
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your Shares, you should at once hand the Prospectus Documents to the purchaser(s) or transferee(s) or to the bank, or licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s). The Prospectus Documents should not, however, be distributed, forwarded or transmitted to, into or from any jurisdiction where to do so might constitute a violation of the relevant local securities laws or regulations. Subject to the granting of listing of, and permission to deal in, the Rights Shares in both 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 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 respective commencement dates of dealings in the Rights Shares in their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC and you should consult your stockbroker, a licensed dealer in securities, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements may affect your rights and interests. 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.

A copy of each of the Prospectus Documents, together with the other document(s) specified in the paragraph headed "16. Documents delivered to the Registrar of Companies" in Appendix III to this prospectus, have been registered with the Registrar of Companies in Hong Kong as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Registrar of Companies in Hong Kong, The Stock Exchange of Hong Kong Limited and the Securities and Futures Commission of Hong Kong take no responsibility as to the contents of any of the Prospectus Documents or any other document(s) referred to above.

The securities described in this prospectus have not been registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or the laws of any state in the United States, and may not be offered or sold within the United States, absent registration or an exemption from the registration requirements of the U.S. Securities Act and applicable state laws. There is no intention to register any portion of the Rights Shares or any securities described in this Prospectus in the United States or to conduct a public offering of securities in the United States.

Distribution of this prospectus into jurisdictions other than Hong Kong may be restricted by law. Persons into whose possession this prospectus comes should inform themselves of and observe any such restrictions. This prospectus is not for release, publication or distribution, directly or indirectly, in or into the United States. The provision of this Prospectus to Shareholders in the United States and any other jurisdiction where distribution is restricted is for information purposes only and shall not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, the Rights Shares or to take up any entitlements to the Rights Shares in the United States or any other jurisdiction in which such an offer or solicitation is unlawful.

You should read the whole of the Prospectus Documents including the discussions of certain risks and other factors as set out in the section headed "Summary of the Rights Issue – Warning of the Risks of Dealing in the Shares and nil-paid Rights Shares" in this prospectus.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and HKSCC take no responsibility for the contents of this prospectus, 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 prospectus.



Great Wall Belt & Road Holdings Limited

長城一帶一路控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 524)

RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY FOUR (4) SHARES HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS

Capitalised terms used on this cover shall have the same meanings as those defined in this prospectus.

The Rights Issue is on a non-underwritten basis. Pursuant to the Company's constitutional document, the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) and the Listing Rules, there is no requirement for a minimum level of subscription in the Rights Issue. The Rights Issue is subject to fulfillment and/or waiver (where applicable) of the conditions of the Rights Issue as set out in the section headed "Letter from the Board – Rights Issue – Conditions of the Rights Issue" in this prospectus at or prior to the latest time for the Rights Issue to become unconditional (which is currently expected to be 4:30 p.m. on Friday, 18 June 2021). The conditions include non-occurrence of force majeure events.

If the conditions of the Rights Issue are not fulfilled and/or waived (where applicable) on or prior to the latest time for the Rights Issue to become unconditional, the Rights Issue will not proceed.

Dealings in the Shares have been on an ex-rights basis from Monday, 24 May 2021. Dealings in the Rights Shares in their nil-paid form will take place from Friday, 4 June 2021 to Friday, 11 June 2021 (both dates inclusive).

Any Shareholders or other persons contemplating selling or purchasing Shares and/or Rights Shares in their nil-paid form up to the latest time when the conditions of the Rights Issue are fulfilled or (where applicable) waived (which is expected to be 4:30 p.m. on Friday, 18 June 2021) will accordingly bear the risk that the Rights Issue may not become unconditional and may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the Shares and/or the nil-paid Rights Shares, and if they are in any doubt about their position, they are recommended to consult their professional advisers.

The latest time for acceptance of and payment for the Rights Shares and application for excess Rights Shares is 4:00 p.m. on Thursday, 17 June 2021.

The procedures for acceptance and transfer of the Rights Shares are set out in the section headed "Letter from the Board – Rights Issue – Procedures for acceptance and payment or transfer" in this prospectus.

2 June 2021

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DEFINITIONS

In this prospectus, unless the context otherwise requires, the following terms shall have the following meanings:

“Beta Dynamic”	Beta Dynamic Limited, a company incorporated in the British Virgin Islands with limited liability and the Controlling Shareholder of the Company;
“Board”	the board of Directors;
“Business Day”	a day (other than a Saturday, Sunday and public holiday) on which banks are open for general banking business in Hong Kong;
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC;
“Companies (WUMP) Ordinance”	Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong);
“Company”	Great Wall Belt & Road Holdings Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 524);
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules;
“Director(s)”	director(s) of the Company;
“EAF(s)”	the excess application form(s) for use by the Qualifying Shareholders who wish to apply for Rights Shares in excess for their pro-rata entitlements under the Rights Issue;
“Enlarged Group”	the Group as enlarged by the acquisition by the Company of the entire issued share capital of Palico Development Limited, which is the subject of the announcement and circular of the Company dated 3 March 2021 and 25 May 2021, respectively;
“Extreme Conditions”	extreme conditions caused by super typhoon as announced by the government of Hong Kong;

DEFINITIONS

“Final Acceptance Date”	Thursday, 17 June 2021 (or such other date as the Company may determine), being the last day for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares;
“Group”	the Company and its subsidiaries;
“HKSCC”	Hong Kong Securities Clearing Company Limited;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Intermediary”	in relation to a beneficial owner whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, means the beneficial owner’s broker, custodian, nominee or other relevant person who is a CCASS participant or who has deposited the beneficial owner’s shares with a CCASS participant;
“Last Trading Day”	11 May 2021, being the last full trading day before the release of the Company’s announcement dated 11 May 2021 on the Rights Issue;
“Latest Practicable Date”	26 May 2021, being the latest practicable date prior to the printing of this prospectus for ascertaining certain information contained in this prospectus;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Non-Qualifying Shareholder(s)”	Overseas Shareholder(s) whom the Directors, after making enquiries regarding the legal restrictions under the laws of the relevant places or the requirements of the relevant overseas regulatory bodies or stock exchanges, consider it necessary or expedient to exclude them from the Rights Issue;
“Overseas Shareholder(s)”	the Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date with registered address(es) outside of Hong Kong;

DEFINITIONS

“PAL(s)”	the provisional allotment letter(s) to be issued to the Qualifying Shareholders under the Rights Issue;
“Posting Date”	Wednesday, 2 June 2021 or such other date as the Company may determine, being the date on which the Prospectus Documents are posted to the Qualifying Shareholders;
“PRC” or “China”	the People’s Republic of China, which, for the purpose of this prospectus, excludes Hong Kong, the Macau Special Administrative Region and Taiwan;
“Prospectus Documents”	this prospectus, the PAL and the EAF;
“Qualifying Shareholder(s)”	Shareholders, other than the Non-Qualifying Shareholders, whose names appear on the register of members of the Company at the close of business on the Record Date;
“Record Date”	Monday, 31 May 2021 or such other date as the Company may determine, being the date by reference to which the Shareholders’ entitlements to the Rights Issue are to be determined;
“Registrar”	Tricor Secretaries Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, the Hong Kong branch share registrar and transfer office of the Company;
“Rights Issue”	the issue by way of rights of one (1) Rights Share for every four (4) Shares in issue on the Record Date at the Subscription Price;
“Rights Share(s)”	up to 262,570,000 new Shares (assuming no change in the number of Shares in issue on or before the Record Date) proposed to be allotted and issued under the Rights Issue;
“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Price”	the subscription price of HK\$0.15 per Rights Share under the Rights Issue;
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers;
“%”	per cent.

EXPECTED TIMETABLE

Set out below is the expected timetable for the Rights Issue. Dates or deadlines specified below and in other parts of this prospectus are indicative only and may be varied by the Company. In the event that any special circumstances arise, the Board may extend, or make adjustments to, the timetable if it considers appropriate. The Company will notify Shareholders by way of announcement(s) of any change to the expected timetable as and when appropriate.

All times and dates in this prospectus refer to Hong Kong local times and dates.

Events	Time and date
Last day of dealing in the Shares on a cum-rights basis	Friday, 21 May 2021
First day of dealing in the Shares on an ex-rights basis	Monday, 24 May 2021
Latest time for lodging transfers of Shares to qualify for the Rights Issue	4:30 p.m. on Tuesday, 25 May 2021
Closure of the register of members (both dates inclusive)	Wednesday, 26 May 2021 to Monday, 31 May 2021
Record Date	Monday, 31 May 2021
Register of members re-opens	Tuesday, 1 June 2021
Despatch of Prospectus Documents	Wednesday, 2 June 2021
First day of dealing in nil-paid Rights Shares.	Friday, 4 June 2021
Latest time for splitting nil-paid Rights Shares	4:30 p.m. on Tuesday, 8 June 2021
Last day of dealing in nil-paid Rights Shares	Friday, 11 June 2021
Latest time of acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares	4:00 p.m. on Thursday, 17 June 2021
Latest time for the Rights Issue to become unconditional	4:30 p.m. on Friday, 18 June 2021

EXPECTED TIMETABLE

Events	Time and date
Announcement of the allotment results of the Rights Issue	Thursday, 24 June 2021
Despatch of refund cheques for wholly or partially unsuccessful excess applications	Friday, 25 June 2021
Despatch of share certificates of fully-paid Rights Shares	Friday, 25 June 2021
Dealings in fully-paid Rights Shares commence	Monday, 28 June 2021
Designated broker starts to stand in the market to provide matching services for odd lots of Shares	Monday, 28 June 2021
Designated broker ceases to stand in the market to provide matching services for odd lots of Shares	4:00 p.m. on Monday, 12 July 2021

EFFECT OF BAD WEATHER AND/OR EXTREME CONDITIONS ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES AND FOR APPLICATION AND PAYMENT FOR EXCESS RIGHTS SHARES

The latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares will not take place as set out on page 5 of this prospectus if there is a tropical cyclone warning signal no. 8 or above, Extreme Conditions and/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, 17 June 2021. Instead, the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess 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, 17 June 2021. Instead, the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess 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 and for application and payment for excess Rights Shares does not take place on 4:00 p.m. on Thursday, 17 June 2021, the dates mentioned in this section may be affected. The Company will notify the Shareholders by way of announcement(s) on any changes to the expected timetable as soon as practicable in such event.

