Liquidity, Financial Resources and Capital Structure*

As at 30 June 2023, the Group had net current assets of approximately HK\$151,382,000 (2022: approximately HK\$238,398,000) including cash and bank balances of approximately HK\$139,260,000 (2022: approximately HK\$212,564,000).

The gearing ratio was approximately 10% as at 30 June 2023 (2022: approximately 11%). The gearing ratio is derived by dividing the total of borrowings by total assets. The gearing ratio remains stable for FY2023 when compared to 30 June 2022.

During FY2023, the Group financed its operations with its own working capital and bank borrowings. As at 30 June 2023, the secured bank borrowings of the Group was approximately HK\$184,250,000 (2022: approximately HK\$220,632,000), in which approximately HK\$147,538,000 (2022: approximately HK\$183,681,000) are repayable within a period of not exceeding 5 years and approximately HK\$36,712,000 is repayable beyond 5 years (2022: approximately HK\$36,951,000), and there was no other borrowing as at 30 June 2023 (2022: Nil). The figures ignore the effect of repayment on demand clause and are based on the schedule repayment dates in bank loan agreement.

During FY2023, the Group had no fixed interest rate borrowings.

During FY2023, the borrowings and cash and cash equivalents of the Group were denominated in HKD, USD, GBP, EUR, JPY, RMB and AUD.

#### *Significant Investment Held, Material Acquisitions or Disposals of Subsidiaries and Affiliated Companies, and Future Plans for Material Investments or Capital Assets*

During the period from 21 July 2022 to 18 November 2022, August Ally has acquired from the open market the bonds in an aggregate principal of US\$1,500,000 (equivalent to approximately HK\$11,700,000) issued by HSBC Holdings plc at an aggregate consideration of approximately US\$1,512,000 (equivalent to approximately HK\$11,793,000).

On 18 November 2022, August Ally has acquired from the open market the bonds in an aggregate principal of US\$1,000,000 (equivalent to approximately HK\$7,800,000) issued by Standard Chartered PLC at an aggregate consideration of approximately US\$1,036,000 (equivalent to approximately HK\$8,081,000).

For details of the transactions, please refer to the Company's announcements dated 21 November 2022.



On 8 February 2023, August Ally has acquired from the open market the bonds in an aggregate principal of HK\$20,000,000 issued by Henderson Land MTN Limited at an aggregate consideration of approximately HK\$19,957,000.

For details of the transaction, please refer to the Company's announcement dated 9 February 2023.

On 13 February 2023, August Ally has acquired from the open market the bonds in an aggregate principal of US\$1,000,000 (equivalent to approximately HK\$7,800,000) issued by Lai Sun MTN Limited at an aggregate consideration of approximately US\$884,000 (equivalent to approximately HK\$6,895,000).

For details of the transaction, please refer to the Company's announcement dated 13 February 2023.

On 28 April 2023, August Ally subscribed for wealth management product offered by Manulife (International) Limited, namely, the Manulife Wealth Management Product, in an aggregate subscription amount of US\$1,840,000 (equivalent to approximately HK\$14,352,000). For details of the transaction, please refer to the Company's announcement dated 28 April 2023.

During FY2023, the securities investments held by the Group are set out on page 12 of the annual report of the Company for FY2023.

The total size of carrying amount and outstanding commitment for each of those investments as at 30 June 2023 represents approximately 0.0004% to 2.31% of the total assets of the Group as at 30 June 2023.

Save for those disclosed above and the annual report for FY2023, there were no significant investment held, material acquisitions or disposals of subsidiaries and affiliated companies during FY2023 and there is no plan for material investments or capital assets as at the date of the annual report for FY2023.

#### *Pledge of Assets*

As at 30 June 2023, the leasehold properties and certain investment properties with carrying amount of approximately HK\$126,062,000 (2022: approximately HK\$128,856,000) and approximately HK\$415,173,000 (2022: approximately HK\$414,496,000) and bank deposits of approximately HK\$108,205,000 (2022: approximately HK\$164,480,000) were pledged to secure bank borrowings for the Group. As at 30 June 2022, the financial instruments at FVTPL with carrying amount of approximately HK\$33,044,000 were pledged to secure bank borrowings for the Group.

