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# THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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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 or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Wisdomcome Group Holdings Limited, you should at once hand the Prospectus Documents to the purchaser(s) or transferee(s), or to the bank manager, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

Subject to the granting of 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 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 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 documents specified in the paragraph headed "13. Documents delivered to the Registrar of Companies in Hong Kong" 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 (Cap. 32). 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.

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

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of the Prospectus Documents, 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.

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## 仍志集團控股有限公司 WISDOMCOME GROUP HOLDINGS LIMITED

*(Continued into Bermuda with limited liability)*

(Stock Code: 8079)

### RIGHTS ISSUE ON THE BASIS OF THREE RIGHTS SHARES FOR EVERY ONE EXISTING SHARE HELD ON THE RECORD DATE

Underwriter of the Rights Issue



Financial adviser of the Rights Issue



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Unless the context requires otherwise, capitalised terms used on this cover have the same meanings as those defined in this Prospectus.

**The Rights Issue is underwritten on a fully underwritten basis.** Pursuant to the Company's constitutional documents, the Companies Act of Bermuda, the Companies (WUMP) Ordinance and the GEM Listing Rules, there are no requirements for minimum levels of subscription in respect of the Rights Issue. Subject to fulfillment or satisfaction of the conditions precedent of the Rights Issue, the Rights Issue will proceed regardless of the ultimate subscription level. Any Rights Shares not accepted for by the Qualifying Shareholders or transferees of nil-paid Rights Shares and not taken by excess application will be taken up by the Underwriter pursuant to the terms and conditions of the Underwriting Agreement.

It should be noted that the Shares have been dealt in on an ex-rights basis from Friday, 1 December 2023. Dealings in the Rights Shares in nil-paid form are expected to take place from Wednesday, 3 January 2024 to Wednesday, 10 January 2024 (both days inclusive). If the conditions of the Rights Issue are not fulfilled or the Underwriting Agreement is terminated by the Underwriter, the Rights Issue will not proceed. Any person contemplating dealing in the nil-paid Rights Shares during the period from Wednesday, 3 January 2024 to Wednesday, 10 January 2024 (both days inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional and/or may not proceed. Any person contemplating dealing in the Shares and/or the Rights Shares in their nil-paid form are recommended to consult his/her/its/their own professional advisers.

**The latest time for acceptance of and payment for the Rights Shares and application and payment for excess Rights Shares is 4:00 p.m. on Monday, 15 January 2024. The procedure for acceptance and payment or transfer of the Rights Shares is set out on pages 21 to 23 in the section headed "Letter from the Board – Rights Issue – Procedures for acceptance and payment or transfer" of this Prospectus.**

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## CHARACTERISTICS OF GEM

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

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

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## DEFINITIONS

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

“acting in concert”	has the same meaning ascribed thereto under the Takeovers Code
“Announcement”	the announcement of the Company dated 15 August 2023 in relation to, among other things, the Rights Issue
“Appointer”	Toprich Elite Limited, the chargee of the Charged Shares
“associate(s)”	has the same meaning ascribed thereto under the GEM Listing Rules
“Best Richest”	Best Richest Management Company Limited, a company incorporated in Hong Kong with limited liability and is directly wholly owned by Mr. Chan
“Board”	the board of Directors
“Business Day(s)”	any day (other than a Saturday or Sunday or public holiday or a day on which a typhoon signal no. 8 or above or black rainstorm signal is hoisted in Hong Kong between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Participant”	a person admitted by HKSCC to participate in CCASS as a direct clearing participant, general clearing participant, or custodian participant, or a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
“Charged Shares”	181,196,866 Shares held by Best Richest and 43,000,000 Shares held by Mr. Cheng, totaling 224,196,866 Shares and represent approximately 42.23% of the total issued shares of the Company as at the Latest Practicable Date
“Committed Shares”	an aggregate of 543,590,598 Rights Shares to be provisionally allotted to and subscribed by the Best Richest under the Rights Issue which it has undertaken to subscribe pursuant to the Irrevocable Undertaking

