

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.



Wuxi Life International Holdings Group Limited

悟喜生活國際控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8148)

**(1) PROPOSED CAPITAL REORGANISATION;
AND
(2) PROPOSED RIGHTS ISSUE ON THE BASIS OF TWO (2) RIGHTS
SHARES FOR EVERY ONE (1) ADJUSTED SHARE HELD ON
THE RECORD DATE ON A NON-UNDERWRITTEN BASIS**

Financial Adviser



英皇企業融資

Emperor Corporate Finance

PROPOSED CAPITAL REORGANISATION

The Board proposes the Capital Reorganisation to be implemented in the following manner:

- (i) the Share Consolidation whereby every ten (10) issued and unissued Existing Shares of par value of HK\$0.04 each will be consolidated into one (1) Consolidated Share of par value of HK\$0.4 each;
- (ii) the Capital Reduction whereby (a) any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation will be cancelled, and (b) the par value of each issued Consolidated Share will be reduced from HK\$0.4 to HK\$0.01 by cancelling the paid-up capital to the extent of HK\$0.39 on each issued Consolidated Share;

- (iii) the Share Subdivision whereby immediately following the Capital Reduction, each of the authorised but unissued Consolidated Shares of par value of HK\$0.4 each will be subdivided into 40 Adjusted Shares of par value of HK\$0.01 each; and
- (iv) the credit arising from the Capital Reduction will be applied towards offsetting the Accumulated Losses. The balance of the credit (if any) after offsetting the Accumulated Losses will be transferred to a distributable reserve account of the Company which may be applied by the Company in any manner as permitted by all applicable laws and the Memorandum and Articles and as the Board considers appropriate.

Each of the Adjusted Shares arising from the Capital Reorganisation shall rank *pari passu* in all respects with each other in accordance with the Memorandum and Articles.

The Capital Reorganisation is conditional upon fulfillment of the conditions as set out under the section headed “Conditions of the Capital Reorganisation” in this announcement.

As at the date of this announcement, the Existing Shares are traded on the Stock Exchange in board lots of 20,000 Existing Shares. Upon the Capital Reorganisation becoming effective, the Adjusted Shares will continue to be traded in board lots of 20,000 Adjusted Shares.

PROPOSED RIGHTS ISSUE ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY ONE (1) ADJUSTED SHARE HELD ON THE RECORD DATE

The Company proposes, subject to the Capital Reorganisation becoming effective, to implement the Rights Issue on the basis of two (2) Rights Shares for every one (1) Adjusted Share held on the Record Date at the Subscription Price of HK\$0.12 per Rights Share, to raise up to approximately HK\$30.54 million before expenses (assuming no change in the issued share capital of the Company on or before the Record Date, and all the Qualifying Shareholders taking up their respective allotment of Rights Shares in full) by way of the rights issuing up to 254,528,000 Rights Shares (assuming as aforesaid) to the Qualifying Shareholders. The net proceeds from the Rights Issue (after deducting the estimated expenses) are estimated to be approximately HK\$28.74 million (assuming no change in the issued share capital of the Company on or before the Record Date and all the Qualifying Shareholders taking up their respective allotment of Rights Shares in full). The estimated net subscription price per Rights Share after deducting the related expenses of the Rights Issue is expected to be approximately HK\$0.1129. For details of intended use of proceeds, please refer to the section headed “Reasons for and benefits of the Rights Issue and intended use of proceeds” in this announcement.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of provisionally allotted Rights Shares. There is no minimum subscription level or minimum amount to be raised under the Rights Issue.

In order to be registered as members of the Company on the Record Date, all transfers of the Shares (together with the relevant share certificate(s) and/or instrument(s) of transfer) must be lodged with the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by 4:30 p.m. on Tuesday, 4 June 2024. The last day of dealing in the Adjusted Shares on cum-rights basis is Friday, 31 May 2024. The Adjusted Shares will be dealt with on an ex-rights basis from Monday, 3 June 2024.

GEM LISTING RULES IMPLICATION

As the Rights Issue, if proceeded with, will increase the issued share capital of the Company by more than 50%, the Rights Issue is subject to approval of the Independent Shareholders at the EGM by a resolution on which any controlling Shareholders and their respective associates or, where there are no controlling Shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company, and their respective associates shall abstain from voting in favour of the Rights Issue under Rule 10.29(1) of the GEM Listing Rules. Since there is no controlling shareholder, Mr. Liu and his respective associates shall abstain from voting in favour of the resolutions to approve the Rights Issue at the EGM. As at the date of this announcement, save for Mr. Liu, none of the Directors or chief executives of the Company had any interests in the Shares.

The Rights Issue does not result in a theoretical dilution effect of 25% or more. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 10.44A of the GEM Listing Rules.

THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, comprising Mr. Tai Man Tai, Ms. Lam Yuen Man Maria and Mr. Fu Yan Ming, being all the independent non-executive Directors, has been established to advise the Independent Shareholders in respect of the Rights Issue and as to the voting action therefor. In this connection, the Company will appoint an independent financial adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Rights Issue are fair and reasonable.

GENERAL

The EGM will be convened for the Shareholders to consider and, if thought fit, approve the Capital Reorganisation and the Rights Issue. A circular containing, among other things, (i) further details of the Capital Reorganisation and the Rights Issue; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Rights Issue; (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders on the Rights Issue; and (iv) a notice convening the EGM, is expected to be despatched to the Shareholders on or before Friday, 15 March 2024.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND NIL-PAID RIGHTS SHARES

Shareholders and potential investors of the Company should note that the Rights Issue is subject to fulfilment of conditions including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Dealings in the Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled and dealings in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Shareholders or other persons contemplating any dealing in the Shares or Rights Shares in their nil-paid form are recommended to consult their professional advisers.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares.