#### *Contingent Liabilities*

As at 30 June 2023, the Company has no contingent liabilities (2022: Nil).

*Foreign Exchange Exposure*

The Group's income and expenditure during FY2023 were denominated in USD, GBP, EURO, JPY and HKD, and most of the assets and liabilities as at 30 June 2023 were denominated in USD, GBP, EUR, JPY, RMB, AUD and HK\$. Accordingly, the Board is of the view that, to a certain extent, the Group is exposed to foreign currency exchange risk. For the US\$ foreign exchange exposure, the Board believes the exposure is small as the exchange rate of US\$ to HK\$ is pegged. However, the Group is exposed to GBP, EUR, JPY, RMB and AUD foreign exchange exposure and fluctuation of exchange rates of GBP, EUR, JPY, RMB and AUD against HKD could affect the Group's results of operations. During FY2023, foreign currency banking facilities for GBP, EUR, JPY and AUD were arranged for acquisition of properties and investments in these currencies to hedge for foreign exchange exposure.

*Treasury Policies*

The Group adopts a conservative approach towards its treasury policies. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluations of the financial conditions of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

*Employees and Remuneration Policies*

As at 30 June 2023, the Group had 16 (2022: 17) employees, including the Directors. Total staff costs (including Directors' emoluments) were approximately HK\$17,977,000 for FY2023 as compared to approximately HK\$18,663,000 in last year. Remuneration is determined with reference to market terms and the performance, qualification and experience of individual employee. Year-end bonus based on individual performance will be paid to employees as recognition of and reward for their contributions. Other benefits include contributions to statutory mandatory provident fund scheme to its employees in Hong Kong and share option scheme.

**For the year ended 30 June 2024 ("FY2024")***Financial review*

For FY2024, the Group recorded a turnover of approximately HK\$41,118,000, representing an increase of approximately 8.1% compared with that of approximately HK\$38,029,000 for the last financial year. The increase in turnover was mainly attributed to the increase in turnover from securities investment and trading business for FY2024.

Loss before income tax of the Group for FY2024 was approximately HK\$241,945,000, representing an increase of approximately 248.9% comparing with that of approximately HK\$69,352,000 for the last financial year. The loss for FY2024 was mainly attributable to fair value loss on investment properties, write-down of properties held for trading and impairment loss of property, plant and equipment.

*Business overview*

*Property Development Business:* During FY2024, the Group is engaged in one property development project, which is located in Birmingham, the United Kingdom (“UK”). It is a property development project at 50 School Road, Moseley, Birmingham, the UK. The project has a site area of 15,800 square feet and it can be developed into a residential building with gross floor area of approximately 12,000 square feet. The acquisition of the land was completed on 26 October 2018 and the development planning has been completed in the last financial year. A local agent has been appointed for selling and leasing of the apartments. Six units have been leased to independent third parties as at 30 June 2024, while six units have been sold to independent third parties up to FY2024. During FY2024, the Group reported a segment loss of approximately HK\$693,000 derived from the property development business.

*Property Investment and Trading:* As at 30 June 2024, the Group has eleven commercial, industrial and residential properties for investment and trading purposes, which are mainly in Hong Kong, one commercial property in Cardiff, the UK and two serviced apartments in Hokkaido, Japan, for investment purpose. During FY2024, the Group recorded a fair value loss on investment properties of approximately HK\$163,552,000 (2023: approximately HK\$11,407,000) and a write-down of properties held for trading of approximately HK\$25,249,000 (2023: approximately HK\$282,000). The fair value loss on investment properties is mainly due to the fair value loss on the commercial office properties at 9 Queen’s Road Central and Kenning Industrial Building in Hong Kong. The write-down of properties held for trading is mainly due to the write-down of the shops and signages at Lime Stardom in Hong Kong. During FY2024, the Group reported a segment loss of approximately HK\$171,030,000 derived from the property investment and trading business.