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## DEFINITIONS

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“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong
“Company”	Wisdomcome Group Holdings Limited, formerly known as Easy Repay Finance & Investment Limited, a company incorporated in the Cayman Islands and continued into Bermuda with limited liability, the issued Shares of which are listed on GEM (stock code: 8079)
“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“controlling shareholder(s)”	has the meaning ascribed thereto under the GEM 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 excess Rights Shares, in such usual form as may be agreed between the Company and the Underwriter
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Committee”	has the meaning ascribed thereto under the GEM Listing Rules
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency for the time being of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Shareholder(s)”	any Shareholder(s) other than any controlling shareholders and their associates or, where there are no controlling shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and any of its connected persons

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## DEFINITIONS

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“Irrevocable Undertaking”	an irrevocable undertaking dated 15 August 2023 granted by Best Richest in favour of the Company, details of which are set out in the section headed “Irrevocable Undertaking” in this Prospectus
“Last Trading Day”	Tuesday, 15 August 2023, being the last trading day of the Shares on the Stock Exchange before the release of the Announcement
“Latest Practicable Date”	Thursday, 21 December 2023, being the latest practicable date before the printing of this Prospectus for the purpose of ascertaining certain information contained herein
“Latest Time for Acceptance”	4:00 p.m. on Monday, 15 January 2024 or other time or date as may be agreed in writing between the Company and the Underwriter, being the latest time for acceptance of, and payment for, the Rights Shares and application and payment for excess Rights Shares
“Latest Time for Termination”	4:00 p.m. on Tuesday, 16 January 2024 or such other time or date as the Underwriter may agree in writing with the Company
“Loans”	Loans made available by the Appointer to Mr. Chan
“Mr. Chan”	Mr. Chan Yan Tak, the chairman, an executive Director and a controlling shareholder of the Company
“Mr. Cheng”	Mr. Cheng Sai Chit Luke, holder of 43,000,000 Shares
“Non-Qualifying Shareholder(s)”	those Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary, or expedient not to offer the Rights Issue to such Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose registered address(es) as shown on such register at that time is (are) in (a) place(s) outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue

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## DEFINITIONS

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“PRC”	the People’s Republic of China which, for the purpose of this Prospectus, excludes Taiwan, Hong Kong and the Macau Special Administrative Region
“Prospectus”	this prospectus being despatched to the Shareholders containing details of the Rights Issue
“Prospectus Documents”	this Prospectus, the PAL and the EAF
“Prospectus Posting Date”	Friday, 29 December 2023 or such other date as may be agreed in writing between the Underwriter and the Company, being the date of despatch of the Prospectus Documents to the Qualifying Shareholders or the Prospectus for information only to the Non-Qualifying Shareholders (as the case may be)
“Qualifying Shareholder(s)”	Shareholder(s), other than the Non-Qualifying Shareholders, whose name(s) appeared on the register of members of the Company as at the close of business on the Record Date
“Receivers”	Mr. Osman Mohammed Arab and Mr. Lai Wing Lun of Acclime Corporate Advisory (Hong Kong) Limited
“Record Date”	Monday, 11 December 2023 or such other date as may be agreed between the Company and the Underwriter in writing for the determination of the entitlements under the Rights Issue
“Registrar”	the branch share registrar of the Company in Hong Kong, being Tricor Standard Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Rights Issue”	the issue of 1,555,932,093 Rights Shares at the Subscription Price on the basis of three Rights Shares for every one existing Share held as at the close of business on the Record Date payable in full on acceptance and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents
“Rights Share(s)”	1,555,932,093 Shares (assuming no Shares have been issued or repurchased by the Company before the Record Date) to be issued and allotted 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), as amended from time to time