PROPOSED CAPITAL REORGANISATION

The Board proposes the Capital Reorganisation to be implemented in the following manner:

- (i) the Share Consolidation whereby every ten (10) issued and unissued Existing Shares of par value of HK\$0.04 each will be consolidated into one (1) Consolidated Share of par value of HK\$0.4 each;
- (ii) the Capital Reduction whereby (a) any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation will be cancelled, and (b) the par value of each issued Consolidated Share will be reduced from HK\$0.4 to HK\$0.01 by cancelling the paid-up capital to the extent of HK\$0.39 on each issued Consolidated Share;
- (iii) the Share Subdivision whereby immediately following the Capital Reduction, each of the authorised but unissued Consolidated Share of par value of HK\$0.4 each will be sub-divided into 40 Adjusted Shares of par value of HK\$0.01 each; and
- (iv) the credit arising from the Capital Reduction will be applied towards offsetting the Accumulated Losses. The balance of the credit (if any) after offsetting the Accumulated Losses will be transferred to a distributable reserve account of the Company which may be applied by the Company in any manner as permitted by all applicable laws and the Memorandum and Articles and as the Board considers appropriate.

As at the date of this announcement, the authorised share capital of the Company is HK\$120,000,000 comprising 3,000,000,000 Existing Shares of par value of HK\$0.04 each, of which 1,272,640,000 Existing Shares have been issued and fully paid or credited as fully paid. Immediately following the Capital Reorganisation, the authorised share capital of the Company will be HK\$120,000,000 divided into 12,000,000,000 Adjusted Shares of par value of HK\$0.01 each, and the aggregate nominal value of the issued share capital of the Company will be approximately HK\$1,272,640 (assuming that no further Existing Shares are issued or repurchased from the date of this announcement until the effective date of the Capital Reorganisation). Based on the number of the Existing Shares in issue as at the date of this announcement, a credit of approximately HK\$49,632,960 will arise as a result of the Capital Reduction.

Assuming no Existing Shares are issued or repurchased from the date of this announcement, the share capital structure of the Company will be as follows:

	As at the date of this announcement	Immediately after the Capital Reorganisation becoming effective
Authorised share capital	HK\$120,000,000	HK\$120,000,000
Par value per share	HK\$0.04	HK\$0.01
Number of authorised shares	3,000,000,000	12,000,000,000
Amount of issued share capital	HK\$50,905,600	HK\$1,272,640
Number of issued shares	1,272,640,000	127,264,000
Amount of unissued share capital	HK\$69,094,400	HK\$118,727,360
Number of unissued shares	1,727,360,000	11,872,736,000

Note: The above share capital structure of the Company is for illustration purpose only

The Adjusted Shares in issue immediately following the Capital Reorganisation becoming effective will rank *pari passu* in all respects with each other and the Capital Reorganisation will not result in any change in the relative rights of the Shareholders, save for any fractional Adjusted Shares which may arise. No fractional Adjusted Shares will be issued by the Company. Any fractional entitlements of Adjusted Shares arising from the Share Consolidation, if any, will be cancelled. Shareholders concerned about losing out on any fractional entitlement are recommended to consult their licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisor and may wish to consider the possibility of buying or selling Existing Shares in a number sufficient to make up an entitlement to receive a whole number of Adjusted Shares.

Other than the expenses to be incurred in relation to the Capital Reorganisation, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Group.

Conditions of the Capital Reorganisation

The Capital Reorganisation is conditional upon:

- (i) the passing of the necessary resolution(s) by the Shareholders approving the Capital Reorganisation at the EGM;
- (ii) an order being made by the Court confirming the Capital Reduction (if applicable);
- (iii) compliance with any terms and conditions which the Court may impose in relation to the Capital Reduction (if applicable);
- (iv) registration by the Registrar of Companies in the Cayman Islands of a copy of the order of the Court confirming the Capital Reduction (if applicable) and the minute containing the particulars required by the Companies Act with respect to the Capital Reduction; and
- (v) the Stock Exchange granting the listing of, and permission to deal in, the Adjusted Shares in issue and to be issued upon the Capital Reorganisation becoming effective.

The Capital Reorganisation will become effective when the conditions mentioned above are fulfilled. Upon the approval by the Shareholders of the Capital Reorganisation at the EGM, the legal advisers to the Company (as to the Cayman Islands law) will apply to the Court for hearing date(s) to confirm the Capital Reduction (if applicable) and a further announcement will be made by the Company as soon as practicable after the Court hearing date(s) is confirmed (if applicable).

As at the date of this announcement, none of the above conditions have been fulfilled.

Odd lots arrangements and matching services

In order to alleviate the difficulties arising from the existence of odd lots of the Adjusted Shares arising from the Capital Reorganisation, the Company will procure an arrangement with an agent to stand in the market to provide matching services for sale and purchase of odd lots of the Adjusted Shares on a best effort basis. Further details in respect of the odd lots arrangements will be set out in the Circular. Holders of odd lots of the Adjusted Shares should note that successful matching of the sale and purchase of odd lots of the Adjusted Shares are not warranted. Any Shareholder who is in any doubt about the odd lots arrangements is recommended to consult his/her/its own professional advisers.

Exchange of share certificates

Subject to the Capital Reorganisation having become effective, Shareholders may, on or after Friday, 31 May 2024 and until Wednesday, 10 July 2024 (both days inclusive), submit the existing share certificates for the Existing Shares to the Registrar in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, in exchange, at the expense of the Company, for new share certificates for the Adjusted Shares. Thereafter, existing share certificates for Existing Shares will continue to be good evidence of legal title and may be exchanged for new share certificates for Adjusted Shares at the expense of the Shareholders on payment of a fee of HK\$2.50 (or such higher amount as may be allowed by the Stock Exchange from time to time) for each existing share certificate cancelled or each new share certificate issued for Adjusted Shares (whichever is higher) but are not acceptable for trading, settlement and registration.

The new share certificates for the Adjusted Shares will be issued in another colour in order to distinguish them from the existing share certificate.

Listing and Dealings

Application will be made to the Stock Exchange for the granting of the listing of, and permission to deal in, the Adjusted Shares arising from the Capital Reorganisation and all necessary arrangements will be made for the Adjusted Shares to be admitted into CCASS.