*Securities Investment and Trading:* During FY2024, the Group recorded a net gain in fair value of the investments portfolio in this segment of approximately HK\$1,123,000 (2023: net loss of approximately HK\$55,428,000). The Group reported a segment loss of approximately HK\$10,345,000 (2023: approximately HK\$59,377,000) during FY2024. The Group received investment income from investment portfolio for this segment of approximately HK\$6,814,000 (2023: approximately HK\$4,230,000) during FY2024. As at 30 June 2024, the carrying amount of the investments in this segment amounted to approximately HK\$495,517,000 (2023: approximately HK\$471,798,000). This value represents an investment portfolio comprising equity instruments, debt instruments, financial instruments and cryptocurrencies. During FY2024, the Group reported a segment loss of approximately HK\$10,345,000 derived from the securities investment and trading business.

*Loan Financing:* During FY2024, the Group recorded an interest income from the loan financing business amounting to approximately HK\$5,000,000 (2023: approximately HK\$3,526,000), representing approximately 12.2% (2023: approximately 9.3%) of the total revenue of the Group. Loss derived from loan financing business was approximately HK\$2,696,000 for FY2024 (2023: profit of approximately HK\$1,265,000). Interest income from loan financing business was increased for FY2024 since the loan receivables were increased during FY2024. Loss derived from loan financing business was mainly attributed to loss allowance on loan receivables of approximately HK\$7,681,000 recognised for FY2024. During FY2024, the Group recorded a segment loss of approximately HK\$2,696,000 derived from the loan financing business.

The carrying amount of loan receivables for loan financing business as at 30 June 2024 was approximately HK\$37,185,000 (2023: approximately HK\$36,573,000) which is mainly secured by share mortgage and a deed of assignment of the borrower's commitment under a mezzanine loan agreement with fair value of approximately HK\$27,213,000. The Group is not permitted to sell or repledge the collaterals, if any, in the absence of default by the borrowers. The largest borrower of the Group itself accounted for approximately 47% (2023: 56%) of the Group's loan receivables at 30 June 2024.

During FY2024, the interest rate on the Group's fixed rate loan receivables was ranged from 3.33% to 20% (2023: ranged from 3.33% to 20%) per annum. All loan receivables during FY2024 are fixed rate loans.

#### *Liquidity, Financial Resources and Capital Structure*

As at 30 June 2024, the Group had net current assets of approximately HK\$120,600,000 (2023: approximately HK\$148,316,000) including cash and bank balances of approximately HK\$230,143,000 (2023: approximately HK\$144,332,000).

The gearing ratio was approximately 17% as at 30 June 2024 (2023: approximately 10%). The gearing ratio is derived by dividing the total of borrowings by total assets. The gearing ratio increase mainly due to increase in borrowings during the year.

During FY2024, the Group financed its operations with its own working capital and bank borrowings. As at 30 June 2024, the secured bank borrowings of the Group was approximately HK\$292,593,000 (2023: approximately HK\$184,250,000), in which approximately HK\$257,633,000 (2023: approximately HK\$147,538,000) are repayable within a period of not exceeding 5 years and approximately HK\$34,960,000 is repayable beyond 5 years (2023: approximately HK\$36,712,000), and there was no other borrowings as at 30 June 2024 (2023: Nil). The figures ignore the effect of repayment on demand clause and are based on the schedule repayment dates in bank loan agreement.

During FY2024, the Group had no fixed interest rate borrowings.

During FY2024, the borrowings and cash and cash equivalents of the Group were denominated in Hong Kong Dollars, Singapore Dollars, Japanese Yen, Euros and British Pound Sterling.

*Significant Investment Held, Material Acquisitions or Disposals of Subsidiaries and Affiliated Companies, and Future Plans for Material Investments or Capital Assets*

On 22 September 2023, August Ally received the redemption confirmation and redeemed its investments in a redeemable unlisted securities in the Apeiron Global Opportunities Fund for an aggregate redemption value of US\$1,671,000 (equivalent to approximately HK\$13,034,000) in cash and estimated to realize an aggregate gain of HK\$2,556,000 in relation to the redemption, as compared to the fair value of the Apeiron Global Opportunities Fund as at 30 June 2023.

For details of the transaction, please refer to the Company's announcement dated 22 September 2023.

