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**IMPORTANT**

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

**If you have sold or transferred** all your shares in **Shirble Department Store Holdings (China) Limited**, you should at once hand this circular to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

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**Shirble Department Store Holdings (China) Limited**

**歲寶百貨控股(中國)有限公司**

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

**(Stock code: 00312)**

**MAJOR TRANSACTION  
DISPOSAL OF SHARES IN TFG INTERNATIONAL  
GROUP LIMITED**

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Capitalised terms used on this cover page have the same meaning as defined in the section headed "Definitions" in this circular, unless the context requires otherwise.

The Disposal has been approved by written shareholder's approval, pursuant to Rule 14.44 of the Listing Rules in lieu of general meeting of the Company. This circular is being despatched to the Shareholders for information only.

Hong Kong, 18 November 2022

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## DEFINITIONS

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

“Board”	the board of Directors
“Business Day”	a day on which banks in Hong Kong and the PRC are generally open for normal banking business (other than (i) a Saturday, Sunday or public holiday in Hong Kong and the PRC; or (ii) a day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is hoisted in Hong Kong)
“BVI”	the British Virgin Islands
“Company”	Shirble Department Store Holdings (China) Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 312)
“Completion”	completion of the sale and purchase of 1,320,000,000 TFG Shares contemplated under the Sale and Purchase Agreement, which took place on the Completion Date
“Completion Date”	30 September 2022, on which Completion took place
“Conditions”	the conditions precedent to the Completion which are set forth in the paragraph under “Conditions Precedent” in the section headed “Sale and Purchase Agreement” of the “Letter from the Board” in this circular, and each a Condition
“Consideration”	the consideration payable for the sale and purchase of 1,320,000,000 TFG Shares under the Sale and Purchase Agreement, being HK\$60,456,000
“Directors”	the directors of the Company
“Disposal”	the disposal of the 1,320,000,000 TFG Shares (representing approximately 19.0% of the issued share capital of TFG as at the Latest Practicable Date and the Completion Date) by the Vendor pursuant to the Sale and Purchase Agreement

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## DEFINITIONS

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“Force Majeure Events”	include the promulgation of any laws and regulations after the date of the Sale and Purchase Agreement which have retrospective effect, acts of public enemy, fires, floods, earthquakes, typhoons or other natural disasters, epidemics, wars, government expropriation, and social anomalies such as strikes or riots not caused by the negligence or misconduct of any party to the Sale and Purchase Agreement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	14 November 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange
“Long Stop Date”	60 days after the signing of the Sale and Purchase Agreement, or any other later date as agreed by the Vendor and the Purchaser in writing
“PRC”	the People’s Republic of China which, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	Bright Goal Investment Holding Limited (明高投資控股有限公司), a company incorporated in the BVI with limited liability
“Sale and Purchase Agreement”	the sale and purchase agreement dated 29 August 2022 entered into between the Vendor and the Purchaser in respect of the Disposal

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## DEFINITIONS

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“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholders”	holders of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TFG”	TFG International Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 542)
“TFG Group”	TFG and its subsidiaries
“TFG Shares”	share(s) of HK\$0.01 each in the issued share capital of TFG
“Vendor”	Baoke Trading (BVI) Company Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of the Company
“%”	per cent.

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LETTER FROM THE BOARD

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**Shirble Department Store Holdings (China) Limited**  
**歲寶百貨控股（中國）有限公司**

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

**(Stock code: 00312)**

*Executive Director:*

Mr. YANG Ti Wei (Deputy Chairman  
and Chief Executive Officer)

*Non-executive Director:*

Ms. HUANG Xue Rong (Chairlady)

*Independent non-executive Directors:*

Mr. CHEN Fengliang  
Mr. JIANG Hongkai  
Mr. TSANG Wah Kwong

*Registered Office:*

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

*Head Office:*

7/F, Sen Tou Zhi Gu Building,  
Block 412 Bagua 4th Road,  
Futian District,  
Shenzhen  
PRC

*Principal place of business  
in Hong Kong:*

Unit C2, 30th Floor, T G Place  
10 Shing Yip Street  
Kwun Tong  
Kowloon  
Hong Kong

18 November 2022

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## LETTER FROM THE BOARD

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Dear Sir or Madam,

### **MAJOR TRANSACTION DISPOSAL OF SHARES IN TFG INTERNATIONAL GROUP LIMITED**

#### **INTRODUCTION**

Reference is made to the announcements of the Company dated 29 August 2022, 6 September 2022 and 3 October 2022 respectively in relation to, among other things, the Disposal.