Subject to the granting of the listing of, and permission to deal in, the Adjusted Shares on the Stock Exchange upon the Capital Reorganisation becoming effective, as well as compliance with the stock admission requirements of the HKSCC, the Adjusted Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time the Capital Reorganisation becomes effective, the Adjusted Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

Reasons for the Capital Reorganisation

Under Rule 17.76 of the GEM Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the issuer may be required either to change the trading method or to proceed with a consolidation or splitting of its securities. Further, the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated on 1 October 2020 has further stated that (i) market price of the shares at a level less than HK\$0.1 each will be considered as trading at extremity as referred to Rule 17.76 of the GEM Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected board lot value should be greater than HK\$2,000.00.

Under the Companies Act and the Memorandum and Articles, the Company may not issue Shares at a discount to the nominal value of such Shares. The Company would not be able to issue the Rights Shares at the Subscription Price which is below par value without conducting the Capital Reorganisation. In order to facilitate possible fund raising activities in the future, it is necessary to implement the Capital Reorganisation to lower the par value of the Shares, giving greater flexibility to the Company to issue new Shares in the future.

Immediately after completion of the Share Consolidation but before implementation of the Capital Reduction and the Share Subdivision, the nominal value of the Consolidated Shares will be HK\$0.40 per Consolidated Share. The Capital Reduction and the Share Subdivision will keep the nominal value of the Adjusted Shares at a lower level of HK\$0.01 per Adjusted Share, which allows greater flexibility in the pricing for any issue of new Shares in the future.

The credit arising from the Capital Reduction will enable the Company to set off its Accumulated Losses. The balance of the credit (if any) after offsetting the Accumulated Losses will be transferred to a distributable reserve account of the Company which may be applied by the Company in any manner as permitted by all applicable laws and the Memorandum and Articles and as the Board considers appropriate. It will give greater flexibility to the Company to declare dividends and/or to undertake any corporate exercise which requires the use of distributable reserves in the future, subject to the Company's performance and when the Board considers that it is appropriate to do so in the future.

The Board considers that the Capital Reorganisation is beneficial to and in the interests of the Company and the Shareholders as a whole. Save for the Rights Issue, the Group has no other fund-raising plan as of the date of this announcement.

PROPOSED RIGHTS ISSUE ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY ONE (1) ADJUSTED SHARE HELD ON THE RECORD DATE

The Company proposes, subject to the Capital Reorganisation becoming effective, to implement the Rights Issue on the basis of two (2) Rights Shares for every one (1) Adjusted Share held on the Record Date at the Subscription Price of HK\$0.12 per Rights Share, to raise up to approximately HK\$30.54 million before expenses (assuming no change in the issued share capital of the Company on or before the Record Date, and all the Qualifying Shareholders taking up their respective allotment of Rights Shares in full) by way of the rights issuing up to 254,528,000 Rights Shares (assuming as aforesaid) to the Qualifying Shareholders.

Issue statistics

Basis of the Rights Issue	:	two (2) Rights Shares for every one (1) Adjusted Share held on the Record Date
Subscription Price	:	HK\$0.12 per Rights Share (after the Capital Reorganisation has become effective)
Number of Existing Shares in issue at the date of this announcement	:	1,272,640,000 Existing Shares
Number of Adjusted Shares in issue upon the Capital Reorganisation becoming effective	:	127,264,000 Adjusted Shares (assuming no change in the number of Shares in issue on or before the date on which the Capital Reorganisation became effective)
Number of Rights Shares	:	(Assuming the Capital Reorganisation has become effective and no further issue of Shares or repurchase of Shares on or before the Record Date) up to 254,528,000 Rights Shares, representing 200% of the Company's issued number of Adjusted Shares as at the date of this announcement and approximately 66.67% of the enlarged issued share capital of the Company upon completion of the Rights Issue.

Gross proceeds and net proceeds : Assuming no change in the issued share capital of the Company on or before the Record Date, and all the Qualifying Shareholders taking up their respective allotment of Rights Shares in full:

Gross proceeds: up to approximately HK\$30.54 million

Net proceeds (after deducting the estimated expenses): up to approximately HK\$28.74 million

Aggregate nominal value of the Rights Shares : up to approximately HK\$2,545,280

As at the date of this announcement, the Company has no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares.

Non-underwritten basis

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of provisionally allotted Rights Shares. In the event that the provisional allotments for the Rights Issue are not fully subscribed, any Rights Shares not taken up by the Qualifying Shareholders together with the Rights Shares not provisionally allotted to the Non-Qualifying Shareholders will be made available for excess application under the EAFs. There is no minimum subscription level or minimum amount to be raised under the Rights Issue. There is no applicable statutory requirements regarding minimum subscription levels in respect of the Rights Issue.

As the Rights Issue is not underwritten and has not set a minimum subscription amount, a Shareholder who applies to take up all or part of his/her/its entitlement under the PAL and/or excess Rights Shares under the EAF may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code or cause the public float of the Company to decrease to below 25%. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder for his/her/its assured entitlement under the Rights Issue or excess Rights Shares under the EAF will be scaled down to a level which (a) does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance to the note to Rule 10.26(2) of the GEM Listing Rules; and (b) does not cause the Company's public float to decrease to below 25%. Shares subject to scale down will be available for application as excess Rights Shares to other Qualifying Shareholders, any subscription monies not utilized due to the scaled-down application of entitled Rights Shares or excess Rights Shares will be refunded to the affected applicants.

Accordingly, if the Rights Issue is undersubscribed, the size of the Rights Issue will be reduced. Qualifying Shareholders who do not take up their assured entitlements in full and Non-Qualifying Shareholders, if any, should note that their shareholdings in the Company may be diluted, the extent of which will depend in part on the size of the Rights Issue.