SUMMARY OF THE RIGHTS ISSUE

The following information is derived from, and should be read in conjunction with, the full text of this prospectus:

RIGHTS ISSUE

Issue statistics

Basis of Rights Issue	:	One (1) Rights Share for every four (4) Shares held on the Record Date
Number of Shares in issue as at the Latest Practicable Date	:	1,050,280,000 Shares
Subscription Price	:	HK\$0.15 per Rights Share
Number of Rights Shares to be issued under the Rights Issue	:	Up to 262,570,000 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date)
Aggregate nominal value of the Rights Shares	:	Up to HK\$2,625,700 (assuming no change in the number of Shares in issue on or before the Record Date)
Enlarged issued share capital upon completion of the Rights Issue	:	Up to 1,312,850,000 Shares (assuming no change in the number of Shares in issue on or before the Record Date and that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue)
Maximum funds raised before expenses	:	Up to HK\$39,385,500 (assuming all the Rights Shares are taken up)

Assuming no change in the number of Shares in issue on or before the Record Date and full subscription of the Rights Shares, a total of 262,570,000 Rights Shares will, upon completion of the Rights Issue, be allotted and issued, representing: (i) 25.0% of the issued share capital of the Company as at the Latest Practicable Date; and (ii) 20.0% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares.

As at the Latest Practicable Date, the Company had no outstanding derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into Shares.

SUMMARY OF THE RIGHTS ISSUE

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

The Rights Issue is subject to the fulfilment and/or waiver (where applicable) of the 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. Please refer to the section below headed “Letter from the Board – Rights Issue – Conditions of the Rights Issue” in this prospectus. Shareholders and potential investors of the Company should note that if the conditions of Rights Issue are not satisfied and/or waived (where applicable), the Rights Issue will not proceed.

Any dealings in the Shares prior to the date on which all the conditions of the Rights Issue are fulfilled and/or waived (where applicable), and any Shareholders dealing 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. Any Shareholders or other persons contemplating any dealings in the Shares or Rights Shares in their nil-paid form should consult their professional advisers.

Subject to the fulfilment and/or waiver (where applicable) of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares.

LETTER FROM THE BOARD



長城一帶一路
Great Wall Belt & Road

Great Wall Belt & Road Holdings Limited 長城一帶一路控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 524)

Executive Directors:

Mr. Cheung Siu Fai

Mr. Hui Chun Wai Henry

Independent Non-Executive Directors:

Mr. Fong Wai Ho

Mr. Chow Hiu Tung

Mr. Cheung Sze Ming

Registered office:

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

*Principal place of
business in Hong Kong:*

Room 1602

16/F COFCO Tower

262 Gloucester Road

Causeway Bay

Hong Kong

2 June 2021

To the Qualifying Shareholders, and, for information only, Non-Qualifying Shareholders

Dear Sirs and Madams,

RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY FOUR (4) SHARES HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS

INTRODUCTION

Reference is made to the Company's announcement dated 11 May 2021 whereby the Board announced that the Company proposed to conduct the Rights Issue to raise up to approximately HK\$39.39 million (before deducting professional fees and other related expenses) by issuing up to 262,570,000 Rights Shares at the Subscription Price of HK\$0.15 per Rights Share on the basis of one (1) Rights Share for every four (4) Shares held by the Qualifying Shareholders on the Record Date. The Rights Issue is not underwritten and will not be extended to the Non-Qualifying Shareholder(s).

LETTER FROM THE BOARD

The purpose of this prospectus is to provide you with, among other things, (i) further details regarding the Rights Issue; (ii) the financial information of the Group; (iii) the unaudited pro forma financial information of the Group; and (iv) the general information in respect of the Group.

RIGHTS ISSUE

Issue statistics

Basis of Rights Issue	:	One (1) Rights Share for every four (4) Shares held on the Record Date
Subscription Price	:	HK\$0.15 per Rights Share
Number of Shares in issue as at Latest Practicable Date	:	1,050,280,000 Shares
Number of Rights Shares to be issued under the Rights Issue	:	Up to 262,570,000 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date)
Aggregate nominal value of the Rights Shares	:	Up to HK\$2,625,700 (assuming no change in the number of Shares in issue on or before the Record Date)
Enlarged issued share capital upon completion of the Rights Issue	:	Up to 1,312,850,000 Shares (assuming no change in the number of Shares in issue on or before the Record Date and that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue)
Maximum funds raised before expenses	:	Up to HK\$39,385,500 (assuming all the Rights Shares are taken up)

Assuming no change in the number of Shares in issue on or before the Record Date and full subscription of the Rights Shares, a total of 262,570,000 Rights Shares will, upon the completion of the Rights Issue, be allotted and issued, representing: (i) 25.0% of the issued share capital of the Company as at the Latest Practicable Date; and (ii) 20.0% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Company had no outstanding derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into Shares, and had no intention to issue or grant any Shares, convertible securities, warrants and/or options on or before the Record Date.

Subscription Price

The Subscription Price of HK\$0.15 per Rights Share is payable in full when a Qualifying Shareholder accepts the relevant provisional allotment of Rights Shares or applies for excess Rights Shares or when a transferee of nil-paid Rights Shares accepts the provisional allotment of the relevant Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 18.9% to the closing price of HK\$0.1850 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 23.5% to the average of the closing prices of Shares for the five consecutive trading days ended on the Last Trading Day of approximately HK\$0.1960 per Share;
- (iii) a discount of approximately 25.1% to the average of the closing prices of Shares for the 10 consecutive trading days ended on the Last Trading Day of approximately HK\$0.2004 per Share;
- (iv) a discount of approximately 30.0% to the average of the closing prices of Shares for the 30 consecutive trading days ended on the Last Trading Day of approximately HK\$0.2144 per Share;
- (v) a discount of approximately 15.7% to the theoretical ex-rights price of approximately HK\$0.1780 per Share based on the closing price per Share as quoted on the Stock Exchange on the Last Trading Day;
- (vi) a discount of approximately 17.6% to the closing price of HK\$0.1820 per Share as quoted on the Stock Exchange on the Latest Practicable Date; and
- (vii) a premium of approximately 650% to the audited consolidated net asset value per Share of approximately HK\$0.02 (based on the latest audited consolidated net asset value of the Company of HK\$21,497,000 as at 31 December 2020 as disclosed in the annual report of the Company for the financial year ended 31 December 2020 and 1,050,280,000 Shares in issue as at the Latest Practicable Date).

LETTER FROM THE BOARD

The Subscription Price was determined with reference to, among other things, the recent market prices of the Shares prior to the announcement of the Rights Issue on 11 May 2021, the then current market conditions (including the fact that (a) the average closing price per Share for the past 12 months from 11 May 2020 to 10 May 2021 before the announcement of the Rights Issue on 11 May 2021 was HK\$0.179 and the lowest and highest closing price per Share during the same period was HK\$0.081 and HK\$0.405, respectively; and (b) the average and median discount of the subscription price to the closing price on the last trading day in the recent seven rights issue exercises first announced on the Stock Exchange during the period from 1 January 2021 to 10 May 2021 with a proposed fund raising size below HK\$50 million (before expenses) was approximately 28.17% and 21.4%, respectively), and the amount of funds (being approximately HK\$39.39 million) the Company intends to raise under the Rights Issue.

A summary of the seven comparable rights issues, being exhaustive cases based on the selection criteria set out above, is set out below:

No.	Company Name	Gross proceeds from the rights issue	Subscription price	Closing price on the last trading day	Approximate discount of the subscription price to the closing price on the last trading day	Date of announcement
1.	PFC Device Inc. (Stock Code: 8231)	Approximately HK\$32.4 million	HK\$0.80	HK\$1.000 (note 1)	20.00%	23 April 2021
2.	Golden Power Group Holdings Limited (Stock Code: 3919)	Approximately HK\$39.6 million	HK\$0.33	HK\$0.420	21.4%	9 April 2021
3.	China Demeter Financial Investments Limited (Stock Code: 8120)	Not less than approximately HK\$45.9 million and not more than approximately HK\$49.6 million	HK\$0.10	HK\$0.121	17.36%	29 March 2021
4.	Noble Engineering Group Holdings Limited (Stock Code: 8445)	Up to approximately HK\$15.0 million	HK\$0.215	HK\$0.325 (note 2)	33.8%	24 March 2021
5.	Enterprise Development Holdings Limited (Stock Code: 1808)	Up to approximately HK\$47.407 million	HK\$0.12	HK\$0.236	49.15%	19 February 2021
6.	Cornerstone Financial Holdings Limited (Stock code: 8112)	Approximately HK\$32.58 million	HK\$0.142	HK\$0.180	21.11%	27 January 2021
7.	Beaver Group (Holding) Company Limited (Stock code: 8275)	Approximately HK\$28.35 million	HK\$0.21	HK\$0.320 (note 3)	34.38%	25 January 2021
Average discount					28.17%	
Median discount					21.4%	

Notes:

- This is the theoretical closing price after taking into account the effect of the share consolidation based on the closing price of HK\$0.050 per existing share.

LETTER FROM THE BOARD

2. This is the theoretical closing price after taking into account the effect of the share consolidation based on the closing price of HK\$0.065 per existing share.
3. This is the theoretical closing price after taking into account the effect of the share consolidation based on the closing price of HK\$0.032 per existing share.

The Directors note that the discount of the Subscription Price to the closing price per Share on the Last Trading Day (i.e. 18.9%) is lower than the average and median discounts seen in the comparable rights issue exercises as referred to above (i.e. 28.17% and 21.4%, respectively).

In view of the above, the Directors (including the independent non-executive Directors) consider that the terms of the Rights Issue, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Dilution effect

Qualifying Shareholders who take up their pro-rata entitlement in full will not suffer any dilution to their interests in the Company (except in relation to any dilution resulting from the taking up by third parties of any Rights Shares arising from the aggregation of fractional entitlements).

The Rights Issue will potentially result in a mild theoretical dilution effect (within the meaning ascribed to it in Rule 7.27B of the Listing Rules) of approximately 4.9%, being the discount of the theoretical diluted price (as defined in note 1(a) to Rule 7.27B of the Listing Rules) of HK\$0.1892 per Share to the benchmarked price (as defined in note 1(b) to Rule 7.27B of the Listing Rules) of HK\$0.1990 per Share. The Directors consider that the interests of the Qualifying Shareholders will not be prejudiced given that:

- (a) the Rights Issue which is to raise funds for the Group's operations provides the Qualifying Shareholders the opportunity to subscribe for their pro-rata Rights Shares which will enable them to maintain their shareholding interests in the Company (save for fractional entitlements) at a discount to the closing price of the Shares as quoted on the Stock Exchange on the Last Trading Day; and
- (b) the Qualifying Shareholders who do not take up their entitlements in the Rights Issue are able to sell the nil-paid Rights Shares in the market, while the Qualifying Shareholders who wish to increase their shareholding interests in the Company through the Rights Issue are able to make excess applications for additional Rights Shares and/or acquire additional nil-paid Rights Shares in the market.

LETTER FROM THE BOARD

Basis of provisional allotment

The basis of the provisional allotment shall be one (1) Rights Share for every four (4) Shares held by a Qualifying Shareholder as at the close of business on the Record Date.