On 29 August 2022 (after trading hours), the Vendor, a wholly-owned subsidiary of the Company, and the Purchaser entered into the Sale and Purchase Agreement, pursuant to which the Purchaser agreed to acquire, and the Vendor agreed to sell 1,320,000,000 TFG Shares, representing approximately 19.0% of the total issued share capital of TFG as at the Latest Practicable Date and the Completion Date, at the price of HK\$0.0458 per TFG Share and for a total Consideration of HK\$60,456,000.

The purpose of this circular is to provide you with further details regarding, amongst other things, the Disposal. The principal terms of the Sale and Purchase Agreement are set forth below: -

#### **SALE AND PURCHASE AGREEMENT**

##### **Date**

29 August 2022 (after trading hours)

##### **Parties**

- (i) the Vendor
- (ii) the Purchaser

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Purchaser is a third party independent of and not connected with the Company and its connected persons.

##### **Subject matter and the Consideration**

Pursuant to the terms of the Sale and Purchase Agreement, the Purchaser agreed to acquire, and the Vendor agreed to sell 1,320,000,000 TFG Shares, representing approximately 19.0% of the total issued share capital of TFG at the Latest Practicable Date, at the price of HK\$0.0458 per TFG Share and for a total Consideration of HK\$60,456,000.

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## LETTER FROM THE BOARD

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The Consideration was determined after arm's length negotiation between the Purchaser and the Vendor taking into consideration of (i) the loss-making track record of TFG Group in the past two financial years and the continuing loss-making track record for the six months ended 30 June 2022 (neglecting the one-off gain on disposal recognised during the period); (ii) the unaudited financial position of TFG Group as at 30 June 2022 where the net liabilities and total assets of TFG Group as at 30 June 2022 amounted to approximately HK\$22.1 million and approximately HK\$3,722.8 million, respectively; (iii) the audited net current liabilities of TFG as at 31 December 2021 were approximately HK\$685.9 million and the loss before tax for the year ended 31 December 2021 was approximately of HK\$341.1 million, which cast significant doubt on the going concern of the TFG Group. Should the going concern assumption for preparation of the audited financial statements of TFG Group for the financial year ended 31 December 2021 be inappropriate, adjustments would have to be made to the consolidated financial statements to write down the value of the assets of TFG, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, all of which may materially and adversely affect the financial position of the TFG Group; (iv) the Consideration per TFG Share represents a premium of approximately 115.7 times over the unaudited equity attributable to the shareholder of TFG per TFG Share as at 30 June 2022 which amounted to HK\$0.00039; (v) the historical market value of TFG Shares which exhibited a downward trend in general from HK\$0.229 per TFG Shares on 4 January 2021 to HK\$0.093 per TFG Share on 29 August 2022; (vi) the unpredictable business development prospects of TFG Group; and (vii) the low liquidity of TFG Shares where the average trading volume of the TFG Shares per trading day during the six months ended 30 June 2022 were approximately 750,000 TFG Shares.

### **The Payment Terms**

The Consideration has been paid by the Purchaser to the Vendor in cash in the following manner:

- (i) HK\$6,045,600 (representing 10% of the Consideration) has been paid by the Purchaser to the Vendor as deposit (the “**Deposit**”) immediately after execution of the Sale and Purchase Agreement. The Deposit shall be applied towards part payment of the Consideration at Completion; and
- (ii) the balance of the Consideration in the sum of HK\$54,410,400 has been paid upon Completion.

Completion was conditional upon satisfaction of the Conditions. Pursuant to the Sale and Purchase Agreement, any of the Conditions had not been satisfied on or before the Long Stop Date, the Sale and Purchase Agreement would cease and determine, and the Vendor should refund the Deposit in full to the Purchaser without interest within 10 Business Days after receiving the Purchaser's written notice.