Subscription Price

The Subscription Price is HK\$0.12 per Rights Share, payable in full upon acceptance of the relevant provisional allotment of Rights Shares and, where applicable, when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents (assuming the Capital Reorganisation has become effective as at the date of this announcement):

- (i) a discount of 20.0% to the theoretical closing price of HK\$0.15 per Adjusted Share (after taking into account the effect of the Capital Reorganisation) based on the closing price of HK\$0.015 per Existing Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 25.93% to the theoretical benchmarked price of HK\$0.162 per Adjusted Share (after taking into account the effect of the Capital Reorganisation) based on the benchmarked price of HK\$0.0162 per Existing Share;
- (iii) a discount of approximately 10.45% to the theoretical ex-rights price of approximately HK\$0.134 per Adjusted Share (after taking into account the effect of the Capital Reorganisation) based on the benchmark price of HK\$0.0162 per Existing Share (as defined under Rule 10.44A of the GEM Listing Rules, taking into account the closing price on the Last Trading Day of HK\$0.015 per Existing Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five (5) previous consecutive trading days prior to the date of this announcement of approximately HK\$0.0162 per Existing Share);
- (iv) a premium of approximately 380.0% over the net asset value of the Company of approximately HK\$0.025 per Adjusted Share based on the unaudited net asset value of the Company of approximately HK\$3,175,000 as at 30 June 2023 as disclosed in the interim report of the Company for the six months ended 30 June 2023 and 127,264,000 Adjusted Shares assuming the Capital Reorganisation has become effective; and
- (v) a theoretical dilution effect (as defined under the GEM Listing Rules) represented by a discount of approximately 10.45% of the theoretical ex-rights price of HK\$0.134 per Adjusted Share (after taking into account the effect of the Capital Reorganisation) to the theoretical benchmarked price of HK\$0.162 per Adjusted Share.

The Subscription Price was determined by the Board with reference to, among others, (i) the market price of the Shares under the prevailing market conditions, (ii) the latest business performance and financial position of the Group; and (iii) the reasons for and benefits of proposed Rights Issue as discussed in the section headed “Reasons for and benefits of the Rights Issue and intended use of proceeds” in this announcement. Each Qualifying Shareholder will be entitled to subscribe for the Rights Shares at the same Subscription Price in proportion to his/her/its shareholding held on the Record Date.

After taking into consideration the reasons for the Rights Issue as stated in the section headed “Reasons for and benefits of the Rights Issue and intended use of proceeds” in this announcement, the Directors (excluding the members of the Independent Board Committee whose opinion will be set forth in the circular of the Company after having been advised by the Independent Financial Adviser) consider that, the terms of the proposed Rights Issue, including the Subscription Price, are fair and reasonable and in the best interests of the Company and the Shareholders as a whole.

Conditions of the Rights Issue

The Rights Issue is conditional upon each of the following conditions being fulfilled:

- (i) the passing by more than 50% of the votes cast by the Independent Shareholders by way of poll of all necessary resolutions to be proposed at the EGM for the transactions contemplated under the Rights Issue to be effective in compliance with the GEM Listing Rules, including but not limited to approving, confirming and/or ratifying the Rights Issue, including the allotment and issue of the Rights Shares in their nil-paid and fully paid forms;
- (ii) the Capital Reorganisation becoming effective;
- (iii) the delivery of the Prospectus Documents to the Stock Exchange and the issue by the Stock Exchange on or before the Prospectus Posting Date of a certificate authorising registration of the Prospectus Documents with the Registrar of Companies in Hong Kong;
- (iv) following registration, the posting of the Prospectus Documents to the Qualifying Shareholders and the Prospectus only (without the PAL and the EAF) to the Non-Qualifying Shareholder for their information only and the publication of the Prospectus on the website of the Stock Exchange on or before the Prospectus Posting Date;
- (v) the grant of listing of the Rights Shares (in both nil-paid and fully paid forms) by the Stock Exchange (either unconditionally or subject only to the allotment and despatch of the share certificates in respect thereof) and the grant of permission to deal in the nil-paid Rights Shares and the fully-paid Rights Shares by the Stock Exchange (and such permission and listing not subsequently having been withdrawn or revoked); and
- (vi) all other necessary waivers, consent and approvals (if required) from the relevant governmental or regulatory authorities for the Rights Issue and the transaction contemplated thereunder having been obtained and fulfilled.

None of the above conditions precedent can be waived. If any of the above conditions are not satisfied at or before 5:00 p.m. on 31 December 2024 (or such later date as the Company may determine), the Rights Issue will not proceed.

The Rights Issue is subject to the fulfilment of conditions including the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. If the conditions to the Rights Issue are not fulfilled, the Rights Issue will not proceed.

Qualifying Shareholders

To qualify for the Rights Issue, a Shareholder must be registered as a Shareholder at the close of business on the Record Date and not be a Non-Qualifying Shareholder.

In order to be registered as Shareholder at the close of business on the Record Date, all transfers of the Adjusted Shares (together with the relevant share certificate(s) and/or instrument(s) of transfer) must be lodged with the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by 4:30 p.m. on Tuesday, 4 June 2024.

It is expected that the last day of dealings in the Adjusted Shares on a cum-rights basis is Friday, 31 May 2024, and the Adjusted Shares will be dealt with on an ex-rights basis from Monday, 3 June 2024.

Subject to the Capital Reorganisation becoming effective and the registration of the Prospectus Documents in accordance with the applicable laws and regulations, the Company will despatch the Prospectus Documents to the Qualifying Shareholders on the Prospectus Posting Date and will despatch the Prospectus only (without the PAL and the EAF) to the Non-Qualifying Shareholder for their information only.

Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and Non-Qualifying Shareholders should note that their shareholdings in the Company will be diluted.

Rights of Overseas Shareholders (if any)

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong. Overseas Shareholders may not be eligible to take part in the Rights Issue as explained below.

In compliance with Rule 17.41(1) of the GEM Listing Rules, the Company will make enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholders (if any). If, based on legal opinions, the Directors consider that it is necessary or expedient not to offer the Rights Shares to the Overseas Shareholders on account either of the legal restrictions under the laws of the relevant place(s) or the requirements of the relevant regulatory body or stock exchange in that (those) place(s), the Rights Issue will not be extended to such Overseas Shareholders.

The Company will despatch the Prospectus (without the PAL and the EAF) to the Non-Qualifying Shareholders for their information only on the Prospectus Posting Date.