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing a PAL and lodging the same with a remittance for the full amount payable for the Rights Shares being applied for with the Registrar by 4:00 p.m. on the Final Acceptance Date.

Qualifying Shareholders

To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company and not be a Non-Qualifying Shareholder as at the close of business on the Record Date. The last day of lodging transfer of Shares with the Registrar in order to qualify for the Rights Issue was Tuesday, 25 May 2021.

Qualifying Shareholders who take up their pro-rata entitlement in full will not suffer any dilution to their interests in the Company (except in relation to any dilution resulting from the taking up by third parties of any Rights Shares arising from the aggregation of fractional entitlements).

Rights of Overseas Shareholder(s)

The Prospectus Documents have not been registered or filed 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.

According to the register of members of the Company as at the close of business on the Record Date, there were 51 Overseas Shareholders whose registered addresses were located in Argentina, Australia, British Virgin Islands, Canada, the PRC, the United Kingdom, Macau, Malaysia, New Zealand and Singapore holding 11,635,134 Shares in aggregate, representing approximately 1.11% of the issued share capital of the Company as at the Record Date.

LETTER FROM THE BOARD

The Board has made due enquiries pursuant to Rule 13.36(2)(a) of the Listing Rules as to the legal restrictions under the laws of the aforementioned jurisdictions and the requirements of the relevant regulatory body or stock exchange in respect of the Rights Issue in such jurisdictions. Having considered the advice of its legal advisers as to the laws of the aforementioned jurisdictions, the Directors have formed the view that it is necessary or expedient to exclude the Overseas Shareholders whose registered address(es) are located in Australia, Canada, Malaysia, New Zealand and Singapore due to the time and costs involved in the registration or filing of this prospectus and/or approval required by the relevant authorities in such jurisdictions and the additional steps the Company and/or the Overseas Shareholders in such jurisdictions need to take to comply with the local legal requirements and/or other requirements to be satisfied in order to comply with the relevant local legal or regulatory requirements in such jurisdictions. As at the close of business on the Record Date, there were 29 Non-Qualifying Shareholders who held an aggregate of 22,791 Shares, representing approximately 0.0022% of the total issued Shares as at the Record Date. Their respective shareholding in the Company as at the close of business on the Record Date is set out below:

Jurisdiction in which the registered addresses of Non-Qualifying Shareholders were located	Number of Shareholders	Number of Shares held	Approximate percentage of shareholding in the Company (%)
Australia	3	1,122	0.0001
Canada	2	244	0.0000
Malaysia	6	6,975	0.0007
New Zealand	1	69	0.0000
Singapore	17	14,381	0.0014

Further, based on the relevant legal advices obtained, in respect of Overseas Shareholders having registered addresses in Singapore, your attention is drawn to the following statements:

“This prospectus and any other document or material issued in connection with the offer of Rights Shares has not been and will not be lodged with or registered as a prospectus in Singapore under the Securities and Futures Act (Chapter 289) of Singapore (“SFA”). The offer of the Rights Shares is made in reliance on the offering exemption under section 273(1)(cd) of the SFA. This prospectus and any other document or material in connection with the offer of the Rights Shares may not be circulated or distributed, nor may the Rights Shares be offered or sold, whether directly or indirectly, to any person in Singapore other than to a member of the Company pursuant to section 273(1)(cd) of the SFA or otherwise pursuant to, and in accordance with the conditions of an exemption under section 274 or section 275, or where applicable, section 276 of the SFA.

LETTER FROM THE BOARD

The Rights Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).”

Based on the advice of the legal advisers in British Virgin Islands, Macau and the PRC, under the applicable legislations of these jurisdictions, there is no regulatory restriction or requirement of any regulatory body or stock exchange with respect to extending the Rights Issue to the Overseas Shareholders in such jurisdiction, and as advised by the legal advisers in Argentina and the United Kingdom, the Rights Issue meets the relevant exemption requirements under the relevant applicable legislations of the relevant jurisdiction so that the Company would be exempt from obtaining approval from and/or registration of the Prospectus Documents with the relevant regulatory authorities under the applicable laws and regulations of the relevant jurisdictions. Accordingly, the Board has resolved to extend the Rights Issue to the Overseas Shareholders having registered addresses in Argentina, British Virgin Islands, Macau, the PRC and the United Kingdom and such Overseas Shareholders are considered as Qualifying Shareholders.

The Rights Issue does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, nil-paid Rights Shares or fully-paid Rights Shares or to take up any entitlements to nil-paid Rights Shares or fully-paid Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful.

It is the responsibility of any person (including but not limited to Shareholders and beneficial owners of the Shares, any agent, custodian, nominee or trustee) outside Hong Kong wishing to make an application for the Rights Shares to satisfy himself/herself/itself as to the full observance of the laws and regulations of the relevant territory or jurisdiction, including obtaining any governmental or other consents and to pay any taxes, duties and other amounts required to be paid in such territory or jurisdiction in connection therewith.

Any acceptance of the offer of the Rights Shares by any person by way of completion or return to the Registrar of a PAL and/or an EAF will be deemed to constitute a representation and warranty from such person to the Company that the applicable local laws and requirements have been fully complied with. Such persons should consult their professional advisers if in doubt.

For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited is subject to the representations and warranties provisions above.

The Company reserves the right to treat as invalid any acceptance of or applications for Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction.

LETTER FROM THE BOARD

Notwithstanding any other provision in this prospectus or the PAL or the EAF, the Company reserves the right to permit any Shareholder to take up his/her/its rights if the Company, in its absolute discretion, is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations giving rise to the restrictions in question.

Arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in their nil-paid form, to be sold in the market as soon as practicable after dealings in the nil-paid Rights Shares commence, and in any event before the last day for dealings in nil-paid Rights Shares if a premium (net of expenses) can be obtained. Proceeds of each sale, less expenses and stamp duty, will be paid pro-rata (rounded down to the nearest cent) to the relevant Non-Qualifying Shareholder(s) in Hong Kong dollars provided that the amount so payable is not less than HK\$100. The Company will retain individual amount 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. Accordingly, Overseas Shareholders should exercise caution when dealing in the securities of the Company.

Distribution of the Prospectus Documents

The Company will only send this prospectus accompanied by the other Prospectus Documents to the Qualifying Shareholders on the Posting Date. However, to the extent reasonably practicable and legally permitted, the Company will send this prospectus, for information purposes only, to the Non-Qualifying Shareholders. The Company will not send any PAL or EAF to the Non-Qualifying Shareholders.

Distribution of this prospectus and the other Prospectus Documents into jurisdictions other than Hong Kong may be restricted by law. Persons who come into possession of the Prospectus Documents (including, without limitation, Shareholders and beneficial owners of the Shares, agents, custodians, nominees and trustees) should inform themselves of and observe any such restriction and comply with the relevant regulatory requirements. Any failure to comply with such regulatory requirements may constitute a violation of the securities laws of such jurisdiction. The Company shall not be obliged to issue any nil-paid or fully-paid Rights Shares to any such Overseas Shareholder, if the Company, in its absolute discretion, considers that to do so does not comply with the relevant laws of such jurisdiction. Any Shareholder or beneficial owner of the Shares who is in any doubt as to his/her/its position should consult an appropriate professional adviser without delay.

LETTER FROM THE BOARD

Receipt of this prospectus and/or a PAL and/or an EAF or the crediting of nil-paid Rights Shares to a stock account in CCASS does not and will not constitute an offer in any jurisdiction in which it would be illegal to make an offer and, in those circumstances, this prospectus and/or a PAL and/or an EAF must be treated as sent for information only and should not be copied or redistributed. Persons (including, without limitation, agents, custodians, nominees and trustees) who receive a copy of this prospectus and/or a PAL and/or an EAF or whose stock account in CCASS is credited with nil-paid Rights Shares should not, in connection with the Rights Issue, distribute or send the same in, into or from, or transfer the nil-paid Rights Shares to any person in, into or from, any such jurisdiction. If a PAL or an EAF or a credit of nil-paid Rights Shares in CCASS is received by any person in any such territory, or by his/her/its agent or nominee, he/she/it should not seek to take up the rights referred to in the PAL or transfer the PAL (or apply for any excess Rights Shares under the EAF) or transfer the nil-paid Rights Shares in CCASS unless the Company determines that such action would not violate any applicable legal or regulatory requirements.

Any person (including, without limitation, agents, custodians, nominees and trustees) who does forward this prospectus or a PAL or an EAF in, into or from any such jurisdiction (whether under a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this section.

No part of the Prospectus Documents should be published, reproduced, distributed or otherwise made available in whole or in part to any other person without the prior written consent of the Company.

Beneficial owners of the Shares who reside outside Hong Kong should note that the Rights Issue does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, nil-paid Rights Shares or fully-paid Rights Shares or to take up any entitlements to nil-paid Rights Shares or fully-paid Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful.

It is the responsibility of the Overseas Shareholders, relevant beneficial owners and/or their respective agents, custodians, nominees or trustees wishing to make an application for the Rights Shares to satisfy himself/herself/itself as to the full observance of the laws and regulations of the relevant territory or jurisdiction, including obtaining any governmental or other consents and to pay any taxes, duties and other amounts required to be paid in such territory or jurisdiction in connection therewith. Any acceptance by any such persons will be deemed to constitute a representation and warranty from them to the Company that the local laws and requirements have been complied with.

LETTER FROM THE BOARD

Status of the Rights Shares

The Rights Shares, when allotted, issued and fully paid, will rank *pari passu* in all respects with the Shares in issue at the time. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid by the Company after the date of allotment and issue of the Rights Shares.

Fractional entitlements to the Rights Shares

The Company will not provisionally allot and will not accept application for any fractions of the Rights Shares. All fractions of the Rights Shares will be aggregated (and rounded down to the nearest whole number) and sold by the Company in the open market if a premium (net of expenses) can be obtained, and the Company will keep the net proceeds for its own benefit. Any unsold fractions of the Rights Shares will be aggregated and made available for excess application by the Qualifying Shareholders.

Odd lot matching services

In order to facilitate the trading of odd lots (if any) of the Shares, the Company has appointed One China Securities Limited to stand in the market to match the purchase and sale of odd lots of the Shares at the relevant market price, on a best effort basis. Holders of odd lots of the Shares who wish to take advantage of this facility either to dispose of their odd lots of the Shares or to top up to a full board lot may contact Ms. Carmen Wong of One China Securities Limited at 2/F, Cheong K. Building, 86 Des Voeux Road Central, Central, Hong Kong or at the telephone number (852) 3188 2676 during office hours of the period from Monday, 28 June 2021 at 9:00 a.m. to Monday, 12 July 2021 at 4:00 p.m., both days inclusive. Holders of the odd lots of the Shares should note that the matching of the sale and purchase of odd lots of the Shares is not guaranteed. Any Shareholder, who is in any doubt about the odd lot facility, is recommended to consult his/her/its own professional advisers.