If all Conditions have been satisfied, but Completion had not taken place on or before the Long Stop Date due to: -

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## LETTER FROM THE BOARD

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- (a) any Force Majeure Event, the Sale and Purchase Agreement would have ceased and determine, and the Vendor should refund the Deposit in full to the Purchaser without interest within 10 Business Days after receiving the Purchaser's written notice; or
- (b) any breach of the Sale and Purchase Agreement by the Vendor (other than any breach contributed by Force Majeure Events or Purchaser's fraud, wilful misconduct, material wrongdoing, gross negligence or breach of contract), the Vendor should refund the Deposit in full to the Purchaser without interest within 10 Business Days after receiving the Purchaser's written notice and the Vendor should also be liable to pay a further sum in the same amount to the Purchaser whereupon the Sale and Purchase Agreement shall cease and determine; or
- (c) causes other than those as mentioned in (a) and (b) above, the Vendor should be entitled to forfeit the Deposit whereupon the Sale and Purchase Agreement shall cease and determine.

### **TFG Share Price**

The price of HK\$0.0458 per TFG Share represents:

- (i) a discount of approximately 50.8% to the closing price of HK\$0.093 per TFG Share as quoted on the Stock Exchange on 29 August 2022, being the date of the Sale and Purchase Agreement;
- (ii) a discount of approximately 51.1% to the average closing price of approximately HK\$0.094 per TFG Share for the last five consecutive trading days of the Stock Exchange immediately prior to and including the date of the Sale and Purchase Agreement;
- (iii) a discount of approximately 49.2% to the average closing price of approximately HK\$0.090 per TFG Share for the last ten consecutive trading days of the Stock Exchange immediately prior to and including the date of the Sale and Purchase Agreement;
- (iv) a discount of approximately 52.5% to the average closing price of approximately HK\$0.096 per TFG Share for the last thirty consecutive trading days of the Stock Exchange immediately prior to and including the date of the Sale and Purchase Agreement; and
- (v) a premium of approximately 115.7 times over the unaudited equity attributable to the shareholders of TFG per TFG Share of approximately HK\$0.00039 (calculated based on the unaudited equity attributable to owners of TFG as at 30 June 2022 of approximately HK\$2,727,000 and a total of 6,946,350,040 shares of TFG in issue as at 30 June 2022).

### **Conditions Precedent**

Completion was conditional upon the satisfaction of the following Conditions:

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## LETTER FROM THE BOARD

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- (i) the listing status of TFG not having been withdrawn; and
- (ii) certain warranties to be given by the Vendor remaining true and accurate upon the date of the Completion.

All the Conditions have been fulfilled.

### **Completion**

Pursuant to the Sale and Purchase Agreement, completion should have been taken place within 60 days after the date of the Sale and Purchase Agreement (or any other date as agreed between the Vendor and the Purchaser). As all conditions precedent under the Sale and Purchase Agreement have been fulfilled, Completion took place on 30 September 2022.

### **INFORMATION ON THE PARTIES AND TFG**

#### **Information on the Vendor and the Group**

The Vendor is incorporated in the BVI and is a wholly-owned subsidiary of the Company. The principal business activity of the Vendor is investment holding. The Group is principally engaged in the operations of department stores and community shopping malls in the PRC.

#### **Information on the Purchaser**

The Purchaser is a company incorporated on 1 June 2022 in the BVI with limited liability and is principally engaged in investment holding. The Purchaser is wholly-owned by Mr. HUANG Anfeng (黃岸峰先生) who is a PRC individual resident and the general manager of Foshan Huaxing Mahogany Furniture Company Limited\* (佛山市華行紅木傢俱有限公司), which principally engages in the production and sales of mahogany furniture in Guangdong Province. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiry, each of the Purchaser and its ultimate beneficial owner is an Independent Third Party.

#### **Information on TFG**

TFG is incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 542). The TFG Group is principally engaged in property development and hotel business in the PRC.

The following information is extracted from the published annual results announcement of TFG for the year ended 31 December 2021 and published interim results announcement of TFG for the six months ended 30 June 2022.