Arrangements will be made for the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders to be sold in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, will be paid pro rata (but rounded down to the nearest cent) to the Non-Qualifying Shareholders in Hong Kong dollars, except that the Company will retain individual amounts of less than HK\$100 for its own benefit. Any unsold entitlements of the Non-Qualifying Shareholders will be made available for excess application by the Qualifying Shareholders. Overseas Shareholders should note that they may or may not be entitled to the Rights Issue, subject to the results of enquiries made by the Directors pursuant to Rule 17.41(1) of the GEM Listing Rules. Accordingly, Overseas Shareholders should exercise caution when dealing in the securities of the Company.

Closure of register of members

The register of members of the Company will be closed from Wednesday, 5 June 2024 to Wednesday, 12 June 2024 (both days inclusive) for determining the Shareholders' entitlements to the Rights Issue. No transfer of the Adjusted Shares will be registered during the above book closure periods.

Basis of provisional allotment

The basis of the provisional allotment shall be two (2) Rights Shares for every one (1) Adjusted Share in issue and held by the Qualifying Shareholders at the close of business on the Record Date at the Subscription Price payable in full on acceptance and otherwise on the terms and subject to the conditions set out in the Prospectus Documents.

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by lodging a duly completed PAL and a cheque or a banker's cashier order for the sum payable for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance.

Fractional entitlements to the Rights Shares

On the basis of two (2) Rights Shares for every one (1) Adjusted Share held on the Record Date, no fractional entitlement will arise under the Rights Issue.

Status of the Rights Shares

The Rights Shares, when allotted and issued, shall rank *pari passu* in all respects with the Shares then in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the date of allotment of the Rights Shares in their fully-paid form.

Application for excess Rights Shares

Qualifying Shareholders shall be entitled to apply, by way of excess application, for (i) the Rights Shares representing the entitlement of the Non-Qualifying Shareholders which cannot be sold at a net premium; and (ii) any Rights Shares provisionally allotted but not validly accepted by the Qualifying Shareholders or transferees of nil-paid Rights Shares. Applications for the excess Rights Shares may be made by completing the EAF and lodging the same with a separate remittance for the excess Rights Shares being applied for with the Registrar by the Latest Time for Acceptance.

The Board will allocate the excess Rights Shares at its discretion, but on a fair and equitable basis as far as practicable on the following principles:

- (i) no preference will be given to applications for topping-up odd-lot holdings to whole lot holdings as the giving of such preference may potentially be abused by certain investors by splitting their Shares and thereby receiving more Rights Shares than they would receive if such preference is not given, which is an unintended and undesirable result;

- (ii) the excess Rights Shares will be allocated to the applicants on a pro rata basis based on the number of excess Rights Shares applied for by them. No reference will be made to Rights Shares subscribed through PALs, or the number of Shares held by the Qualifying Shareholders; and
- (iii) if the aggregate number of Rights Shares not taken up by the Qualifying Shareholders and/or transferees of nil-paid Rights Shares under the PALs is greater than the aggregate number of excess Rights Shares applied for through the EAFs, excess Rights Shares will be allocated in full in accordance with the EAFs to each Qualifying Shareholder who applies for excess Rights Shares.

Qualifying Shareholders who wish to apply for excess Rights Shares in addition to their provisional allotments must complete both the PAL and the EAF.

A Shareholder who applies to take up all or part of his/her/its entitlement under the PAL and/or excess Rights Shares under the EAF may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code or cause the public float of the Company to decrease to below 25%. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder for his/her/its assured entitlement under the Rights Issue or excess Rights Shares under the EAF will be scaled down to a level which (a) does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance to the note to Rule 10.26(2) of the GEM Listing Rules; and (b) does not cause the Company's public float to decrease to below 25%. Shares subject to scale down will be available for application as excess Rights Shares to other Qualifying Shareholders, any subscription monies not utilized due to scaled-down application of entitled Rights Shares or excess Rights Shares will be refunded to the affected applicants.

Share certificates and refund cheques for the Rights Issue

Subject to the fulfilment of the conditions of the Rights Issue, certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before Monday, 8 July 2024.

Refund cheques in respect of wholly or partially unsuccessful applications for Rights Shares and excess Rights Shares, or if the Rights Issue does not proceed, are expected to be despatched on or before Monday, 8 July 2024 to the applicants without interest to their registered addresses by ordinary post at their own risks.

Application for listing of the Rights Shares

The Company will apply to the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares in the board lot of size of 20,000 Rights Shares, in both their nil-paid and fully-paid forms.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement dates of the dealings in the Rights Shares in both their nil-paid and fully-paid forms or such other dates as may be determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Dealing in the Rights Shares in both their nil-paid and fully-paid forms which are registered in the register of members of the Company in Hong Kong will be subject to the payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

None of the Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, the Rights Shares will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

Shareholders are advised to consult their professional advisers if they are in doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the fully-paid Rights Shares and, regarding Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sales of the nil-paid Rights Shares on their behalf.

EXPECTED TIMETABLE

Set out below is the expected timetable for the proposed Capital Reorganisation and the proposed Rights Issue which is indicative only and has been prepared on the assumption that all the conditions of the Rights Issue will be fulfilled. The expected timetable is subject to change and further announcement(s) will be made by the Company should there be any changes to the expected timetable.