LETTER FROM THE BOARD

Procedures for acceptance and payment or transfer

A PAL is enclosed with this prospectus which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of the Rights Shares shown therein. If the Qualifying Shareholders wish to accept all the Rights Shares provisionally allotted to them as specified in the PAL, they must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar by not later than 4:00 p.m. on Thursday, 17 June 2021 (or, under bad weather conditions and/or Extreme Conditions, such later time and/or date as mentioned in the section headed “Expected Timetable – Effect of Bad Weather and/or Extreme Conditions on the Latest Time for Acceptance of and Payment for the Rights Shares and for Application and Payment for Excess Rights Shares” in this prospectus). All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by cashier’s orders which must be issued by, a licensed bank in Hong Kong and made payable to “**TRICOR TRUST (HONG KONG) LIMITED – A/C NO. 030**” and crossed “**ACCOUNT PAYEE ONLY**”. No receipt will be issued in respect of any subscription monies received. It should be noted that unless the PAL, together with the appropriate remittance, have been lodged with the Registrar by not later than 4:00 p.m. on Thursday, 17 June 2021, whether by the original allottee or any person in whose favour the rights have been validly transferred, that provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled. The Company may, at its sole absolute discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions. The Company may require the relevant person(s) to complete the incomplete PAL at a later stage.

If the Qualifying Shareholders wish to accept only part of their provisional allotment or transfer part of their rights to subscribe for the Rights Shares provisionally allotted to them under the PAL or to transfer part or all of their rights to more than one person, the entire PAL must be surrendered and lodged for cancellation by not later than 4:30 p.m. on Tuesday, 8 June 2021 to the Registrar, who will cancel the original PAL and issue new PAL in the denominations required which will be available for collection from the Registrar, after 9:00 a.m. on the second Business Day following the surrender of the original PAL. This process is commonly referred to as “splitting” of nil-paid Rights Shares. It should be noted that stamp duty is payable in connection with a transfer of rights to subscribe for the Rights Shares.

The Company reserves the right to refuse to register any transfer in favour of any person in respect of which the Company believes such transfer may violate applicable legal or regulatory requirements.

The PAL contains the full information regarding the procedures to be followed for Qualifying Shareholders who wish to: (i) accept their provisional allotment in full; (ii) accept only part of their provisional allotment; or (iii) renounce/transfer all or part of their provisional allotment to other party/parties. Shareholders are advised to study the procedures set out in the PAL carefully.

LETTER FROM THE BOARD

If any of the conditions of the Rights Issue as set out in the section headed “Conditions of the Rights Issue” in this section is not fulfilled or, where applicable, waived at or before 4:30 p.m. on Friday, 18 June 2021 (or such later time and/or date as the Company may determine), the Rights Issue will not proceed. Under such circumstances, the monies received in respect of application for the Rights Shares will be returned to the relevant applicants or, in the case of joint applicants, to the first-named person without interest, by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders to their registered addresses by the Registrar on or before Friday, 25 June 2021.

Application for excess Rights Shares

Qualifying Shareholders are entitled to apply for, by way of excess application:

- (i) any unsold entitlements to the Rights Shares which would have been provisionally allotted to the Non-Qualifying Shareholder(s);
 - (ii) any unsold Rights Shares created by aggregating fractions of the Rights Shares; and
 - (iii) any nil-paid Rights Shares provisionally allotted but not validly accepted by the Qualifying Shareholders or otherwise not subscribed for by renouncees or transferees of nil-paid Rights Shares.
- (i) to (iii) collectively referred to as “**Untaken Rights**”.

Application for excess Rights Shares may be made by completing and signing the enclosed EAF in accordance with the instructions printed thereon and lodging it, together with a separate remittance for the full amount payable for application for the excess Rights Shares, with the Registrar by not later than 4:00 p.m. on Thursday, 17 June 2021 (or, under bad weather conditions and/or Extreme Conditions, such later time and/or date as mentioned in the section headed “Expected Timetable – Effect of Bad Weather and/or Extreme Conditions on the Latest Time for Acceptance of and Payment for the Rights Shares and for Application and Payment for Excess Rights Shares” in this prospectus). All remittances must be made by cheque or banker’s cashier order in Hong Kong dollars. Cheques must be drawn on an account with, and cashier’s orders must be issued by, a licensed bank in Hong Kong and made payable to “**TRICOR TRUST (HONG KONG) LIMITED – A/C NO. 031**” and crossed “**ACCOUNT PAYEE ONLY**”. No receipt will be issued in respect of any application monies received.

The Directors will allocate any excess Rights Shares at their discretion on a fair and equitable basis on the following principles:

- (i) any excess Rights Shares will be allocated to Qualifying Shareholders who apply for them as far as practicable on a pro-rata basis by reference to the number of the excess Rights Shares applied for under each application;

LETTER FROM THE BOARD

- (ii) no reference will be made to the Rights Shares subscribed through applications by PAL or the existing number of Shares held by Qualifying Shareholders;
- (iii) no preference will be given to applications for topping up odd-lot holdings to whole lot holdings; and
- (iv) pursuant to Rule 7.21(3)(b) of the Listing Rules, the Company will also take steps to identify the applications for excess Rights Shares made by the Controlling Shareholder or its associates (together, the “**Relevant Shareholders**”), whether in their own names or through nominees. The Company shall disregard the Relevant Shareholders’ applications for excess Rights Shares to the extent that the total number of excess Rights Shares they have applied for exceeds a maximum number equivalent to the total number of Rights Shares offered under the Rights Issue minus the number of Rights Shares taken up by the Relevant Shareholders under their assured entitlement to the Rights Shares.

If the aggregate number of Rights Shares underlying the Untaken Rights is greater than the aggregate number of excess Rights Shares being applied for under EAFs, the Directors will allocate to each Qualifying Shareholder who applies for excess Rights Shares the actual number of excess Rights Shares being applied for.

Investors whose Shares are held by a nominee company (including HKSCC Nominees Limited) should note that for the purpose of the Rights Issue, the Board will regard the nominee company as a single Shareholder according to the register of members of the Company as at the Record Date. Accordingly, the investors should note that the aforesaid arrangement in relation to the allocation of excess Rights Shares will not be extended to individual beneficial owners whose Shares are held by any such nominee company. Investors whose Shares are held by a nominee company are advised to consider whether they would like to arrange for the registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date. For those investors who would like to have their names registered on the register of members of the Company, all necessary documents must be lodged with the Registrar by 4:30 p.m. on Tuesday, 25 May 2021.

The Company reserves the right to treat as invalid any application for the excess Rights Shares where it believes that such application would violate the applicable securities or other laws or regulations of any territory or jurisdiction.

If no excess Rights Shares are allotted to a Qualifying Shareholder, the amount tendered on his application is expected to be returned to him in full without interest on or before Friday, 25 June 2021 by means of cheques despatched by the Registrar by ordinary post at the risk of the Qualifying Shareholder to his registered address. If the number of excess Rights Shares allotted to a Qualifying Shareholder is less than what is applied for, a cheque for the amount of the surplus application monies will be returned to him without interest and despatched to him by ordinary post at his own risk to his registered address on or before Friday, 25 June 2021.

LETTER FROM THE BOARD

If any of the conditions of the Rights Issue as set out in the section headed “Letter from the Board – Rights Issue – Conditions of the Rights Issue” in this prospectus is not fulfilled or, where applicable, waived at or before 4:30 p.m. on Friday, 18 June 2021 (or such later time and/or date as the Company may determine), the Rights Issue will not proceed. Under such circumstances, the monies received in respect of application for excess Rights Shares will be returned to the Qualifying Shareholders or, in the case of joint applicants, to the first-named person without interest, by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders to their registered addresses by the Registrar on or before Friday, 25 June 2021.

The EAF is for use only by the person(s) named therein and is not transferable. No receipt will be issued in respect of any application monies received.

Cheques and banker’s cashier orders

All cheques and banker’s cashier orders will be presented for payment upon receipt and all interests earned on such monies (if any) will be retained for the benefit of the Company. Completion and lodgement of a PAL or an EAF together with a cheque or banker’s cashier order in payment of the Rights Shares applied for will constitute a warranty that the cheque or banker’s cashier order will be honoured upon first presentation. If any cheque or banker’s cashier order is not honoured upon first presentation, the PAL or EAF (as the case may be) is liable to be rejected and/or deemed invalid by the Company in its absolute discretion, and in the case of an acceptance of a Qualifying Shareholder’s assured entitlement all such assured entitlement and all rights thereunder will be deemed to have been declined and will be cancelled.

Beneficial owners’ instructions to their Intermediary

For beneficial owners whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, if they wish to subscribe for the Rights Shares provisionally allotted to them, or sell their nil-paid Rights Shares or “split” their nil-paid Rights Shares by accepting part of their provisional allotment and selling/transferring the remaining part, they should contact their Intermediary and provide their Intermediary with instructions or make arrangements with their Intermediary in relation to the acceptance, transfer and/or “splitting” of the rights to subscribe for the Rights Shares which have been provisionally allotted to them in respect of the Shares in which they are beneficially interested. Such instructions and the relevant arrangements should be given or made in advance of the relevant dates stated in the section headed “Expected Timetable” in this prospectus and otherwise in accordance with the requirements of their Intermediary in order to allow their Intermediary sufficient time to ensure that their instructions are given effect. The procedures for acceptance, transfer and/or “splitting” in these cases shall be in accordance with the General Rules of CCASS, the CCASS Operational Procedures and any other applicable requirements of CCASS.

LETTER FROM THE BOARD

Application for listing

The Company has applied to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms. No part of the share capital of the Company is listed or dealt in or on which listing or permission to deal in is being or is proposed to be sought on any other stock exchange.

The board lot size of the nil-paid Rights Shares shall be the same as that of the fully-paid Rights Shares, i.e. 10,000 Shares in one board lot.

Rights Shares will be eligible for admission into CCASS

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 respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates 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. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Stamp duty and other applicable fees

Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to the payment of stamp duty, Stock Exchange trading fee, SFC transaction levy or any other applicable fees and charges in Hong Kong.

Share certificates and refund cheques for Rights Issues

Subject to the fulfilment and/or waiver (where applicable) of the conditions of the Rights Issue as set out in the section headed “Letter from the Board – Rights Issue – Conditions of the Rights Issue” in this prospectus, share certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post to their registered address, at their own risks, on or before Friday, 25 June 2021.

Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on or before Friday, 25 June 2021 by ordinary post to the applicants’ registered address, at their own risk.