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## LETTER FROM THE BOARD

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	For the six months ended 30 June	For the year ended 31 December	
	2022 (unaudited) (HK\$ million)	2021 (audited) (HK\$ million)	2020 (audited) (HK\$ million)
Profit /(loss) before tax	160.5	(341.1)	(216.6)
Profit / (loss) after tax	160.3	(341.5)	(216.8)
Net (liabilities)/assets	(22.1)	(123.2)	207.5

As at 30 June 2022, the unaudited equity attributable to owners of TFG amounted to HK\$2,727,000 and as at 31 December 2021, the audited negative equity attributable to owners of TFG amounted to HK\$163,569,000. The profit for the six months ended 30 June 2022 were mainly contributed by the disposal of a direct wholly-owned subsidiary of TFG Group in May 2022, which was an one-off gain on disposal of approximately HK\$223.2 million during the period.

### REASONS FOR AND BENEFITS OF THE DISPOSAL

As disclosed in the 2021 annual report, the Group intends to slow down its property projects and continue to focus on the sustainable development of its retail business. Considering the recent performance of TFG Shares, the Group is of the opinion that the Disposal represents a good opportunity for the Group to monetarise the value in its investment in the TFG Group, which is principally engaging in properties development and hotel business. Through the Disposal, as the Group will be able to strengthen its cashflow, enhance its working capital position and to optimize allocation of its financial resources for the future development of the department store business, the Directors considers that the Disposal is beneficial to the Group's long-term development. Considering the low liquidity of TFG Shares and the historical financial performance of the TFG Group, the Directors are also of the view that the Consideration is fair and reasonable as regards to a minority shareholder of TFG who intends to sell a large amount of TFG Shares.

In light of the above, the Board is of the view that the terms of the Sale and Purchase Agreement (including but not limited to the payment terms) are on normal commercial terms, fair and reasonable, and the entering into of the Sale and Purchase Agreement is in the interests of the Company and its shareholders as a whole.

### FINANCIAL EFFECT OF THE DISPOSAL

Upon Completion, the Company expects that it will record a loss on the Disposal of approximately HK\$58.3 million, which is estimated based on the Consideration and the audited financial assets at fair value through profit or loss of the Company as at 31 December 2021. The Company will de-recognize financial assets at fair value through profit or loss which will be measured at fair value in accordance with the International Financial Reporting Standard 9. The Board intends to utilise the net proceeds from the Disposal as general working capital of the Group.

Following the Completion, the Company has ceased to have any interest in TFG.

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## LETTER FROM THE BOARD

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### IMPLICATIONS UNDER THE LISTING RULES

As one of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in relation to the Disposal is more than 25% but is less than 75%, the Disposal constitutes a major transaction for the Company and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

### WRITTEN SHAREHOLDERS' APPROVAL

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder has any material interest in the Disposals. Thus, if the Company were to convene a general meeting to approve the Disposal, no Shareholder is required to abstain from voting on the resolutions in relation to the Disposal.

The Company has received a written approval from Shirble Department Store Limited, one of the controlling Shareholders, holding 1,374,167,500 Shares (representing approximately 55.08% of the total number of Shares in issue as at the date of the written Shareholder's approval and the Latest Practicable Date respectively) to approve the Disposal. Hence, the Company would not convene a general meeting for the purpose of seeking the approval of the Shareholders on the Disposal pursuant to Rule 14.44 of the Listing Rules.

### RECOMMENDATION

Although no general meeting will be convened for approving the Disposal, the Directors (including the independent non-executive Directors) believe that the Disposal and the Sale and Purchase Agreement are fair and reasonable and are in the best interests of the Company and the Shareholders as a whole. Accordingly, if the general meeting were convened for approving the Disposal, the Directors would have recommended the Shareholders to vote in favour of the Disposal and the Sale and Purchase Agreement.

### ADDITIONAL INFORMATION

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

Yours faithfully,  
For and on behalf of the Board  
**Shirble Department Store Holdings (China) Limited**  
**YANG Ti Wei**  
*Deputy Chairman, Chief Executive Officer and  
Executive Director*

## 1. FINANCIAL STATEMENTS OF THE GROUP

Details of the financial information of the Group for the financial years ended 31 December 2019, 2020 and 2021 are disclosed in the Company's annual reports for the financial years ended 31 December 2019, 2020 and 2021 respectively. Details of the financial information of the Group for the six months ended 30 June 2022 has been disclosed on the Company's 2022 interim report.