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## DEFINITIONS

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“SGM”	the special general meeting of the Company held on Wednesday, 29 November 2023 for the Independent Shareholders to consider and, if thought fit, to approve the Rights Issue (including the Underwriting Agreement) and the transactions contemplated thereunder
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$0.045 per Rights Share
“substantial Shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Supplemental Underwriting Agreement”	the supplemental underwriting agreement dated 6 November 2023 and entered into between the Company and the Underwriter to amend the Underwriting Agreement
“Takeovers Code”	the Code on Takeovers and Mergers issued by the SFC as amended and supplemented from time to time
“Underwriter”	RaffAello Securities (HK) Limited, a licensed corporation carrying out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO
“Underwriting Agreement”	the underwriting agreement dated 15 August 2023 and entered into between the Company and the Underwriter in relation to the Rights Issue (as supplemented by the Supplemental Underwriting Agreement)
“Underwritten Shares”	1,012,341,495 Rights Shares (other than the Committed Shares) to be underwritten by the Underwriter pursuant to the terms and conditions of the Underwriting Agreement
“%”	per cent.

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## EXPECTED TIMETABLE

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*The expected timetable for the Rights Issue set out below is for indicative purposes only and it has been prepared on the assumption that all the conditions of the Rights Issue will be fulfilled.*

<b>Event</b>	<b>Date and time</b>
First day and time of dealings in nil-paid Rights Shares . . . . .	9:00 a.m. on Wednesday, 3 January 2024
Latest time for splitting nil-paid Rights Shares . . . . .	4:30 p.m. on Friday, 5 January 2024
Last day and time of dealings in nil-paid Rights Shares . . . . .	4:00 p.m. on Wednesday, 10 January 2024
Latest time for acceptance of and payment for the Rights Shares and application and payment for excess Rights Shares . . . . .	4:00 p.m. on Monday, 15 January 2024
Latest time and date for termination of Underwriting Agreement and for the Rights Issue to become unconditional. . . . .	4:00 p.m. on Tuesday, 16 January 2024
Announcement of results of the Rights Issue . . . . .	Monday, 22 January 2024
Despatch of share certificates for fully-paid Rights Shares and refund cheques for wholly or partly unsuccessful applications for excess Rights Shares or if the Rights Issue is terminated . . . . .	Tuesday, 23 January 2024
Commencement of dealings in the fully-paid Rights Shares . . . . .	9:00 a.m. on Wednesday, 24 January 2024
Designated broker starts to stand in the market to provide matching services for odd lots of the Shares . . . . .	9:00 a.m. on Wednesday, 24 January 2024
Designated broker ceases to stand in the market to provide matching services for odd lots of the Shares . . . . .	4:00 p.m. on Thursday, 15 February 2024

*All times and dates stated above refer to Hong Kong local times and dates. Dates or deadlines specified in the expected timetable above and all dates and deadlines specified in this Prospectus are indicative only and may be extended or varied by the Company. Any changes to the expected timetable will be published or notified to the Shareholders in a separate announcement by the Company as and when appropriate.*

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## **EXPECTED TIMETABLE**

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### **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 at the time indicated above if a typhoon signal No. 8 (or above), “extreme conditions” caused by super typhoons as announced by the Government of the Hong Kong Special Administrative Region, or a “black” rainstorm warning is:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the date of the Latest Time for Acceptance. 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 the date of the Latest Time for Acceptance. 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 Monday, 15 January 2024, the dates mentioned in the “Expected Timetable” in this Prospectus may be affected. The Company will notify Shareholders by way of announcements on any change to the expected timetable as soon as practicable.

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# TERMINATION OF THE UNDERWRITING AGREEMENT

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## TERMINATION OF THE UNDERWRITING AGREEMENT

If at any time on or before the Latest Time for Termination:

- (a) it has come to the notice of the Underwriter:
  - (i) that any of the representations, warranties and undertakings in the Underwriting Agreement was untrue, inaccurate, misleading or breached, and in each case the same is (in the reasonable opinion of the Underwriter) material in the context of the Rights Issue; or
  - (ii) that any statement, considered reasonably by the Underwriter to be material, contained in the Prospectus Documents was when the Prospectus Documents were issued, or has become untrue, incorrect or misleading in any material respect; or
  - (iii) any adverse change after the signing of the Underwriting Agreement in the business or in the financial or trading position of any member of the Group which is material in the context of the Rights Issue; or
  - (iv) that any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the Prospectus Posting Date, constitute an omission therefrom reasonably considered by the Underwriter to be material; or
  - (v) after signing of the Underwriting Agreement, there occurs or comes into effect the imposition of any moratorium, suspension or material restriction on trading in the Shares generally on the Stock Exchange whether due to exceptional financial circumstances or otherwise; or
  - (vi) any event, act or omission which in the reasonable opinion of the Underwriter gives or are likely to give rise to any material liability of the Company pursuant to the terms of the Underwriting Agreement;
- (b) in the absolute opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:
  - (i) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof); or

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## TERMINATION OF THE UNDERWRITING AGREEMENT

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- (ii) the occurrence of (1) any local, national or international event or change of a political, military, financial, economic or currency or other nature or of the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities market; (2) a suspension or a material limitation in trading in securities generally on the Stock Exchange; (3) a suspension or a material limitation in trading in the Company's securities on the Stock Exchange for more than ten consecutive Business Days (other than pending publication of the announcement of the Company concern the Rights Issue or any other document relating to the Rights Issue); (4) a general moratorium on commercial banking activities in Hong Kong declared by the relevant authority or a material disruption in commercial banking or securities settlement or clearance services in Hong Kong; or (5) a change or development involving a prospective change in taxation affecting the Company, the Shares or the transfer thereof; or
- (iii) any change in the circumstances of the Company or any member of the Group occurs which in the reasonable opinion of the Underwriter will materially and adversely affect the prospects of the Company, including without limiting the generality of the foregoing, the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any member of the Group or the destruction of any material asset of the Group;
- (iv) any event of force majeure occurs, including without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, outbreak of an infectious disease, epidemic, terrorism, armed conflict, strike or lock-out;
- (v) the commencement by any third party of any litigation or claim against any member of the Group after the signing of the Underwriting Agreement which, in the reasonable opinion of the Underwriter, is or might be material to the Group taken as a whole; or
- (vi) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole occurs, whether or not ejusdem generis with any of the foregoing,

then the Underwriter shall be entitled by notice in writing to the Company, served on or before the Latest Time for Termination, to terminate the Underwriting Agreement.

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## **TERMINATION OF THE UNDERWRITING AGREEMENT**

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

Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon, among others, the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof. Accordingly, the Rights Issue may or may not proceed.

Shareholders should note that the Shares have been dealt in on an ex-rights basis from Friday, 1 December 2023. Dealings in the Rights Shares in nil-paid form are expected to take place from Wednesday, 3 January 2024 to Wednesday, 10 January 2024 (both days inclusive).

Any dealings in the Shares up to the date on which all the conditions of the Rights Issue are fulfilled, which is expected to be no later than 4:00 p.m. on Tuesday, 16 January 2024, 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 are recommended to consult their professional advisers.

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# LETTER FROM THE BOARD

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## 仍志集團控股有限公司 WISDOMCOME GROUP HOLDINGS LIMITED

*(Continued into Bermuda with limited liability)*

**(Stock Code: 8079)**

*Executive Directors:*

Mr. Chan Yan Tak  
Mr. Lim Ming Shing, Tony  
Ms. Siu Yeuk Hung, Clara  
Mr. Law Ka Kei

*Registered office:*

Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM 10  
Bermuda

*Independent non-executive Directors:*

Mr. Lee King Fui  
Mr. Joseph Rodrick Law  
Mr. Ho Sau Ping, Pia  
Mr. Cheung Leung

*Principal place of business in Hong Kong:*

Unit 02, 11/F, Eastmark  
21 Sheung Yuet Road  
Kowloon Bay, Kowloon  
Hong Kong

29 December 2023

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

Dear Sir or Madam,

### **RIGHTS ISSUE ON THE BASIS OF THREE RIGHTS SHARES FOR EVERY ONE EXISTING SHARE HELD ON THE RECORD DATE**

#### **INTRODUCTION**

References are made to the Announcement and circular of the Company dated 9 November 2023 in relation to, among other things, the Rights Issue. The Rights Issue is conditional upon the Underwriting Agreement having become unconditional and not being terminated in accordance with the terms thereof. The Underwritten Shares are underwritten by the Underwriter on a fully underwritten basis, pursuant to the terms of the Underwriting Agreement.