Date (2024)	Events
Friday, 15 March	Expected despatch date of the Circular together with notice of EGM and proxy form for EGM
4:30 p.m. on Thursday, 28 March	Latest time for lodging transfer documents of the Shares to qualify for attendance and voting at the EGM
Tuesday, 2 April to Tuesday, 9 April	Closure of register of members of the Company for determining the identity of the Shareholders entitled to attend and vote at the EGM (both dates inclusive)

11:00 a.m. on Sunday, 7 April	Latest time for lodging proxy forms for the EGM
Tuesday, 9 April	Record date for attendance and voting at the EGM
11:00 a.m. on Tuesday, 9 April	Expected date and time of the EGM to approve the proposed Capital Reorganisation and Rights Issue
Tuesday, 9 April	Announcement of the poll results of the EGM
Wednesday, 10 April	Register of members of the Company re-opens

The following events are conditional on the fulfilment of the conditions relating to the implementation of the Capital Reorganisation and the Rights Issue and therefore the dates are tentative only:

Friday, 31 May	Effective date of the Capital Reorganisation
9:00 a.m. on Friday, 31 May	Commencement of dealings in the Adjusted Shares
9:00 a.m. on Friday, 31 May	Original counter for trading in Existing Shares in board lot of 20,000 Existing Shares (in the form of existing share certificates) temporarily closes
9:00 a.m. on Friday, 31 May	Temporary counter for trading in the Adjusted Shares in board lot of 2,000 Adjusted Shares (in the form of existing share certificates) opens
Friday, 31 May	First day of free exchange of existing share certificates for new share certificates for Adjusted Shares
Friday, 31 May	Last day of dealings in the Adjusted Shares on a cum-right basis relating to the Rights Issue
Monday, 3 June	First day of dealings in the Adjusted Shares on an ex-right basis relating to the Rights Issue
4:30 p.m. on Tuesday, 4 June	Latest time for the Shareholders to lodge transfer documents of Adjusted Shares in order to be qualified for the Rights Issue
Wednesday, 5 June to Wednesday, 12 June	Closure of register of members to determine the entitlements to the Rights Issue (both dates inclusive)
Wednesday, 12 June	Record date for the Rights Issue

Thursday, 13 June	Expected despatch date of the Prospectus Documents (including the PAL, the EAF and Prospectus), and in case of the Non-Qualifying Shareholders, the Prospectus only
Thursday, 13 June	Register of members of the Company re-opens
Monday, 17 June	First day of dealings in nil-paid Rights Shares
Monday, 17 June	Original counter for trading in the Adjusted Shares in board lot of 20,000 Adjusted Shares (in the form of new share certificates) re-opens
Monday, 17 June	Parallel trading in the Adjusted Shares (in the form of both existing share certificates in board lots of 2,000 Adjusted Shares and new share certificates in board lots of 20,000 Adjusted Shares) commences
Monday, 17 June	Designated broker starts to stand in the market to provide matching services for odd lot of the Adjusted Shares
4:30 p.m. on Wednesday, 19 June	Latest time for splitting the PAL
Monday, 24 June	Last day of dealings in nil-paid Rights Shares
Thursday, 27 June	Latest time for acceptance of and payment for the Rights Shares and application of excess Rights Shares
Friday, 5 July	Announcement of results of the Rights Issue
Monday, 8 July	Despatch of share certificates for fully-paid Rights Shares and refund cheques in relation to wholly or partially unsuccessful applications for excess Rights Shares
4:00 p.m. on Monday, 8 July	Designated broker ceases to provide matching services for odd lot of the Adjusted Shares
4:10 p.m. on Monday, 8 July	Temporary counter for trading in the Adjusted Shares in board lot of 2,000 Adjusted Shares (in the form of existing share certificates) closes
4:10 p.m. on Monday, 8 July	Parallel trading in the Adjusted Shares (in the form of both existing share certificates in board lots of 2,000 Adjusted Shares and new share certificates in board lots of 20,000 Adjusted Shares) ends
Tuesday, 9 July	Commencement of dealings in fully-paid Rights Shares
Wednesday, 10 July	Last day for free exchange of existing share certificates for new share certificates for the Adjusted Shares

All times and dates stated above refer to Hong Kong local times and dates. The expected timetable for the Capital Reorganisation and the Rights Issue set out above and all dates and deadlines specified in this announcement are indicative only and may be varied. Any changes to the expected timetable will be announced in a separate announcement by the Company as and when appropriate.

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES

The latest time for acceptance of and payment for the Rights Shares will not take place if there is a tropical cyclone warning signal no. 8 or above or “extreme conditions” caused by super typhoons is announced by the Government of Hong Kong, or a “black” rainstorm warning:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Thursday, 27 June 2024. Instead, the latest time for acceptance of and payment for the Rights Shares will be extended to 5:00 p.m. on the same Business Day; or
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Thursday, 27 June 2024. Instead, the latest time for acceptance of and payment for the Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance of and payment for the Rights Shares does not take place on the currently scheduled date, the dates mentioned in this section may be affected. An announcement will be made by the Company in such event.

ODD LOT ARRANGEMENT

In order to facilitate the trading of odd lots of the Adjusted Shares arising from the Capital Reorganisation, a designated broker will be appointed to match the purchase and sale of odd lots of the Adjusted Shares at the relevant market price per Adjusted Share for the period from Monday 17 June 2024 to Monday, 8 July 2024 (both days inclusive). Holders of odd lots of Adjusted Shares should note that successful matching of the sale and purchase of odd lots of Adjusted Shares is not guaranteed. Any Shareholder who is in any doubt about the odd lot arrangement is recommended to consult his/her/its own professional advisers. Details of the odd lot arrangement will be provided in the Prospectus of the Company.

REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND INTENDED USE OF PROCEEDS

The Group is principally engaged in (i) developing and marketing of patented server based technology and the provision of communications software platform and software related services; and (ii) game publishing, development of mobile game and related intellectual property and platform, mobile applications and data solutions and provision of IT related solutions. The gross proceeds from the Rights Issue are expected to be up to approximately HK\$30.54 million (assuming the Capital Reorganisation has become effective and no further issue of Shares or repurchase of Shares no or before the Record Date and all the Qualifying Shareholders taking up their respective allotment of Rights Shares in full).

As a result of the Group's strategic reassessment in the mobile games and applications segment, the Company chose to postpone the development of mobile games and applications for a certain period. However, recognizing the growing significance of advertising e-commerce, the Company decided to launch its own advertising e-commerce platform which targets active online shoppers with personalized advertisements. The platform will provide a tailored product recommendations and incentives in the form of advertising rewards or discounts. The Company believes that by capitalising on the precise marketing capabilities and the potential for increased profitability, the advertising e-commerce platform will contribute significantly to its overall business growth and success.