All of these financial statements can be accessed on the website of the Stock Exchange at [www.hkex.com.hk](http://www.hkex.com.hk) and the Company's website at [www.shirble.net](http://www.shirble.net).

Quick links to these financial statements are set out below:

Annual report of the Company for the year ended 31 December 2019:

Stock Exchange's website:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0424/2020042400493.pdf>

Company's website:

[http://shirblehk.com/en/ir\\_report.php?year=2019](http://shirblehk.com/en/ir_report.php?year=2019)

Annual report of the Company for the year ended 31 December 2020:

Stock Exchange's website:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0419/2021041900174.pdf>

Company's website:

[http://shirblehk.com/en/ir\\_report.php?year=2020](http://shirblehk.com/en/ir_report.php?year=2020)

Annual report of the Company for the year ended 31 December 2021:

Stock Exchange's website:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0427/2022042700331.pdf>

Company's website:

[http://shirblehk.com/en/ir\\_report.php?year=2021](http://shirblehk.com/en/ir_report.php?year=2021)

Interim report of the Company for the six months ended 30 June 2022:

Stock Exchange's website:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0923/2022092300897.pdf>

Company's website:

[http://shirblehk.com/en/ir\\_report.php?year=2022](http://shirblehk.com/en/ir_report.php?year=2022)

## 2. MATERIAL ADVERSE CHANGE

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

### 3. INDEBTEDNESS

#### *Borrowings*

As at the close of business on 30 September 2022, the Group had total bank borrowings secured by certain investment properties and properties held for sale of approximately RMB370.37 million and RMB254.02 million respectively. The total bank borrowings were guaranteed.

#### *Lease liabilities - unsecured and unguaranteed*

As at the close of business on 30 September 2022, the Group had total lease liabilities, primarily the rental payable for the Group's office premises and leased properties of approximately RMB954.79 million.

#### *Contingent liabilities*

As at the close of business on 30 September 2022, the Group had contingent liabilities of approximately RMB0.49 million arising in the ordinary course of business, mainly in respect of disputes over contract terms and employment contract terms from certain suppliers and ex-employee.

Save as aforesaid, and apart from intra-group liabilities and normal trade and other payables, the Group did not have any loan capital issued or agreed to be issued, debt securities issued and outstanding, authorised or otherwise created but unissued, term loans, other borrowings or indebtedness including bank overdrafts, liabilities under acceptances, acceptance credits, debentures, mortgages, charges, finance lease or hire purchase commitments, guarantees or other contingent liabilities outstanding at the close of business on 30 September 2022.

### 4. WORKING CAPITAL

As at 30 September 2022, the Group has outstanding secured bank borrowing of approximately RMB254 million under its loan facility of RMB300 million (the "**Loan Facility**"), which will be expiring in November 2023. The Loan Facility is secured by the Group's properties held for sale. As at the Latest Practicable Date, the Group has yet commenced the negotiations with the relevant bank for the extension of the Loan Facility as the Group is currently contemplating its plan on the sale of the properties held for sale. The directors are confident that the Group will be able to generate sufficient cash inflow from the sales of the properties held for sale to repay the borrowing under the Loan Facility or to extend the Loan Facility upon its maturity.

The Directors are of the opinion that, in the absence of unforeseeable circumstances and after taking into account the Disposal, the financial resources available to the Group, including the internally generated funds, the successful extension of the Loan Facility and the continued availability of the Group's other existing banking facilities, the Group has sufficient working capital for its present requirements for at least the next twelve months from the date of this circular.

However, if the Group fails to generate sufficient cashflow from the sale of the properties held for sale to repay the borrowing under the Loan Facility, to extend the Loan Facility upon its maturity or to secure other alternative source of funding, it will not have sufficient working capital for its present requirements for at least the next twelve months from the date of this circular.

## **5. BUSINESS REVIEW AND FINANCIAL AND TRADING PROSPECTS**

The Group is principally engaged in the operations of department stores and property development in PRC.