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

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## LETTER FROM THE BOARD

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### RIGHTS ISSUE

The Board proposes to implement the Rights Issue, details of which are set out as follows:

#### Issue statistics

Basis of the Rights Issue	:	Three (3) Rights Shares for every one (1) existing Share held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price	:	HK\$0.045 per Rights Share
Number of Shares in issue as at the Latest Practicable Date and the Record Date	:	518,644,031 Shares
Number of Rights Shares to be issued under the Rights Issue	:	1,555,932,093 Rights Shares (assuming no Shares have been issued or repurchased by the Company before the Record Date)
Enlarged number of Shares upon completion of the Rights Issue	:	2,074,576,124 Shares (assuming no Shares have been issued or repurchased by the Company before the Record Date)
Number of Rights Shares undertaken to be taken up	:	Best Richest has undertaken to take up 543,590,598 Rights Shares (representing approximately 34.94% (assuming no Shares have been issued or repurchased by the Company before the Record Date) of the total Rights Shares proposed to be provisionally allotted by the Company) pursuant to the Irrevocable Undertaking
Number of Rights Issue underwritten by the Underwriter	:	1,012,341,495 Rights Shares
Amount to be raised before expenses	:	approximately HK\$70.0 million before expenses

As at the Latest Practicable Date, the Company does not have any options outstanding under any share option scheme of the Company or any other derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into Shares.

The maximum number of 1,555,932,093 Rights Shares to be issued and allotted pursuant to the terms of the Rights Issue represent 300% of the total number of issued Shares as at the Latest Practicable Date and approximately 75% of the total number of issued Shares as enlarged by the allotment and issue of the Rights Shares immediately after completion of the Rights Issue.

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## LETTER FROM THE BOARD

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### **Irrevocable Undertaking**

As at the Latest Practicable Date, Best Richest (a company which is ultimately owned as to 100% by Mr. Chan, being a controlling shareholder, the Chairman and an executive Director) held 181,196,866 Shares (representing approximately 34.94% of the issued share capital of the Company as at the Latest Practicable Date).

Pursuant to the Irrevocable Undertaking, Best Richest has undertaken to the Company, (i) it will subscribe, or procure its nominee(s) to subscribe, for 543,590,598 Rights Shares which comprise the full acceptance of its provisional entitlement in respect of the 181,196,866 Shares beneficially held by him; and (ii) it will not dispose of 181,196,866 Shares comprising the current shareholding in the Company owned by Best Richest, and such 181,196,866 Shares will remain beneficially owned by it up to and including the date on which completion of the Rights Issue takes place or the date on which the Company announces that the Rights issue will not proceed, whichever is earlier.

Save for the Irrevocable Undertaking, the Company has not received any information or irrevocable undertaking from any substantial shareholder of the Company of their intention in relation to the Rights Shares to be allotted to them under the Rights Issue as at the Latest Practicable Date.

### **Qualifying Shareholders**

The Rights Issue is only available to the Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company as at the close of business on the Record Date and not be a Non-Qualifying Shareholder.

The Qualifying Shareholders who take up their pro-rata entitlement in full will not experience 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, if any).

**If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.**

### **Basis of provisional allotment**

The basis of the provisional allotment shall be three (3) Rights Shares for every one (1) Share 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 the PAL and lodging the same with a remittance for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance.

### **Rights of Overseas Shareholders**

The Prospectus Documents to be issued in connection with the Rights Issue will not be registered or filed under the applicable securities law of any jurisdiction other than Hong Kong.