The estimated net proceeds from the issuance are approximately HK\$28.74 million which will be allocated to the further development and expansion of the advertising e-commerce platform already launched by the Group as follows:

- (i) HK\$5.0 million will be used for the further development and optimisation of the advertising e-commerce platform and the mobile applications. This includes procurement of necessary hardware, software licenses, and the integration of advanced tracking and data analytics capabilities. The Company is aiming to establish a robust foundation that supports targeted advertising and maximizes user engagement;
- (ii) HK\$15.0 million will be used for marketing and user acquisition strategies. Following the publication of the mobile application of the advertising e-commerce platform, the Company will launch a series of digital marketing campaigns, social media promotions, and partnerships with key influencers to drive traffic and grow the user base. The marketing initiatives are planned to be rolled out in stages, correlating with the platform development milestones to ensure maximum impact and efficient use of resources;
- (iii) HK\$5.0 million will be used for operational costs associated with the platform, including server hosting, maintenance, and customer support. These operational expenses are crucial for the seamless performance of the platform and to ensure high availability and reliability, which are essential for user retention and trust. The allocation will be spread over the financial year to maintain consistent quality of service;
- (iv) HK\$2.0 million will be used for forming strategic partnerships and business development. This includes forming alliances with e-commerce vendors, advertisers, and other platforms to create a diverse and dynamic marketplace; and
- (v) the remaining net proceeds of approximately HK\$1.7 million will be used as general working capital of the Group.

The Rights Issue will proceed irrespective of the level of acceptance of provisionally allotted Rights Shares. In the event that there is an under-subscription of the Rights Issue, the net proceeds of the Rights Issue will be allocated and utilised in accordance with the same proportion to the above uses. The estimated net subscription price per Rights Share after deducting the related expenses of the Rights Issue is expected to be approximately HK\$0.1129.

The Board considers that the Rights Issue will provide an opportunity to raise capital for the Company to accommodate the funding need for repayment of indebtedness of the Group whilst increasing the capital base and financial position of the Company and give the Qualifying Shareholders equal opportunity to maintain their respective pro-rata shareholding interests in the Company. Hence, the Board considers that fund raising through the Rights Issue is in the interests of the Company and the Shareholders as a whole. However, those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and Non-Qualifying Shareholders should note that their shareholdings will be diluted.

SHAREHOLDING STRUCTURE OF THE COMPANY

Sets out the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately upon the Capital Reorganisation becoming effective; and (iii) immediately upon completion of the Rights Issue:

Name of Shareholder	As at the date of this announcement		Immediately upon the Capital Reorganisation becoming effective		Immediately after completion of the Rights Issue (assuming full acceptance of the Rights Shares by all Qualifying Shareholders and no excess Rights Shares taken up)	
	<i>Number of Existing Shares</i>	<i>Approx. %</i>	<i>Number of Adjusted Shares</i>	<i>Approx. %</i>	<i>Number of Adjusted Shares</i>	<i>Approx. %</i>
Mr. Liu Guanzhou ^{Note}	370,000,000	29.07	37,000,000	29.07	111,000,000	29.07
Other public shareholders	902,640,000	70.93	90,264,000	70.93	270,792,000	70.93
Total	<u>1,272,640,000</u>	<u>100</u>	<u>127,264,000</u>	<u>100</u>	<u>381,792,000</u>	<u>100</u>

Note: Mr. Liu Guanzhou is the chairman of the Board and an executive director of the Company. He is interested in 370,000,000 Existing Shares of the Company as at the date of this announcement.

FUND RAISING EXERCISE OF THE COMPANY IN THE PAST 12 MONTHS

The Company has not conducted any fund-raising activities involving issue of securities in the past 12 months immediately preceding the date of this announcement.

GEM LISTING RULES IMPLICATION

As the Rights Issue, if proceeded with, will increase the issued share capital of the Company by more than 50%, the Rights Issue is subject to approval of the Independent Shareholders at the EGM by a resolution on which any controlling Shareholders and their respective associates or, where there are no controlling Shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company, and their respective associates shall abstain from voting in favour of the Rights Issue under Rule 10.29(1) of the GEM Listing Rules. Since there is no controlling shareholder, Mr. Liu and his respective associates shall abstain from voting in favour of the resolutions to approve the Rights Issue and the transactions contemplated thereunder at the EGM. As at the date of this announcement, save for Mr. Liu, none of the Directors or chief executives of the Company had any interests in the Shares.

As at the date of this announcement, the Company has not received any other irrevocable commitments to accept or reject the Rights Shares or to vote for or against the Rights Issue.

EGM

The register of members of the Company will be closed from Tuesday, 2 April 2024 to Tuesday, 9 April 2024 (both days inclusive) for determining the identity of the Shareholders entitled to attend and vote at the EGM.

The EGM will be convened and held for the purpose of considering and, if thought fit, the Capital Reorganisation and the Rights Issue. Save for Mr. Liu, there is no other shareholder who shall be abstained to vote on the resolution(s) to approve the Rights Issue at the EGM.

THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, comprising Mr. Tai Man Tai, Ms. Lam Yuen Man Maria and Mr. Fu Yan Ming, being all the independent non-executive Directors, has been established to advise the Independent Shareholders in respect of the Rights Issue and as to the voting action therefor. In this connection, the Company will appoint an independent financial adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Rights Issue are fair and reasonable.

GENERAL

The EGM will be convened for the Shareholders to consider and, if thought fit, approve the Capital Reorganisation and the Rights Issue. A circular containing, among other things, (i) further details of the Capital Reorganisation and the Rights Issue; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Rights Issue; (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders on the Rights Issue; and (iv) a notice convening the EGM, is expected to be despatched to the Shareholders on or before Friday, 15 March 2024.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND NIL-PAID RIGHTS SHARES

Shareholders and potential investors of the Company should note that the Rights Issue is subject to fulfilment of conditions including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Dealings in the Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled and dealings in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Shareholders or other persons contemplating any dealing in the Shares or Rights Shares in their nil-paid form are recommended to consult their professional advisers.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares.