On 5 October 2023, August Ally has disposed of the bonds in the principal amount of US\$1,000,000 (equivalent to approximately HK\$7,800,000) issued by Towngas (Finance) Limited at a total consideration (together with the accrued interests) of approximately US\$990,000 (equivalent to approximately HK\$7,722,000) in the open market.

For details of the transaction, please refer to the Company's announcement dated 6 October 2023.

On 24 October 2023, August Ally received the redemption confirmation and redeemed part of its investments in a redeemable unlisted securities in the Optimas Global Alpha Fund for an aggregate redemption value of approximately US\$1,246,000 (equivalent to approximately HK\$9,719,000) in cash and estimated to realize an aggregate gain of approximately HK\$129,000 in relation to the redemption, as compared to the fair value of the 7,572.888 shares of non-voting redeemable participating shares in the Optimas Global Alpha Fund as at 30 June 2023.

For details of the transaction, please refer to the Company's announcement dated 25 October 2023.

During the period from 23 to 24 November 2023, August Ally has acquired from the open market the bonds in an aggregate principal of US\$3,500,000 (equivalent to approximately HK\$27,300,000) issued by Elect Global Investments Limited at an aggregate consideration of approximately US\$3,084,000 (equivalent to approximately HK\$24,055,000).

For details of the transaction, please refer to the Company's announcement dated 24 November 2023.

On 21 February 2024, the Company received the redemption confirmation and redeemed its investments in a redeemable unlisted securities in the Nomura Funds Ireland Plc for an aggregate redemption value of approximately US\$1,015,000 (equivalent to approximately HK\$7,917,000) in cash and estimated to realize an aggregate gain of approximately HK\$274,000 in relation to the redemption, as compared to the fair value of the 6,701.7462 shares of non-voting redeemable participating shares in the Nomura Funds Ireland Plc as at 30 June 2023.

For details of the transaction, please refer to the Company's announcement dated 21 February 2024.

On 19 April 2024, August Ally subscribed for wealth management product offered by Hang Seng Insurance Company Limited, namely, the LegendPower Life Insurance Plan (Single Premium), in an aggregate subscription amount of USD9,200,000 (equivalent to approximately HK\$71,760,000).

For details of the transaction, please refer to the Company's announcement dated 19 April 2024 and the Company's circular dated 23 May 2024.

On 19 April 2024, August Ally received the redemption confirmation and redeemed its investments in a redeemable unlisted securities in the Optimas Global Alpha Fund for an aggregate redemption value of approximately US\$1,058,000 (equivalent to approximately HK\$8,252,000) in cash and estimated to realize an aggregate gain of approximately HK\$399,000 in relation to the redemption of the 6,166.746 shares of non-voting redeemable participating shares in the Optimas Global Alpha Fund ("**Remained Redeemed Investment Fund**"), as compared to the fair value of the Remained Redeemed Investment Fund as at 31 December 2023.

For details of the transaction, please refer to the Company's announcement dated 22 April 2024.

During FY2024, the securities investments held by the Group are as follows set out on page 13 of the annual report for FY2024.

The total size of carrying amount and outstanding commitment for each of those investments as at 30 June 2024 represents approximately 0.0004% to 3.76% of the total assets of the Group as at 30 June 2024.

Save for those disclosed above and the annual report for FY2024, there were no significant investment held, material acquisitions or disposals of subsidiaries and affiliated companies during FY2024 and there is no plan for material investments or capital assets as at the date of the annual report for FY2024.

#### *Pledge of Assets*

As at 30 June 2024, the leasehold properties and certain investment properties with carrying amount of approximately HK\$87,100,000 (2023: approximately HK\$126,062,000) and approximately HK\$615,673,000 (2023: approximately

HK\$415,173,000) and bank deposits of approximately HK\$106,080,000 (2023: approximately HK\$108,205,000) were pledged to secure bank borrowings for the Group.

#### *Contingent Liabilities*

As at 30 June 2024, the Company has no contingent liabilities (2023: Nil).