Revenue of the Group were all contributed from the department store business for the six months ended 30 June 2022 and the same period in 2021. Revenue of the Group amounted to RMB90.1 million for the six months ended 30 June 2022, representing a decrease of 22.3% as compared to RMB116.0 million for the same period in 2021. Loss attributable to owners of the Company amounted to RMB129.4 million for the six months ended 30 June 2022, as compared to loss of RMB215.7 million for the same period in 2021.

After the Completion, the Group will consolidate its resources, strengthen the management and adopt prudent business strategies to mitigate the pressure from the economic slowdown. With the economic downside risk relating to the pandemic and the highly leveraged real estate sector, the Group has reduced the property investments and swiftly implemented proactive measures to mitigate the negative impact and to strengthen business resilience and enhance customer engagement on our retail business.

## 1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company.

The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters not contained in this circular, the omission of which would make any statement herein or this circular misleading.

The issuance of this circular has been approved by the Directors.

## 2. DISCLOSURE OF INTERESTS

### (I) Directors' and chief executive's interests and short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or which were required pursuant to section 352 of the SFO to be entered in the register referred to therein; or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**") as set out in Appendix 10 to the Listing Rules as adopted by the Company, were as follows:

#### (a) Long positions in shares of the Company

Name of Director	Number of Shares/ underlying Shares	Capacity and nature of interests	Approximate percentage of total issued share capital
Ms. HUANG Xue Rong	1,374,167,500	Administrator <i>(note)</i>	55.08%
	8,324,000	Beneficial owner	0.33%
Mr. YANG Ti Wei	2,490,000	Beneficial owner	0.09%

*Note: Ms. HUANG Xue Rong has been appointed as the administrator of the estate of Mr. YANG Xiangbo, which include all the issued share capital of Xiang Rong Investment Limited ("**Xiang Rong**"). Xiang Rong owns the entire issued share capital of Shirble Department Store Limited ("**Shirble BVI**"). As such, Mr. HUANG Xue Rong is deemed to be interested in the 1,374,167,500 Shares held by Shirble BVI.*

**(b) Long positions in shares of associated corporations**

Name of Director	Name of associated corporations	Number of shares/ underlying shares	Capacity and nature of interests	Approximate percentage of total issued share capital
Ms. HUANG Xue Rong	Shirble BVI	50,000	Administrator (note)	100%
Ms. HUANG Xue Rong	Xiang Rong	100	Administrator (note)	100%

*Note:* Ms. HUANG Xue Rong has been appointed as the administrator of the estate of Mr. YANG Xiangbo, which include all the issued share capital of Xiang Rong. Xiang Rong owns the entire issued share capital of Shirble BVI.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executives of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which any such Director was taken or deemed to have under such provisions of the SFO); or which was required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which was required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

**(c) Other Director's interest**

As at the Latest Practicable Date, except Ms. HUANG Xue Rong, being the sole director of Shirble BVI and Xiang Rong, none of the Directors was a director or employee of a company which had or was deemed to have an interest or short position in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

**(II) Substantial Shareholders who have an interest and/or short position which is disclosable under Divisions 2 and 3 of Part XV of the SFO**

So far as is known to the Directors and chief executive of the Company, as at the Latest Practicable Date, the following persons (other than Directors and chief executives of the Company) had, or were deemed or taken to have an interest or short position in the Shares and underlying Shares of the Company, which are required to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

**(a) Long positions in shares of the Company**

Name	Number of Shares/ underlying Shares	Capacity and nature of interests	Approximate percentage of total issued Shares
Shirble BVI	1,374,167,500	Administrator ( <i>note</i> )	55.08%
Xiang Rong	1,374,167,500	Interest in a controlled corporation ( <i>note</i> )	55.08%
Mr. HAO Jian Min	374,250,000	Beneficial owner	15.00%

*Note: The 1,374,167,500 shares of the Company were held by Shirble BVI, which was wholly owned by Xiang Rong. Ms. HUANG Xue Rong has been appointed as the administrator of the estate of Mr. YANG Xiangbo, which include all the issued share capital of Xiang Rong. According to the SFO, both of Ms. HUANG Xue Rong and Xiang Rong were deemed to have interests in the 1,374,167,500 shares held by Shirble BVI.*

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other person (other than the Directors and chief executives of the Company) who had, or was deemed or taken to have, an interest or short position in the Shares and underlying Shares of the Company which are required to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

**3. COMPETING BUSINESS**

As at the Latest Practicable Date, none of the Directors and his close associates had any interests which competes or was likely to compete, either directly or indirectly, with the Company's business as required to be disclosed pursuant to the Listing Rules.