LETTER FROM THE BOARD

The Rights Issue is on a non-underwritten basis

Subject to the fulfilment and/or waiver (where applicable) of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. There is no minimum amount to be raised under the Rights Issue. The legal advisers of the Company have confirmed that there are no statutory requirements under the laws of Bermuda and the laws of Hong Kong regarding minimum subscription levels in respect of the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, a Shareholder who applies to take up all or part of its entitlement under PAL or apply for excess Rights Shares under EAF may unwittingly incur an obligation to make a general offer under the Takeovers Code, unless a waiver from the Executive (as defined in the Takeovers Code) has been obtained. Accordingly, the Rights Issue will be made on the term that the Company will, pursuant to Rule 7.19(5) of the Listing Rules, provide for Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the applications of any Shareholder for its entitlement under the PAL or for excess Rights Shares under the EAF can be scaled down to a level which does not trigger an obligation on the part of the relevant Shareholder to make a general offer under the Takeovers Code.

For the avoidance of doubt, the above provision shall not apply to HKSCC Nominees Limited.

Conditions of the Rights Issue

The Rights Issue is conditional upon the fulfilment or waiver (as appropriate) of each of the following conditions:

- (a) the Stock Exchange having authorised the registration of, and the Companies Registry in Hong Kong having registered, respectively, not later than the Posting Date, each of the Prospectus Documents duly certified in compliance with section 342C of the Companies (WUMP) Ordinance (and all other documents required to be attached thereto or otherwise filed or delivered) and otherwise complying with the requirements of the Companies (WUMP) Ordinance and the Listing Rules;
- (b) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of this prospectus to the Non-Qualifying Shareholder(s), if any, and for information purposes only, on or before the Posting Date;
- (c) the Listing Committee granting and not having revoked, listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms either unconditionally or subject to such conditions which the Company accepts and the satisfaction of such conditions (if any and where relevant) by no later than the Posting Date and such listings and permission to deal not having been withdrawn or revoked;

LETTER FROM THE BOARD

- (d) each condition to enable the Rights Shares in their nil-paid or fully-paid forms to be admitted as eligible securities for deposit, clearance and settlement in CCASS having been satisfied on or before the Business Day prior to the commencement of trading of the Rights Shares (in their nil-paid or fully-paid forms, respectively) and no notification having been received by the Company from the HKSCC by such time that such admission or facility for holding and settlement has been or is to be refused; and
- (e) there shall not have occurred and be continuing any of the following:
 - (i) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction on trading in securities) occurs which in the absolute opinion of the Company in any material respect affect the success of the Rights Issue (such success being the taking up of the Rights Shares by Shareholders or the transferees of the nil-paid rights) or otherwise in the absolute opinion of the Company makes it inexpedient or inadvisable or inappropriate for the Company to proceed with the Rights Issue; or
 - (ii) any event of force majeure including, without limiting the generality thereof, any act of God, war, fire, flood, explosion, epidemic, terrorism, which in any material respect adversely affects the business or the financial or trading position or prospects of the Company and its subsidiaries considered as a whole or the Rights Issue; or
 - (iii) any other material adverse change in relation to the business or the financial or trading position or prospects of the Company and its subsidiaries considered as a whole occurs, whether or not of the same kind with any of the foregoing; or
 - (iv) any suspension in the trading of the securities generally or the Company's securities on the Stock Exchange for a period of more than 30 consecutive trading days occurs, excluding any halt or suspension in connection with the clearance of the announcement or circular or prospectus of the Company for the Rights Issue or other announcements or circulars in connection with the Rights Issue.

Save for conditions (e) above which can be waived (conditionally or unconditionally) by the Company, none of the above conditions can be waived. If any of the conditions referred to above is not fulfilled, and/or waived (where applicable) at or before 4:30 p.m. on Friday, 18 June 2021 (or such later time and/or date as the Company may determine), the Rights Issue will not proceed.

As at the Latest Practicable Date, none of the conditions precedent above has been fulfilled.

As the proposed Rights Issue is subject to the above conditions, it may or may not proceed.

LETTER FROM THE BOARD

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

The Rights Issue is subject to the fulfilment and/or waiver (where applicable) of the 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. Please refer to the section above headed “Letter from the Board – Rights Issue – Conditions of the Rights Issue” in this prospectus. Shareholders and potential investors of the Company should note that if the conditions of Rights Issue are not satisfied and/or waived (where applicable), the Rights Issue will not proceed.

Any dealings in the Shares prior to the date on which all the conditions of the Rights Issue are fulfilled and/or waived (where applicable), and any Shareholders dealing 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. Any Shareholders or other persons contemplating any dealings in the Shares or Rights Shares in their nil-paid form should consult their professional advisers.

Subject to the fulfilment and/or waiver (where applicable) of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company was closed from Wednesday, 26 May 2021 to Monday, 31 May 2021 (both dates inclusive) for the purpose of determining the Shareholders’ entitlements to the Rights Issue. During this period, no transfer of Shares was registered.

LETTER FROM THE BOARD

SHAREHOLDING STRUCTURE

Set out below is the shareholding structure of the Company: (i) as at the Latest Practicable Date; (ii) immediately after completion of the Rights Issue assuming full acceptance by the Qualifying Shareholders and there is no change in the number of Shares in issue on or before the Record Date; and (iii) immediately after completion of the Rights Issue assuming nil acceptance by the Qualifying Shareholders other than Beta Dynamic and there is no change in the number of Shares in issue on or before the Record Date:

	As at the Latest Practicable Date		Immediately after completion of the Rights Issue (assuming full acceptance by the Qualifying Shareholders)		Immediately after completion of the Rights Issue (assuming nil acceptance by the Qualifying Shareholders other than Beta Dynamic (Note 2))	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
Substantial shareholder						
Beta Dynamic (Note 1)	556,762,589	53.01	695,953,236	53.01	819,332,589	62.41
Public Shareholders	<u>493,517,411</u>	<u>46.99</u>	<u>616,896,764</u>	<u>46.99</u>	<u>493,517,411</u>	<u>37.59</u>
	<u>1,050,280,000</u>	<u>100</u>	<u>1,312,850,000</u>	<u>100</u>	<u>1,312,850,000</u>	<u>100</u>

Notes:

1. The 556,762,589 Shares are beneficially owned by Beta Dynamic which is wholly and beneficially owned by Mr. Cheung Siu Fai, an executive Director. Mr. Cheung Siu Fai is also the sole director of Beta Dynamic.
2. Assuming no excess applications are made by Qualifying Shareholders other than Beta Dynamic.

As at the Latest Practicable Date, the Company has not received any written undertaking from Beta Dynamic to take up all or part of its entitlement under the Rights Issue.

LETTER FROM THE BOARD

REASONS FOR THE RIGHTS ISSUE AND THE USE OF PROCEEDS

The principal activity of the Company is investment holding. The Group currently has a portfolio of business interests in the telecommunications, information technology, financial solution, software development and distribution sectors in Hong Kong, Singapore and the PRC. As disclosed in the annual report of the Company for the year ended 31 December 2020, although the Group recorded a net profit for the year ended 31 December 2020 of approximately HK\$16.88 million as opposed to a loss for the year before of approximately HK\$225.17 million, its gross profit for the year ended 31 December 2020 decreased by approximately 57% from that for the year ended 31 December 2019, mainly due to the stagnant IT and Distribution Business which did not contribute any revenue to the Group for the year ended 31 December 2020 and the increased proportion of the Group's wholesale voice telecommunications segment of the Telecom Business during that year which has a lower gross profit margin. The Group has been exploring ways to improve its liquidity and enhance its financial position.

The Rights Issue, if completed and subscribed in full, will bring net proceeds of approximately HK\$38.1 million to the Company. This translates to a net Subscription Price of approximately HK\$0.1451 per Rights Share. The Company intends to apply such net proceeds in the following manner:

- (a) approximately HK\$21 million towards repayment of loans and borrowings of the Group as soon as practicable after completion of the Rights Issue. Such loans and borrowings include outstanding loan in the principal amount of HK\$10,000,000 from executive Director Mr. Cheung Siu Fai and interests accrued thereon at 12% per annum, outstanding interest-free loans in the principal amount of HK\$3,333,000 and HK\$2,378,000 owing to Mr. Cheung Ka Heng Frankie and Mr. Zhao Ruiyong respectively, former non-executive Directors, and outstanding loan from Integrated Capital (Asia) Limited, an independent third party, in the principal amount of HK\$5,000,000 and interests accrued thereon at 15% per annum. The loans from Directors and former Directors are repayable on demand and the loan from independent third party lender is repayable in July 2023, early repayment of which will save interest expense for the Company;
- (b) the remainder of approximately HK\$17.1 million towards general working capital of the Group for up to 10 months following completion of the Rights Issue, including operating and administrative expenses, salary expenses and rental expenses.

LETTER FROM THE BOARD

Apart from the Rights Issue, the Directors have considered other debt/equity fund raising alternatives such as bank borrowings, placing or an open offer. The Directors noted that bank borrowings will carry interest costs and may require the provision of security and creditors will rank before the Shareholders, and the feedbacks from the three securities firms approached by the Company to explore the possibility of private placement had not been positive. In addition, placings will dilute the interests of Shareholders without giving them the opportunity to take part in the exercise. As opposed to an open offer, the Rights Issue enables the Shareholders to sell the nil-paid rights in the market. The Rights Issue will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company and to continue to participate in the future development of the Company.

Having considered the abovementioned alternatives, the Directors consider raising funds by way of the Rights Issue is more attractive in the current market condition and the Rights Issue will enable the Company to strengthen its working capital base and enhance its financial position, while at the same time, allowing the Qualifying Shareholders to maintain their proportional shareholdings in the Company, and thus, in the interests of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, save for the Rights Issue, the Board has no intention or plan to conduct other equity fund raising activities in the next 12 months. However, if there shall arise any other potential investment opportunities or any change of the Group's current circumstances and existing business plans and that the net proceeds may not satisfy such upcoming financing and operational needs, the Board does not rule out the possibility that the Company may conduct further equity fund raising exercises to support such future developments of the Group.

Based on the above, the Board considers that raising capital through the Rights Issue is in the interests of the Company and the Shareholders as a whole. In addition, having considered the capital needs of the Group, the terms of the Rights Issue and the Subscription Price, the Board also considers that it is in the interests of the Company to proceed with the Rights Issue on a non-underwritten basis. **However, those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and Non-Qualifying Shareholder(s) should note that their shareholdings will be diluted.**

In the event the Rights Issue was undersubscribed, the Company intends to borrow from other financial institution(s) or seek financial support from Mr. Cheung Siu Fai.

LETTER FROM THE BOARD

FUND RAISING ACTIVITIES IN THE PAST 12 MONTHS

The Company had not conducted any equity fund raising activities in the 12 months immediately preceding the Latest Practicable Date.

LISTING RULES IMPLICATIONS

As the Company has not conducted any rights issue or open offer within the 12-month period prior to the Latest Practicable Date, the Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to Shareholders' approval under the Listing Rules. The Rights Issue will be carried out in compliance with Rule 7.21(1)(a) of the Listing Rules.