#### *Foreign Exchange Exposure*

The Group's income and expenditure during FY2024 were denominated in USD, GBP, EUR, JPY and HKD, and most of the assets and liabilities as at 30 June 2024 were denominated in USD, GBP, EUR, JPY, RMB, AUD and HKD. Accordingly, the Board is of the view that, to a certain extent, the Group is exposed to foreign currency exchange risk. For the USD foreign exchange exposure, the Board believes the exposure is small as the exchange rate of USD to HKD is pegged. However, the Group is exposed to GBP, EUR, JPY, RMB and AUD foreign exchange exposure and fluctuation of exchange rates of GBP, EUR, JPY, RMB and AUD against HK\$ could affect the Group's results of operations. During FY2024, foreign currency banking facilities for GBP, EUR, JPY and AUD were arranged for acquisition of properties and investments in these currencies to hedge for foreign exchange exposure.

#### *Treasury Policies*

The Group adopts a conservative approach towards its treasury policies. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluations of the financial conditions of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

#### *Employees and Remuneration Policies*

As at 30 June 2024, the Group had 14 (2023: 16) employees, including the Directors. Total staff costs (including Directors' emoluments) were approximately HK\$17,079,000 for FY2024 as compared to approximately HK\$17,977,000 in last year. Remuneration is determined with reference to market terms and the performance, qualification and experience of individual employee. Year-end bonus based on individual performance will be paid to employees as recognition of and reward for their contributions. Other benefits include contributions to statutory mandatory provident fund scheme to its employees in Hong Kong and share option scheme.

**For the six months ended 31 December 2024 (the “Period”)**

*Financial review*

For the Period, the Group recorded a turnover of approximately HK\$24,002,000, representing an increase of approximately 29.3% comparing with that of approximately HK\$18,558,000 for the corresponding period of last financial year. The increase in turnover was mainly attributed to the increase in turnover from property development business.

Loss before income tax of the Group for the Period was approximately HK\$53,144,000, representing a decrease of approximately 54.4% comparing with the loss before income tax of approximately HK\$116,515,000 for the corresponding period of last financial year. The loss for the Period was mainly attributable to the fair value loss on investment properties and impairment loss of property, plant and equipment.

*Business overview*

*Property Development Business:* During the Period, the Group is engaged in one property development project, which is located in Birmingham, the United Kingdom (the “UK”). It is a property development project at 50 School Road, Moseley, Birmingham, the UK (the “UK Property Project”). The UK Property Project has a site area of 15,800 square feet and it can be developed into a residential building with gross floor area of approximately 12,000 square feet. The acquisition of the land was completed on 26 October 2018 and the development planning has been completed in Year 2022. A local agent has been appointed for selling and leasing of the apartments. 64% and 14% of the units have been sold and leased to independent third parties, respectively, as at 31 December 2024. Two units have been leased to independent third parties as at 30 June 2024, while nine units have been sold to independent third parties up to the Period. During the Period, the Group reported a segment loss of approximately HK\$469,000 derived from the property development business.

*Property Investment and Trading:* As at 31 December 2024, the Group has eleven commercial, industrial and residential properties for investment and trading purposes, which are mainly in Hong Kong, one commercial property in Cardiff, the UK and two serviced apartments in Hokkaido, Japan, for investment and trading purpose. During the Period, the Group recorded a fair value loss of investment properties of approximately HK\$51,809,000 (six months ended 31 December 2023: approximately HK\$70,839,000) and a reversal of write-down of properties held for trading of approximately HK\$585,000 (six months ended 31 December 2023: write-down of properties held for trading of approximately HK\$21,743,000). The fair value loss on investment properties is mainly due to the fair value loss on the commercial office properties at 9 Queen’s Road Central and Far East Consortium Building and retail shop at Grand Scholar in Hong Kong. During the Period, the Group reported a segment loss of approximately HK\$54,537,000 derived from the property investment and trading business.