DEFINITIONS

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

“Accumulated Losses”	the accumulated losses of the Company
“Adjusted Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company immediately upon the Capital Reorganisation becoming effective
“associates”	has the meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day(s) (excluding Saturday, Sunday and any day on which a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general business
“Capital Reduction”	the proposed reduction of the issued share capital of the Company whereby: (i) any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation shall be cancelled; and (ii) the par value of each issued Consolidated Share will be reduced from HK\$0.4 to HK\$0.01 by cancelling the paid-up share capital of the Company to the extent of HK\$0.39 on each issued Consolidated Share
“Capital Reorganisation”	the proposed capital reorganisation involving the Share Consolidation, the Capital Reduction, the Share Subdivision
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Circular”	the circular to be despatched to the Shareholders by the Company, relating to, among other things, the Capital Reorganisation and the Rights Issue
“Companies Act”	the Companies Act, Cap. 22 (Law 3 of 1961), of the Cayman Islands as consolidated and revised
“Company”	Wuxi Life International Holdings Group Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on GEM of the Stock Exchange

“connected person”	has the meaning ascribed to it under the GEM Listing Rules
“Consolidated Share(s)”	ordinary share(s) of HK\$0.4 each in the share capital of the Company immediately upon the Share Consolidation becoming effective but prior to the Capital Reduction and the Share Subdivision becoming effective
“controlling shareholder”	has the same meaning ascribed thereto under the GEM Listing Rules
“Court”	the Grand Court of the Cayman Islands
“Director(s)”	the director(s) of the Company
“EAF”	the excess application form(s) to be issued to the Qualifying Shareholders to apply for excess Rights Shares
“EGM”	the extraordinary general meeting of the Company to be convened and held to consider and, if thought fit, approve the Capital Reorganisation and the Rights Issue
“Existing Share(s)”	ordinary share(s) of HK\$0.04 each in the share capital of the Company, prior to the Capital Reorganisation becoming effective
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent committee of the Board comprising all the independent non-executive Directors
“Independent Shareholders”	Shareholder(s) excluding Mr. Liu and other than those that are required under the GEM Listing Rules to abstain from voting in favour of the resolution(s) to approve the Rights Issue and the transactions contemplated thereunder to be proposed at the EGM

“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and the connected persons of the Company in accordance with the GEM Listing Rules
“Last Trading Day”	9 February 2024, being the last full trading day of the Existing Shares on the Stock Exchange prior to the release of this announcement
“Latest Lodging Date”	4:30 p.m. on Tuesday, 4 June 2024, being the latest time for lodging transfer of Shares in order to be qualified for the Rights Issue
“Latest Time for Acceptance”	4:00 p.m. on Thursday, 27 July 2024, or such other time and date as the Company may determine, being the latest time and date for acceptance of and payment for the Rights Shares and application for and payment for excess Rights Shares
“Memorandum and Articles”	the memorandum and articles of association of the Company, as amended from time to time
“Mr. Liu”	Mr. Liu Guanzhou (劉冠州), a substantial Shareholder of the Company who is beneficially interested in 29.07% of the issued Shares as at the date of this announcement
“Non-Qualifying Shareholder(s)”	those Overseas Shareholder(s) whom the Directors, based on legal opinions provided by the Company’s legal advisers, consider it necessary or expedient not to offer the Rights Shares to such Shareholders on account either of restrictions under the laws of the relevant place or the requirements of a relevant regulatory body or stock exchange in that place
“Overseas Shareholder(s)”	Shareholders with registered addresses (as shown in the register of members of the Company on the Record Date) which are outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) in respect of the Rights Issue proposed to be issued to the Qualifying Shareholders
“Prospectus”	the prospectus to be despatched to the Shareholders by the Company containing details of the proposed Rights Issue

“Prospectus Documents”	the Prospectus, the PAL and the EAF to be issued by the Company
“Prospectus Posting Date”	Thursday, 13 June 2024, or such other date as the Company may determine, for the despatch of the Prospectus Documents
“Qualifying Shareholder(s)”	Shareholder(s) who(se) name(s) appear(s) on the register of members of the Company on the Record Date, other than the Non-Qualifying Shareholder(s)
“Record Date”	Wednesday, 12 June 2024, or such other date as the Company may determine, being the date by reference to which entitlements of the Shareholders to participate in the Rights Issue will be determined
“Registrar”	the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Rights Issue”	the proposed issue by way of rights on the basis of two (2) Rights Shares for every one (1) Adjusted Share held by the Qualifying Shareholders on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Prospectus Documents
“Rights Share(s)”	up to 254,528,000 Shares proposed to be allotted and issued by the Company for subscription pursuant to the Rights Issue
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the Existing Share(s), the Consolidated Share(s) and/or the Adjusted Share(s), as the case may be
“Share Consolidation”	the proposed consolidation of every ten (10) issued and unissued Existing Shares of par value of HK\$0.04 each into one (1) Consolidated Share of par value of HK\$0.4 each
“Shareholder(s)”	the holder(s) of the Share(s)
“Share Subdivision”	the proposed subdivision of each of the authorised but unissued Consolidated Shares of HK\$0.4 each into forty (40) authorised but unissued Adjusted Shares of HK\$0.01 each
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.12 per Rights Share
“substantial Shareholder”	has the meaning ascribed to it under the GEM Listing Rule

“Takeovers Code” Codes on Takeovers and Mergers

“%” per cent.

By order of the Board
Wuxi Life International Holdings Group Limited
Liu Guanzhou
Chairman

Hong Kong, 9 February 2024

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:

Mr. Liu Guanzhou (*Chairman*)

Ms. Liu Xingmei

Mr. Choi Pun Lap

Non-executive Director:

Ms. Li Hui Ling

Independent non-executive Directors:

Mr. Tai Man Tai

Ms. Lam Yuen Man Maria

Mr. Fu Yan Ming

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited 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 announcement 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 announcement misleading.

This announcement will remain on the “Latest Listed Company Announcements” page of the Stock Exchange’s website at www.hkexnews.hk for at least 7 days from the date of its publication and on the website of the Company at www.wuxilife.com.hk.