TAXATION

Qualifying Shareholders are recommended to consult their professional advisers if they are in doubt as to the taxation implications of subscribing for the Rights Shares, or about purchasing, holding or disposals of, or dealings in or exercising any rights in relation to the Shares or the Rights Shares, and similarly, the Non-Qualifying Shareholders as regards their receipt of the net proceeds of sale of the Rights Shares otherwise falling to be issued to them under the Rights Issue under the laws of jurisdictions in which they are liable to taxation. It is emphasised that none of the Company, the Directors nor any other parties involved in the Rights Issue accepts responsibility for any tax effects on, or liabilities of, any person resulting from subscribing for, purchasing, holding, disposal of, dealings in or exercising any rights in relation to the Shares or the Rights Shares.

ADDITIONAL INFORMATION

Your attention is drawn to the financial information, unaudited pro forma financial information and general information of the Group as set out in the appendices to this prospectus.

By order of the Board
Great Wall Belt & Road Holdings Limited
Cheung Siu Fai
Chairman and Executive Director

1. FINANCIAL INFORMATION

Details of the audited consolidated financial statements of the Group and the notes thereto for each of the years ended 31 December 2018, 2019 and 2020 are disclosed in the annual reports of the Company, which have been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (<http://www.gwbrhk.com>):

- (i) pages 38 to 128 of the annual report of the Company for the year ended 31 December 2018 published on 29 April 2019
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2019/0429/ltn201904293080.pdf>);
- (ii) pages 33 to 128 of the annual report of the Company for the year ended 31 December 2019 published on 17 May 2020
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0517/2020051700051.pdf>);
- (iii) pages 36 to 112 of the annual report of the Company for the year ended 31 December 2020 published on 26 April 2021
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0426/2021042600794.pdf>).

2. STATEMENT OF INDEBTEDNESS

At the close of business on 30 April 2021, being the latest practicable date for the purpose of ascertaining information contained in this statement of indebtedness prior to the printing of this prospectus, the Enlarged Group had outstanding amount due to former directors, borrowings, loans from former directors, loan from a director, amount due to immediate holding company, lease liabilities and bank guarantee (utilised) of approximately HK\$71,853,000, details of which are as follows:

Amount due to a former director

The Enlarged Group had amount due to a former director, Mr. Yeung Chun Wai Anthony, of HK\$12,393,000, the amount represents the balance of consideration previously received by the Enlarged Group that should be returned to the former director when the ordinary shares of SingAsia Holdings Limited (Stock code: 8293) (the “**SingAsia Shares**”) held by him were returned to the Enlarged Group in part. The Enlarged Group had issued a writ of summons on 12 March 2019 to commence legal proceedings against the former director to request the transfer of the SingAsia Shares. The amounts are unsecured, unguaranteed, interest-free and the Enlarged Group had issued a writ of summons to commence legal proceedings against the former director to request the transfer of the SingAsia Shares. Please refer to note 24(c) to the annual report of the Company for the year ended 31 December 2020 for more details. As at the Latest Practicable Date, the Enlarged Group and Mr. Yeung has completed the exchange of statement of claims and defences for the legal proceedings.

The Enlarged Group had amount due to a former director of approximately HK\$133,000, which is unsecured, unguaranteed, interest-free and repayable on demand.

Borrowings

The Enlarged Group has other borrowing from a licensed money lending company in the amounts of HK\$5,000,000, which are unsecured, unguaranteed, interest-bearing at 1.25% per month, and repayable on 18 July 2023. As at 30 April 2021, the interest payable relating to the borrowings was approximately HK\$25,000 and repayable on 18 July 2021.

The Enlarged Group obtained bank facilities of maximum amounts of HK\$44,708,000. The Enlarged Group had outstanding bank borrowings of approximately HK\$35,607,000 carried at floating rate at Hong Kong Inter-bank Offering Rate plus 1.4% per annum, which is secured by the property, which is the subject of the announcement and circular of the Company dated 3 March 2021 and 25 May 2021 respectively, together with the rental assignment, and corporate guarantee of HK\$44,800,000 executed by the intermediate holding company of Palico Development Limited. The bank borrowings of approximately HK\$14,607,000 was repayable on 5 November 2044 and HK\$21,000,000 was repayable on 30 May 2021. According to the provisional agreement, which is the subject of the announcement and circular of the Company dated 3 March 2021 and 25 May 2021 respectively, the bank borrowings would be repaid by the vendor before or on the completion date of the acquisition of Palico Development Limited.

Loans from former directors

The Enlarged Group had outstanding loans from two former directors of approximately HK\$2,378,000 and HK\$3,200,000 respectively, all of which are unsecured, unguaranteed, interest-free and repayable on demand.

Loan from a director

The Enlarged Group obtained loan facilities from a director in the maximum principal amount of HK\$10,000,000. The Enlarged Group has drawn in full the loan amounts of HK\$10,000,000, which are unsecured, unguaranteed, interest bearing at 12% per annum and repayable on demand. As at 30 April 2021, the interest payable relating to such loan is approximately HK\$10,000 and repayable on demand.

Amount due to immediate holding company

The Enlarged Group had amount due to immediate holding company of Palico Development Limited of approximately HK\$1,145,000 which is unsecured, unguaranteed, interest-free and repayable on demand.

Lease liabilities

The Enlarged Group had lease liabilities (comprising both current and non-current liabilities) of approximately HK\$1,369,000.

Bank guarantee

At the close of business on 30 April 2021, the Enlarged Group had bank guarantee of approximately HK\$638,000 issued to suppliers for operational requirement and pledged bank deposits of approximately HK\$638,000 in relation thereto. The amount utilised of approximately HK\$593,000 represents the outstanding amounts payable to these suppliers.

Margin facility

Certain equity securities listed in Hong Kong classified as financial assets at fair value through profit or loss are placed in a margin account of a regulated securities broker. No margin facility was utilised as at 30 April 2021.

Save as disclosed above, except and apart from the intra-group liabilities and normal trade payables, the Enlarged Group did not have any outstanding loan capital issued or agreed to be issued, bank overdrafts, loans, debt securities, borrowings or other similar indebtedness, lease liabilities or hire purchase commitments, liabilities under acceptances or acceptance credits, debentures, mortgages, charges or guarantees or other material contingent liabilities as at the close of business on 30 April 2021. Since 30 April 2021, there has been no material change to the Enlarged Group's indebtedness.

For the purpose of the indebtedness statement, foreign currency amounts have been translated into Hong Kong dollars at the approximate rates of exchange prevailing as at 30 April 2021.

3. WORKING CAPITAL

Taking into account the estimated net proceeds from the Rights Issue and the financial resources available to the Group, including internally generated funds and external borrowings, the Directors are of the opinion that the Enlarged Group has sufficient working capital for its present requirements for at least the 12 months from the date of this prospectus.

4. MATERIAL ADVERSE CHANGES

The Directors confirm that there had been no material adverse change in the financial or trading position of the Group since 31 December 2020 (being the date to which the latest published audited financial statements of the Group were made up) and up to and including the Latest Practicable Date.

5. FINANCIAL AND TRADING PROSPECTS OF THE ENLARGED GROUP

In the second half of 2020, the Company focused on ensuring the sustainability of the Group's telecoms business in light of the uncertainties due to the escalation of sensitive geopolitical situation and the global economic downturn due to the pandemic, reviewing areas in which the Group's operational efficiencies can be improved and exploring business development opportunities. While there continues to be uncertainties with regards to the US-China relations and the continuing effect of the pandemic, the Group's strategy is to strive for sustainability of its telecom business through the improvement of the quality of its services and tapping on the changes to the demand for technology products and services contributed at least in part from the social distancing and "work-from-home" needs as a result of the pandemic.

At the same time, the Group continues to seek business development opportunities both within the regions in which it is currently operating and beyond, in the technology, media and telecom (TMT) sector (such as in information and other emerging technologies, 5G and online marketing and fulfillment) to expand its service offerings. The Group will leverage its industry experience and competitive strength to consolidate its business presence in the telecommunication and information technology industry in Singapore and Hong Kong and to expand its product or service solutions offerings in the existing and new geographical regions. The Group will continue to look for new business opportunities to diversify its business in order to generate better returns for the shareholders of the Company.

The Group has also been looking at possibilities to supplement its revenue through other investments, including in income generating investment properties. On 3 March 2021, the Company (as purchaser) and Ritzy Soar Limited (as vendor) entered into a provisional sale and purchase agreement dated 3 March 2021 pursuant to which the Company proposes to purchase the entire issued share capital of Palico Development Limited and the corresponding sale loan for a cash consideration of HK\$51,750,000 (subject to adjustments). The principal business of Palico Development Limited is property investment and its principal asset is an industrial property located in Hong Kong which generates rental income. Please refer to the announcement and circular of the Company dated 3 March 2021 and 25 May 2021 respectively for further details.

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to the owners of the Company (the “**Unaudited Pro Forma Financial Information**”) which has been prepared by the Directors in accordance with Rule 4.29 of the Listing Rules to illustrate the effects of the Rights Issue on the consolidated net tangible assets of the Group attributable to the owners of the Company as if the Rights Issue had taken place on 31 December 2020.

The Unaudited Pro Forma Financial Information has been prepared for illustration purposes only, and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to the owners of the Company had the Rights Issue been completed as at 31 December 2020 or at any future date.

The Unaudited Pro Forma Financial Information of the Group is prepared based on the audited consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2020, as extracted from the published annual report of the Company for the year ended 31 December 2020 and the adjustments described below.

		Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2020		Unaudited pro forma adjusted consolidated net tangible assets per Share attributable to the owners of the Company as at 31 December 2020	
Audited consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2020	Estimated net proceeds from the Rights Issue	2020 after the completion of the Rights Issue	the owners of the Company as at 31 December 2020	the owners of the Company after the completion of Rights Issue	
HK\$'000	HK\$'000	HK\$'000	HK\$	HK\$	
Note 1	Note 2	Note 3	Note 4	Note 5	
Based on 262,570,000 Rights Shares at a Subscription Price of HK\$0.15 per Rights Share					
24,746	38,136	62,882	0.024	0.048	

Notes:

- (1) The audited consolidated net tangible assets of the Group attributable to owners of the Company of HK\$24,746,000 as at 31 December 2020 is based on the consolidated net assets of the Group attributable to owners of the Company of approximately HK\$24,746,000 as extracted from the published annual report of the Company for the year ended 31 December 2020.
- (2) The estimated net proceeds from the Rights Issue are based on a total of 262,570,000 Rights Shares (assuming no new share are issued and no buy back of Shares before the Record date) at a subscription price of HK\$0.15 per Rights Share, after deduction of the estimated expenses directly attributable to the Rights Issue of approximately HK\$1,250,000.
- (3) The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company after completion of Rights Issue represents the audited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2020 plus the estimated net proceeds from the Rights Issue as set out in Note 2 above.
- (4) The calculation of the audited consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2020 before the completion of the Rights Issue is determined based on the audited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2020 of approximately HK\$24,746,000, divided by the number of Shares in issue i.e., 1,050,280,000 Shares.
- (5) The calculation of the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2020 after completion of the Rights Issue is determined based on unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company after the Rights Issue of approximately HK\$62,882,000, being the aggregate audited consolidated net tangible assets of the Group attributable to the owners of the Company of approximately HK\$24,746,000 and the estimated net proceeds from the Rights Issue of approximately HK\$38,136,000 (see Note 3), divided by 1,312,850,000 Shares which represents the sum of 1,050,280,000 Shares in issue and 262,570,000 Rights Shares.
- (6) No adjustment has been made to the unaudited pro forma adjusted consolidated net tangible net assets to reflect any trading results or other transactions of the Group subsequent to 31 December 2020.