*Securities Investment and Trading:* During the Period, the Group recorded a net loss in fair value of its portfolio of approximately HK\$628,000 (six months ended 31 December 2023: approximately HK\$19,244,000). The Group reported a segment profit of approximately HK\$425,000 (six months ended 31 December 2023: loss of approximately HK\$13,195,000) during the Period. The Group received investment income from investment portfolio for this segment of approximately HK\$2,696,000 (six months ended 31 December 2023: approximately HK\$2,960,000) during the Period. As at 31 December 2024, the carrying amount of the investments for this segment amounted to approximately HK\$472,493,000 (30 June 2024: approximately HK\$495,517,000). This value represents an investment portfolio comprising equity instruments, debt instruments, financial instruments and cryptocurrencies. During the Period, the Group reported a segment profit of approximately HK\$425,000 derived from the securities investment and trading business.

*Loan Financing:* During the Period, the Group recorded an interest income from the loan financing business amounting to approximately HK\$2,624,000 (six months ended 31 December 2023: 2,454,000), representing approximately 10.9% (six months ended 31 December 2023: approximately 13.2%) of the total revenue of the Group. The Group reported a segment profit of approximately HK\$8,159,000 (six months ended 31 December 2023: approximately HK\$2,443,000) during the Period. Both revenue and profit derived from loan financing business were increased for the Period since the loan receivables were increased and a reversal of loss allowance recognised on loan receivables of approximately HK\$5,544,000 (six months ended 31 December 2023: Nil) was recognised during the Period. During the Period, the Group recorded a segment profit of approximately HK\$8,159,000 derived from the loan financing business.

The carrying amount of loan and interest receivables for loan financing business as at 31 December 2024 was approximately HK\$34,653,000 (30 June 2024: approximately HK\$37,185,000) which mainly secured by share mortgage and a deed of assignment of the borrower's commitment under a mezzanine loan agreement. The Group is not permitted to sell or repledge the collaterals, if any, in the absence of default by the borrowers.

During the Period, the interest rate on the Group's fixed rate loan receivables are ranged from 3.33% to 22.5% (six months ended 31 December 2023: ranged from 3.33% to 20%) per annum. All loan receivables during the Period are fixed rate loans and consisted of 6 (30 June 2024: 5) loan accounts, with 5 being corporate loans and 1 being individual loan (30 June 2024: 4 being corporate loans and 1 being individual loan).

#### *Liquidity, Financial Resources and Capital Structure*

As at 31 December 2024, the Group had net current assets of approximately HK\$145,771,000 (30 June 2024: approximately HK\$120,600,000), including cash and bank balances of approximately HK\$213,693,000 (30 June 2024: approximately HK\$230,143,000).

The gearing ratio was approximately 16% as at 31 December 2024 (30 June 2024: approximately 17%). The gearing ratio is derived by dividing the total of borrowings by total assets. The gearing ratio remains stable for the Period when compared to 30 June 2024.

During the Period, the Group financed its operations with its own working capital and bank borrowings. As at 31 December 2024, the secured bank borrowings of the Group were approximately HK\$253,877,000 (30 June 2024: approximately HK\$292,593,000), in which approximately HK\$220,273,000 (30 June 2024: approximately HK\$257,633,000) were repayable within a period of not exceeding 5 years and approximately HK\$33,604,000 (30 June 2024: approximately HK\$34,960,000) were repayable beyond 5 years.

During the Period, the Group had no fixed interest rate borrowings.

During the Period, the borrowings and cash and cash equivalents of the Group were denominated in Hong Kong Dollars, Singapore Dollars, Japanese Yen, Euros and British Pound Sterling.

*Significant Investment Held, Material Acquisitions or Disposals of Subsidiaries and Affiliated Companies, and Future Plans for Material Investments or Capital Assets*

On 1 August 2024, August Ally subscribed for a participation in BentallGreenOak Asia IV, LP. (the "Fund") with capital commitment of US\$10,000,000 or equivalent Japanese Yen (equivalent to approximately HK\$78,000,000), representing approximately 0.33% of the target capital commitments of the Fund.

For details of the transaction, please refer to the Company's announcement dated 1 August 2024 and the Company's circular dated 22 August 2024.

During the Period, the securities investments held by the Group are set out on page 21 of the interim results announcement of the Company for the Period.