There were no Overseas Shareholder on the register of members of the Company on the Record Date and as at the Latest Practicable Date.

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## LETTER FROM THE BOARD

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### Subscription Price

The Subscription Price is HK\$0.045 per Rights Share, payable in full when a Qualifying Shareholder accepts the relevant provisional allotment of Rights Shares or, where applicable, 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 38.4% to the closing price of HK\$0.073 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 22.4% to the closing price of HK\$0.058 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 18.2% to the average closing price of approximately HK\$0.055 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 18.2% to the average closing price of approximately HK\$0.055 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day;
- (v) a discount of approximately 6.3% to the theoretical diluted price of HK\$0.048 per Share based on the closing price of HK\$0.058 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (vi) a discount of approximately 86.4% to the unaudited net asset value per Share of approximately HK\$0.33 based on the published unaudited consolidated net assets of the Company of approximately HK\$169,115,000 as at 30 September 2023 as extracted from the interim report of the Company for the six months ended 30 September 2023 and the issued share capital of the Company of 518,644,031 Shares as at the Latest Practicable Date;
- (vii) a theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) represented by a discount of approximately 16.8%, represented by the theoretical diluted price of approximately HK\$0.048 per Share and the benchmarked price of approximately HK\$0.058 per Share (as defined under Rule 10.44A of the GEM Listing Rules). The Rights Issue will not result in a theoretical dilution effect of 25% or more calculated based on Rule 10.44A of the GEM Listing Rules; and
- (viii) a cumulative theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) in aggregation with the 2022 Rights Issue represented by a discount of approximately 21.2%, represented by the cumulative theoretical diluted price of approximately HK\$0.18 per Share to the benchmarked price of HK\$0.23 per Share in respect of the 2022 Rights Issue (as defined under Rule 10.44A of the GEM Listing Rules, taking into account the benchmarked price of HK\$0.23 of the 2022 Rights Issue). The Rights Issue will not result in a cumulative theoretical dilution effect of 25% or more calculated based on Rule 10.44A of the GEM Listing Rules.

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## LETTER FROM THE BOARD

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The Subscription Price was set at a discount to the recent closing prices of the Shares which lower the further investment cost of the Shareholders so as to encourage them to take up their entitlements to maintain their shareholdings in the Company, thereby minimising possible dilution impact. The terms of the Rights Issue, including the Subscription Price, were determined after arm's length negotiations between the Company and the Underwriter, taking into account, among others, (i) the prevailing market prices of the Shares prior to the Last Trading Day; (ii) the latest business performance and financial position of the Group; (iii) lack of liquidity in the market, especially investment money into GEM companies; and (iv) the funding and capital needs of the Company, due to the nature of the Group's business require capital, in particular money lending business which require capital and good risk management to earn interest and fees, details of which are set out in the section headed "Reasons for and Benefits of the Rights Issue and Use of Proceeds" in this Prospectus.

In determining the Subscription Price, the Board reviewed the prevailing market prices of the Shares prior to the Last Trading Day and considered different dimensions of discounts with reference to the rights issue activities announced by other 17 companies whose shares are listed on GEM of the Stock Exchange during the twelve months prior to the date of the Underwriting Agreement (the "**Reference Cases**"). The Directors believed that the sample size and the period covered by the Reference Cases were representative as different forms of market practices for rights issues, including but not limited to various subscription ratio, subscription price range and underwriting basis, as well as the prevailing market conditions and sentiments prior to the date of the Underwriting Agreement were fairly covered and considered.