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

B. REPORTING ACCOUNTANTS' ASSURANCE REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a letter from the reporting accountants of the Company, Confucius International CPA Limited, Certified Public Accountants, Hong Kong, prepared for the purpose of incorporation in this prospectus, in respect of the unaudited pro forma financial information of the Group.



天健國際會計師事務所有限公司

Confucius International CPA Limited

Certified Public Accountants

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Rooms 1501-8, 15th Floor, Tai Yau Building,
181 Johnston Road, Wanchai, Hong Kong.
電話 Tel: (852) 3103 6980
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INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

To the Directors of Great Wall Belt & Road Holdings Limited (the "Company")

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Great Wall Belt & Road Holdings Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") by the directors of the Company (the "**Director**") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2020 and notes as set out in Appendix II of the prospectus issued by the Company dated 2 June 2021 (the "**Prospectus**"). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described in Appendix II of the Prospectus.

The unaudited pro forma financial information has been compiled by the Directors to illustrate the impact of the rights issue of 262,570,000 rights shares at the subscription price of HK\$0.15 per rights share (the "**Rights Issue**") on the basis of one rights share for every four shares held on the record date (as defined in the Prospectus) on the Group's consolidated net tangible assets attributable to the owners of the Company as at 31 December 2020 as if the Rights Issue had taken place at 31 December 2020. As part of this process, information about the Group's consolidated net tangible assets attributable to the owners of the Company has been extracted by the Directors from the Company's consolidated financial statements for the year ended 31 December 2020, which was published on 26 April 2021.

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

Directors' Responsibilities for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with Rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Control 1 “Quality Control for Firms That Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements” issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by Rule 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements (“**HKSAE**”) 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with Rule 4.29 of the Listing Rules, and with reference to AG 7 issued by the HKICPA.

For purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of Unaudited Pro Forma Financial Information included in a circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 31 December 2020 would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgement, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to Rule 4.29(1) of the Listing Rules.

Yours faithfully,

Confucius International CPA Limited

Certified Public Accountants

Hong Kong

2 June 2021

1. RESPONSIBILITY STATEMENT

This prospectus, 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 prospectus 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 prospectus misleading.

2. SHARE CAPITAL

				Rights Shares to be issued pursuant to the Rights Issue (assuming nil acceptance by the Qualifying Shareholders other than Beta Dynamic) (Note)	Shares in issue upon completion of the Rights Issue (assuming nil acceptance by the Qualifying Shareholders other than Beta Dynamic) (Note)	Shares in issue upon completion of the Rights Issue (assuming full acceptance by the Qualifying Shareholders)
	Authorised shares	Shares in issue as at the Latest Practicable Date	Rights Shares to be issued pursuant to the Rights Issue (assuming full acceptance by the Qualifying Shareholders)			
Total number of Shares/Rights						
Shares (as applicable)	12,000,000,000	1,050,280,000	262,570,000	262,570,000	1,312,850,000	1,312,850,000
Aggregate nominal value (HK\$)	120,000,000.00	10,502,800.00	2,625,700.00	2,625,700.00	13,128,500.00	13,128,500.00

Note: Assuming no excess applications are made by Qualifying Shareholders other than Beta Dynamic.

All the Shares in issue are fully-paid and rank *pari passu* in all respects including as regards to dividends, voting rights and return of capital. All Rights Shares to be issued will rank *pari passu* with the then existing Shares in issue in all respects. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment of the Rights Shares.

The Company has applied to the Listing Committee for the listing of and permission to deal in the Rights Shares (in both their nil-paid and fully-paid forms). No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or the Rights Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

As at the Latest Practicable Date, none of the members of the Enlarged Group had any outstanding derivatives, options (or agreed conditionally or unconditionally to be put under option), warrants, convertible securities or other similar securities which are convertible or exchangeable into Shares, and there was no arrangement under which dividends are/will be waived or agreed to be waived.

3. DISCLOSURE OF INTERESTS

(a) Interests of the Directors and chief executive of the Company

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Interests in the Shares, underlying Shares and debentures of the Company

Name of director	Capacity	Number of Shares interested (long position)	Approximate percentage of shareholding (Note 2)
Cheung Siu Fai (Note 1)	Interest of a controlled corporation	556,762,589	53.01%

Notes:

1. The 556,762,589 Shares are beneficially owned by Beta Dynamic which is wholly and beneficially owned by Mr. Cheung Siu Fai. Mr. Cheung Siu Fai is also the sole director of Beta Dynamic.
2. The percentage was calculated based on 1,050,280,000 Shares, being the total issued share capital of the Company as at the Latest Practicable Date.

Interests in the shares, underlying shares and debentures of associated corporations of the Company

Name of Director	Name of associated corporation	Capacity	Amount of registered capital interested	Shareholding percentage
Cheung Siu Fai	Beta Dynamic (Note 3)	Beneficial owner	–	100%

Note:

3. Beta Dynamic, which holds more than 50% of the total issued share capital of the Company, is the holding company of the Company and thus an associated corporation of the Company under the SFO.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executives of the Company has or is deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which each of them has taken or deemed to have taken under the SFO), or which will be required, pursuant to Section 352 of the SFO, to be entered in the register required to be kept therein or which will be required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

(b) Interests of substantial Shareholders

As at the Latest Practicable Date, to the best knowledge of the Directors, save as disclosed below, no person (other than the Directors or chief executives of the Company), had interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or was, directly or indirectly, interested in 10% or more of the issued voting shares capital of any other member of the Enlarged Group:

Name of Shareholder	Capacity	Number of Shares interested (long position)	Approximate percentage of shareholding (Note 2 above)
Beta Dynamic	Beneficial owner	556,762,589	53.01%

4. LITIGATION

Save as disclosed in note 24(c)(i) to the annual report of the Company for the financial year ended 31 December 2020 in connection with the legal proceedings initiated by the Group against a former Director (Mr. Yeung Chun Wai Anthony) for the return of certain shares in SingAsia Holdings Limited (stock code: 8293), as at the Latest Practicable Date, neither the Company nor any member of the Enlarged Group was engaged in any litigation or claims of material importance pending or threatened against the Company or any member of the Enlarged Group.

5. MATERIAL CONTRACTS

The following contracts, not being a contract entered into in the ordinary course of business of the Enlarged Group, was entered into by members of the Enlarged Group during the two years immediately preceding the date of this prospectus and is or may be material:

- (a) the sale and purchase agreement dated 13 May 2020 (and subsequently terminated on 20 November 2020) entered into between the Company as vendor and Shaanxi China Investment Asset Management Company Limited* (陝西中投資產管理有限公司)(the “**Previous Purchaser**”) as purchaser in relation to the sale and purchase of the entire issued share capital of B&R Investment Holding Limited (the “**Previous Sale and Purchase Agreement**”) for a consideration of HK\$50,000,000;
- (b) a termination deed dated 20 November 2020 entered into between the Company and the Previous Purchaser to terminate the Previous Sale and Purchase Agreement. In accordance with the terms of the Previous Sale and Purchase Agreement, the Company forfeited the deposit of RMB2,500,000 made by the Previous Purchaser;
- (c) a sale and purchase agreement dated 20 November 2020 entered into between the Company and Vantage Network Global Limited in relation to the disposal of the entire issued share capital of B&R Investment Holding Limited for a consideration of RMB47,500,000;
- (d) a sale and purchase agreement dated 5 February 2021 entered into between ZONE Asia Holdings Limited (a wholly-owned subsidiary of the Company) as vendor and Mr. Stuart Hua Koon TAN as purchaser in respect of the sale and purchase of 15,000 shares (representing approximately 14.8% of shares in issue) in Zero1 Pte. Ltd., for a consideration of S\$150,000 (approximately HK\$868,500); and
- (e) a provisional sale and purchase agreement (“**Provisional Agreement**”) dated 3 March 2021 entered into between the Company as purchaser and Ritzy Soar Limited as vendor in relation to the purchase of the entire issued share capital of Palico Development Limited and the corresponding sale loan for a consideration of HK\$51,750,000 (“**Acquisition**”).

6. DIRECTOR'S INTEREST IN CONTRACTS AND ASSETS

- (i) None of the Directors had any direct or indirect interest in any assets which had been, since 31 December 2020 (being the date to which the latest published audited consolidated financial statements of the Group were made up), acquired, disposed of by, or leased to, or were proposed to be acquired, disposed of by, or leased to any member of the Enlarged Group; and
- (ii) save as disclosed below, none of the Directors was materially interested in any contract or arrangement subsisting as at the date of the prospectus which is significant in relation to the business of the Enlarged Group:
 - The Company and Mr. Cheung Siu Fai entered into a loan agreement dated 19 October 2020 pursuant to which Mr. Cheung Siu Fai agreed to provide an unsecured loan in the principal amount of up to HK\$10,000,000 to the Company with interest accruing at the rate of 12% per annum. The principal and interest accrued under the loan are repayable on demand.

The loan above constitutes a fully-exempted connected transaction under Rule 14A.90 of the Listing Rules.

7. QUALIFICATION AND CONSENT OF THE EXPERT

The following are the qualification of the professional adviser who has given opinion or advice contained in this prospectus:

Name	Qualification
Confucius International CPA Limited	Certified Public Accountants

The above expert has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion herein of its letter, report and/or opinion and references to its name in the form and context in which it appears.

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

As at the Latest Practicable Date, the above expert did not have any direct or indirect interest in any assets which have been, since 31 December 2020 (being the date to which the latest published audited financial statements of the Company were made up), acquired or disposed of by or leased to any member of the Enlarged Group, or are proposed to be acquired or disposed of by or leased to any member of the Enlarged Group.