The total size of carrying amount and outstanding commitment for each of those investments as at 31 December 2024 represents approximately 0.0006% to 3.97% of the total assets of the Group as at 31 December 2024. It is the strategy of the Group to seek any opportunistic investments to enhance the yield of the surplus cash held by the Group on medium and long-term basis.

Save for those disclosed above and in the interim results announcement of the Company for the six months ended 31 December 2024, there were no significant investment held, material acquisitions or disposals of subsidiaries and affiliated companies during the Period and there is no plan for material investments or capital assets as at the date of the interim results announcement of the Company for the Period.

*Pledge of Assets*

As at 31 December 2024, the leasehold properties and certain investment properties with carrying value of approximately HK\$78,400,000 (30 June 2024: approximately HK\$87,100,000) and approximately HK\$561,373,000 (30 June 2024: approximately HK\$615,673,000) respectively and bank deposits of approximately HK\$124,471,000 (30 June 2024: approximately HK\$106,080,000) were pledged to secure bank borrowings for the Group.

*Contingent Liabilities*

As at 31 December 2024, the Company has no contingent liabilities (30 June 2024: Nil).

*Foreign Exchange Exposure*

The Group's income and expenditure during the Period were denominated in USD, GBP, EURO, HKD and JPY, and most of the assets and liabilities as at 31 December 2024 were denominated in USD, GBP, EUR, RMB, AUD, HKD and JPY. Accordingly, the Board is of the view that, to a certain extent, the Group is exposed to foreign currency exchange risk. For the USD foreign exchange exposure, the Board believes the exposure is small as the exchange rate of USD to HKD is comparatively stable. However, the Group is exposed to GBP, EUR, JPY, RMB and AUD foreign exchange exposure and the fluctuation of exchange rates of GBP, EUR, JPY, RMB and AUD against HKD could affect the Group's results of operations. During the Period, foreign currency banking facilities for GBP, EUR, JPY and AUD were arranged for acquisition of properties and investments in these currencies to hedge for foreign exchange exposure.

*Treasury Policies*

The Group adopts a conservative approach towards its treasury policies. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluations of the financial conditions of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

*Employees and Remuneration Policies*

As at 31 December 2024, the Group had 16 (30 June 2024: 14) employees, including Directors. Total staff cost (including Directors' emoluments) was approximately HK\$8,458,000 for the Period as compared to approximately HK\$7,985,000 for the six months ended 31 December 2023. Remuneration is determined with reference to market terms and the performance, qualification and experience of individual employee. Year-end bonus based on individual performance will be paid to employees as recognition of and reward for their contributions. Other benefits include contributions to statutory mandatory provident fund scheme to its employees in Hong Kong and share option scheme.

## 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 ("Mr. Pong") (Note 3)	393,411,566 (L)	69.40%
Lee Wing Yin (Note 4)	5,218,000 (L)	0.92%
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 50,879,600 Shares and 7,890,000 underlying shares of the Company (being share options granted by the Company on 17 May 2016, 26 November 2018, 14 July 2023 and 15 July 2024); and (2) deemed to be interested in 334,641,966 Shares beneficially owned by Virtue Partner Group Limited ("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 4,218,000 underlying shares of the Company (being share options granted by the Company on 17 May 2016, 26 November 2018, 14 July 2023 and 15 July 2024).
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>	393,411,566 (L)	69.40%

*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 per month (inclusive of salary and allowances but excluding any director’s fee) 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, the property of the Group located on 15th Floor of Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong, which is an office building in Central district, with a gross floor area of approximately 7,300 square feet, has been leased to a financial printing company wholly owned by Mr. Pong with monthly rent of HK\$224,000. Please refer to the announcement of the Company dated 16 August 2024 for further details.

Save as disclosed above, 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 2024, being the date to which the latest published audited financial statements of the Group were made up.