**4. SERVICE CONTRACTS**

As at the Latest Practicable Date, no Director had a service contract with any member of the Group which is not determinable by such member of the Group within one year without payment of compensation other than statutory compensation.

**5. DIRECTORS' INTEREST IN ASSETS**

None of the Directors had any direct or indirect interest in any asset which had been, since 31 December 2021 (being the date to which the latest published audited consolidated financial statements of the Group were made up) and up to the Latest Practicable Date, acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group.

## 6. DIRECTORS' INTEREST IN CONTRACTS OF SIGNIFICANCE

There was no contract or arrangement of significance in relation to the Group's business in which a Director had a material interest, whether directly or indirectly, subsisting as at the date of this circular.

## 7. LITIGATIONS

As at the Latest Practicable Date, certain suppliers and ex-employee have commenced legal proceedings in the PRC against Shenzhen Shirble Department Store Co., Limited, Shenzhen Shirble Chain Store Limited Liability Company and LuFeng Shirble Department Store Co., Limited, subsidiaries of the Company in respect of disputes over contract terms and employment contract terms, these legal proceedings are ongoing. The Group has made an accumulated provision of RMB0.49 million (31 December 2021: RMB0.7 million), which the Directors believe that it is adequate to cover the amounts, if any, payable in respect of these claims.

Save as disclosed above, the Directors were not aware of any other litigation or claims of material importance which were pending or threaten against any member of the Group.

## 8. MATERIAL CONTRACTS

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

- (a) termination agreement dated 30 December 2020 entered into between Shenzhen Shirble Enterprise Management Co., Ltd (“**Shirble Management Consultant**”) and Shenzhen Shengrunfeng Investment & Development Co., Ltd.\* (深圳市晟潤豐投資發展有限公司) (“**SRF**”) in relation to the early termination of the integrated consulting service agreement entered into between the same parties on 8 April 2019 pursuant to which Shirble Management Consultant has agreed to provide to SRF certain consulting services in respect of the property development project situated at the intersection between Shangbu Road and Nigang Road, the Futian District, Shenzhen, the PRC owned by SRF;
- (b) termination agreement dated 30 December 2020 entered into between Shirble Management Consultant and Shenzhen Hexinglong Industrial Co., Ltd.\* (深圳市禾興隆實業有限公司) (“**HXL**”) in relation to the early termination of the integrated consulting service agreement entered into between the same parties on 8 April 2019 pursuant to which Shirble Management Consultant has agreed to provide to HXL certain consulting services in respect of the property development project situated at the Baoan District, Shenzhen, the PRC owned by HXL; and
- (c) the Sale and Purchase Agreement.

**9. MISCELLANEOUS**

- (a) The Hong Kong branch share registrar and transfer office of the Company is Link Market Services (Hong Kong) Pty Limited at Suite 1601, 16/F., Central Tower, 28 Queen's Road Central, Hong Kong.
- (b) The secretary of the Company and the qualified accountant of the Company is Mr. CHOW Chun Pong, who is a member of the Hong Kong Institute of Certified Public Accountants and a member of the Association of Chartered Certified Accountants.
- (c) The registered office of the Company is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The head office and principal place of business of the Company in Hong Kong is situated at Unit C2, 30th Floor, T G Place, 10 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong.
- (d) Unless otherwise stated, all references to times and dates in this circular refer to Hong Kong times and dates.
- (e) In the event of any inconsistency, the English language text of this circular shall prevail over the Chinese language text.

**10. DOCUMENTS AVAILABLE ON DISPLAY**

Copies of the following documents will be published on the websites of the Stock Exchange at [www.hkex.com.hk](http://www.hkex.com.hk) and the Company's website at [www.shirble.net](http://www.shirble.net) from the date of this circular up to 14 days thereafter:

- (a) the Sale and Purchase Agreement; and
- (b) the letter from the board as set forth in this circular.