8. CORPORATE INFORMATION AND THE PARTIES INVOLVED IN THE RIGHTS ISSUE

Registered Office	Clarendon House 2 Church Street Hamilton HM 11 Bermuda
Principal Place of Business in Hong Kong	Room 1602 16/F COFCO Tower 262 Gloucester Road Causeway Bay Hong Kong
Authorised Representatives	Mr. Hui Chun Wai Henry Room 1602 16/F COFCO Tower 262 Gloucester Road Causeway Bay Hong Kong Mr. Leung Yung Yan Room 1602 16/F COFCO Tower 262 Gloucester Road Causeway Bay Hong Kong
Company Secretary	Mr. Leung Yung Yan <i>Member of the Hong Kong Institute of Certified Public Accountants</i> Room 1602 16/F COFCO Tower 262 Gloucester Road Causeway Bay Hong Kong
Legal Adviser to the Company as to the Rights Issue	Reed Smith Richards Butler 17th Floor, One Island East Taikoo Place 18 Westlands Road Quarry Bay, Hong Kong

Auditor and Reporting Accountants	Confucius International CPA Limited Rooms 1501-8, 15th Floor Tai Yau Building, 181 Johnston Road Wanchai, Hong Kong
Principal Bankers	Hang Seng Bank Limited The Bank of East Asia, Limited The Hongkong and Shanghai Banking Corporation Limited Bank of China (Hong Kong) Limited
Principal Share Registrar and Transfer Office	MUFG Fund Services (Bermuda) Limited 4th Floor North Cedar House 41 Cedar Avenue Hamilton HM 12 Bermuda
Hong Kong Branch Share Registrar and Transfer Office	Tricor Secretaries Limited Level 54 Hopewell Centre 183 Queen's Road East Hong Kong

9. PARTICULARS OF DIRECTORS

(a) Name and address of the Directors

Name	Business Address
<i>Executive Directors</i>	
Mr. CHEUNG Siu Fai	Room 1602 16/F COFCO Tower 262 Gloucester Road Causeway Bay Hong Kong
Mr. HUI Chun Wai Henry	Room 1602 16/F COFCO Tower 262 Gloucester Road Causeway Bay Hong Kong

Name	Business Address
<i>Independent Non-executive Directors</i>	
Mr. FONG Wai Ho	Room 1602 16/F COFCO Tower 262 Gloucester Road Causeway Bay Hong Kong
Mr. CHOW Hiu Tung	Room 1602 16/F COFCO Tower 262 Gloucester Road Causeway Bay Hong Kong
Mr. CHEUNG Sze Ming	Room 1602 16/F COFCO Tower 262 Gloucester Road Causeway Bay Hong Kong

(b) Profiles of the Directors***Executive Directors***

Mr. CHEUNG Siu Fai (“Mr. Cheung”), aged 51, was appointed as an executive director of the Company on 20 February 2020 and chairman and the acting chief executive officer of the Company on 2 March 2021. He holds a Master Degree in Business Administration from The Chinese University of Hong Kong and a Bachelor Degree in Electronic Engineering from The Hong Kong Polytechnic University. Mr. Cheung is a director of certain subsidiaries of the Group. Mr. Cheung founded Hammer Capital Group Limited and is a director of Hammer Capital Asset Management Limited. Prior to founding Hammer Capital Group Limited, he was the Head of Asia Pacific of the Strategic Equity Solutions of Merrill Lynch (Asia Pacific) Limited (“**Merrill Lynch**”). Prior to his position at Merrill Lynch, he was the Head of Asia Pacific of the Strategic Equity Solutions and the Managing Director of the Structured Products of Asia of Citigroup Global Markets Asia Limited. He has also held key positions in various major investment banks in Asia Pacific like Calyon Corporate & Investment Bank (presently known as Crédit Agricole Corporate & Investment Bank) and JPMorgan Chase & Co.. Mr. Cheung was an executive director of Asia Coal Limited until the shares of which company were delisted from the Stock Exchange on 18 June 2019. Mr. Cheung was also an executive director of CT Environmental Group Limited (stock code: 1363) between 3 August 2020 and 10 November 2020 and was appointed as an executive director again of that company on 19 April 2021. Mr. Cheung is the sole director and shareholder of Beta Dynamic Limited, the holding company of the Company.

Mr. HUI Chun Wai Henry (“Mr. Hui”), aged 45, was appointed as an executive director of the Company on 2 March 2021. He holds a Bachelor Degree in Business Administration (Financial Accounting) from The Hong Kong University of Science and Technology. Mr. Hui is a director of certain subsidiaries of the Group. Mr. Hui is an employee of Hammer Capital Asset Management Limited. Prior to joining Hammer Capital Asset Management Limited, he was a Managing Director and the Regional Head of Structured Investments & Derivatives, Asia in BNP Paribas Wealth Management Hong Kong (“BNP”). Prior to his position at BNP, he was the Head of Equities Advisory & Sales Trading Hong Kong at Bank of Singapore Hong Kong Branch. He worked in UBS AG Wealth Management Hong Kong Branch and China Exchanges Services Company Limited before. He has also held positions in various major investment banks in Asia Pacific like Citigroup Global Markets Asia Limited and Calyon Corporate & Investment Bank (presently known as Crédit Agricole Corporate & Investment Bank).

Independent Non-executive Directors

Mr. FONG Wai Ho (“Mr. Fong”), aged 40, was appointed as an independent non-executive director of the Company on 20 February 2020. Mr. Fong has over 16 years of experience in auditing and business advisory services. He is the founder and has been a practitioner of UBC & Co., Certified Public Accountants since March 2013. Mr. Fong was the practicing director of Andes Glacier CPA Limited from March 2017 to March 2020. Mr. Fong holds a bachelor’s degree in business administration (honours) in accountancy and management information systems awarded by City University of Hong Kong. Mr. Fong is a practicing Certified Public Accountant in Hong Kong, a member of the Association of Chartered Certified Accountants as well as a fellow of the Hong Kong Institute of Certified Public Accountants. He is a member of the Chartered Professional Accountants of British Columbia and the Chartered Professional Accountants of Canada, respectively, as well as a member of CPA Australia. He is currently an independent non-executive director of Global Sweeteners Holdings Limited (stock code: 3889), Perennial Energy Holdings Limited (stock code: 2798) and CT Environmental Group Limited (stock code: 1363) respectively, the shares of which are listed on the Main Board of the Stock Exchange.

Mr. CHOW Hiu Tung (“Mr. Chow”), aged 49, was appointed as an independent non-executive director of the Company on 12 March 2021. He has over 23 years of experience in accounting and internal control. He has been an independent non-executive director of State Energy Group International Assets Holdings Limited, a company listed on the Stock Exchange (stock code: 918) since October 2018 and the company secretary of Neo-Neon Holdings Limited, a company listed on the Stock Exchange (stock code: 01868) since May 2020. Prior to joining State Energy Group International Assets Holdings Limited, Mr. Chow had been an independent non-executive director of Future Bright Mining Holdings Limited, a company listed on the Stock Exchange (stock code: 2212), from December 2014 to September 2018, and an independent non-executive director of National United Resources Holdings Limited (formerly known as China Outdoor Media Group Limited), a company listed on the Stock Exchange (stock code: 254), from October 2013 to March 2015. Mr. Chow obtained his bachelor’s degree in business administration in finance from Hong Kong University of Science and Technology in November 1995 and obtained his master’s degree in international business in December 2001 from the University of Sydney, Australia. Mr. Chow has been a member of the Hong Kong Institute of Certified Public Accountants (formerly known as the Hong Kong Society of Accountants) since January 1999. Mr. Chow has also been a member of the Association of Chartered Certified Accountants since April 2000 and was admitted as its fellow member in April 2005.

Mr. CHEUNG Sze Ming, aged 52, was appointed as an independent non-executive director of the Company on 12 March 2021. He has nearly 20 years of working experience from various public listed companies. Mr. Cheung Sze Ming is currently an executive director, the company secretary and the chief financial officer of Affluent Partners Holdings Limited, a company listed on the Stock Exchange (stock code: 1466) since April 2018, and an independent non-executive director of Ocean Line Port Development Limited, a company listed on the GEM Board of the Stock Exchange (stock code: 8502) since November 2020. He was an executive director and chief financial officer of Dingyi Group Investment Limited, a company listed on the Stock Exchange (stock code: 508), from October 2011 to March 2018. He worked in an international audit firm before joining the listed companies. Mr. Cheung Sze Ming holds a bachelor’s degree in Accountancy from Hong Kong Polytechnic (now known as the Hong Kong Polytechnic University). He is also a fellow member of the Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants (formerly known as the Hong Kong Society of Accountants).

10. DIRECTOR'S SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into or proposed to enter into any service contract with any member of the Group (excluding contracts expiring or determinable by the Group within one year without payment of compensation other than statutory compensation).

11. COMPETING INTEREST

As at the Latest Practicable Date, none of the Directors or, so far as is known to them, any of their respective close associates was interested in any business (apart from the Group's business) which competes or is likely to compete either directly or indirectly with the Group's business (as would be required to be disclosed under Rule 8.10 of the Listing Rules as if each of them were treated as a controlling shareholder).

12. EXPENSES

The expenses in connection with the Rights Issue, including the fees of legal and financial advisers and auditors, printing, registration, translation, legal and accountancy charges are estimated to be approximately HK\$1.25 million, which are payable by the Company.

13. GENERAL

The English language text of this prospectus and the other Prospectus Documents shall prevail over its Chinese language text, in case of any inconsistency.

14. LEGAL EFFECT

This prospectus, the PAL and the EAF, and all acceptances of any offer or application contained in such documents, are governed by and shall be construed in accordance with the laws of Hong Kong.

15. BINDING EFFECT

This prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (WUMP) Ordinance so far as applicable.

16. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

A copy of this prospectus, together with copies of the PAL and EAF and the written consent referred to in the paragraph headed "7. Qualification and Consent of the Expert" in this Appendix III, has been registered with the Registrar of Companies in Hong Kong for registration pursuant to section 342C of the Companies (WUMP) Ordinance.

17. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours from 9:30 a.m. to 5:30 p.m. (except Saturdays, Sundays and gazetted public holidays in Hong Kong) at Room 1602, 16/F, COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong for a period of 14 days from the date of this prospectus:

- (a) the memorandum of association and bye-laws of the Company;
- (b) the annual reports of the Company for the two years ended 31 December 2019 and 2020;
- (c) the report on the unaudited pro forma financial information of the Group issued by Confucius International CPA Limited, the text of which is set out in Appendix II to this prospectus;
- (d) the letter of consent from the expert referred to in the paragraph headed “7. Qualification and Consent of the Expert” in this Appendix III;
- (e) the contracts referred to in the paragraph headed “5. Material Contracts” in this Appendix III;
- (f) the major transaction circular of the Company dated 24 February 2021; and
- (g) the major transaction circular of the Company dated 25 May 2021.