Save as disclosed above, 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 loan agreement dated 18 December 2024 entered into between the Company and Melrose Park Developments Limited, one of the co-lenders and the security agent under the mezzanine loan agreement dated 18 December 2024, in respect of the provision of the term loan facility of up to US\$1,000,000 (equivalent to HK\$7,800,000), details of which are set out in the announcement of the Company dated 18 December 2024;
- (b) the supplemental loan agreement dated 16 October 2024 entered into between Luck Wise Investment Limited as lender and P L Technology Limited as borrower in respect of the provision of a revolving loan in the limit up to HK\$30,000,000 (the "**Revolving Loan**") and the deed of confirmation executed in October 2024 by P L Technology Limited that it will not make any drawdown of the Revolving Loan should it result in the outstanding principal

exceeding the amount of HK\$17,000,000, details of which are set out in the announcements of the Company 16 October 2024 and 8 November 2025, respectively;

- (c) the subscription agreement dated 1 August 2024 entered into by August Ally in relation to the subscription of BentallGreenOak Asia IV, LP. with capital commitment amount of USD10,000,000 or equivalent JPY (equivalent to approximately HK\$78,000,000), details of which are set out in the announcement of the Company dated 1 August 2024 and the circular of the Company dated 22 August 2024; and
- (d) the terms of business letter dated 19 April 2024 entered into between August Ally and Hang Seng Insurance in relation to the 1st Subscription.

## 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, 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 Investor Services 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](http://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 not less than 14 days commencing from the date of this circular:

- (1) the published annual reports of the Company for the years ended 30 June 2022, 2023 and 2024;
- (2) the published interim report of the Company for the six months ended 31 December 2024;
- (3) the letter from the Board, the text of which is set out in the section headed "Letter from the Board" in this circular;



- (4) the material contracts referred to in the paragraph headed "Material contracts" in this appendix;
- (5) a copy of the memorandum giving full particulars of the Subscriptions; and
- (6) a copy of the memorandum giving full particulars of the 1st EG Bonds Acquisition and the 2nd EG Bonds Subscription.

# NOTICE OF EGM



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)**

## NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (the “EGM”) of Winfull Group Holdings Limited (the “Company”) will be held at 7/F., Wheelock House, 20 Pedder Street, Central, Hong Kong on Friday, 2 May 2025 at 3:00 p.m. for the purpose of considering and, if thought fit, pass the following resolution of the Company:

### ORDINARY RESOLUTION

1. **“THAT:**
  - (a) the subscription of LegendPower Life Insurance Plan (Single Premium) offered by Hang Seng Insurance Company Limited at the total notional subscription amount of USD10,000,000 (equivalent to approximately HK\$78,000,000) and the consideration of USD9,500,000 (equivalent to approximately HK\$74,100,000) by August Ally Limited (a wholly-owned subsidiary of the Company) (the “2nd Subscription”) and the transactions contemplated thereunder and all other matters of and incidental thereto or in connection therewith be and are hereby approved and confirmed; and
  - (b) any one or more of the Directors be and are hereby authorised for and on behalf of the Company and in its name to execute each other documents, instruments, instructions and agreements and to do all such acts or things which he/she/they may consider necessary, expedient or desirable to give effect to the 2nd Subscription and the transactions contemplated thereunder.”

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

Hong Kong, 15 April 2025

## NOTICE OF EGM

*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  
Hong Kong

1. A member entitled to attend and vote at the EGM convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, to vote on his or her behalf. A proxy need not be a member of the Company but must be present in person at the EGM to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, at the offices of the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed (i.e. Wednesday, 30 April 2025 at 3:00 p.m.) for holding the meeting or any adjourned meeting. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the EGM or any adjournment thereof, should he or she so wish and in such event, the form of proxy will be deemed to be revoked.
3. The register of members of the Company will be closed from Monday, 28 April 2025 to Friday, 2 May 2025 both days inclusive, during which period no transfers of shares shall be effected. In order to qualify for attending the EGM, all transfers of shares, accompanied by the relevant share certificates and transfer forms, must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Friday, 25 April 2025.
4. If Typhoon Signal No. 8 or above, "extreme conditions" caused by super typhoons or a "black" rainstorm warning is in effect any time after 7:00 a.m. on the date of the EGM, the Company will post an announcement on the websites of the Company at [www.winfullgroup.hk](http://www.winfullgroup.hk) and the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) to notify members of any updates.
5. The voting on all the resolutions at the EGM will be conducted by way of a poll.
6. References to time and dates in this notice are to Hong Kong time and dates.