## LETTER FROM THE BOARD

Details of the Reference Cases are set forth as follows:

Announced on	Listed Issuer (stock code)	Principal Business of the listed issuer	Mkt. Cap. HK\$' million	Basis of entitlement	Max. amount of funds to be raised from the rights issue HK\$' million	Premium/ (discount) of subscription price compared with closing price per share on the respective last trading day HK\$' million	(Discount)/ premium of the subscription price to the theoretical ex-right price per share HK\$' million	Max. dilution on holding of shares HK\$' million	Theoretical dilution effect HK\$' million	Excess application/ Placing	Underwriting arrangement	
												3 for 1
11/8/2023	Almana Limited (8186)	Household Business, Plantation Business and Accessory Business	6.8	3 for 1	18.7	(26.7)	22.2	(8.3)	75.0	22.6	Placing	Non-underwritten
14/7/2023	Tasty Concepts Holding Limited (8096) <i>(Note 1)</i>	Restaurant operator	10.1	5 for 2	27.5	4.7	566.7	1.5	71.4	0	Placing	Non-underwritten
6/7/2023	Classified Group (Holdings) Limited (8232)	Restaurant operator	204.3	3 for 2	14.3	(15.0)	(49.1)	(6.6)	60.0	8.8	Placing	Fully underwritten
8/6/2023	Hi-Level Technology Holdings Limited (8113)	Sale of electronic components	121.4	1 for 1	78.3	(35.5)	188.0	(21.6)	50.0	17.7	Placing	Non-underwritten
5/6/2023	Jisheng Group Holdings Limited (8133)	Trading and manufacturing of metal casting parts and components and provision of financial printing services	217.6	1 for 2	0.6	(20.8)	66.7	(15.8)	33.3	7.3	Excess application	Underwritten on a best-effort basis
30/5/2023	Min Fu International Holding Limited (8511)	Smart manufacturing solution provider	49.4	1 for 2	24.0	(8.3)	12.4	(5.66)	33.3	3.3	Placing	Non-underwritten
29/5/2023	Hao Bai International (Cayman) Limited (8431)	Water circulation systems related design, procurement and installation services provider	40.2	1 for 2	19.5	(5.7)	37.0	(3.85)	33.3	3.8	Placing	Non-underwritten

# LETTER FROM THE BOARD

Announced on	Listed Issuer (stock code)	Principal Business of the listed issuer	Mkt. Cap. HK\$' million	Basis of entitlement	Max. amount of funds to be raised from the rights issue HK\$' million	Premium/ (discount) of subscription price compared with closing price per share on the respective last trading day Approx. %	(Discount)/ premium of the subscription price to the theoretical ex-right price per share Approx. %	Max. dilution on holding of shares Approx. %	Theoretical dilution effect Approx. %	Excess application/ Placing	Underwriting arrangement	
25/5/2023	Jimu Group Limited (8187)	Footwear and apparel businesses and loan facilitation and credit assessment businesses	5.6	2 for 1	14.4	15.6	Net liabilities	4.7	66.7	0	Excess application	Fully underwritten
13/4/2023	Finet Group Limited (8317)	(1) Provision of financial information; (2) advertising and financial public relationship service (including media business); (3) the securities business that specializes in the provision of brokerage, underwriting and asset management; (4) money lending business; and (5) property investments	116.0	1 for 2	33.9	(52.4)	96.1	(42.2)	33.3	18.0	Placing	Fully underwritten
6/4/2023	Luk Hing Entertainment Group Holdings Limited (8052)	Operator of restaurant business	441.3	1 for 1	43.9	(5.9)	Net liabilities	(3.03)	50.0	2.9	Placing	Fully underwritten
6/3/2023	CBK Holdings Limited (8428)	Catering services provider	2.8	5 for 1	20.6	(15.9)	(79.1)	(2.93)	83.3	13.2	Placing	Non-underwritten
17/2/2023	China New Consumption Group Limited (8275)	Bored piling works and foundation works contractor	22.7	3 for 2	35.3	(26.5)	(53.5)	(12.50)	60.0	16.0	Placing	Non-underwritten

## LETTER FROM THE BOARD

Announced on	Listed Issuer (stock code)	Principal Business of the listed issuer	Mkt. Cap. HK\$' million	Basis of entitlement	Max. amount of funds to be raised from the rights issue HK\$' million	Premium/ (discount) of subscription price compared with closing price per share on the respective last trading day Approx. %	(Discount)/ premium of the subscription price to the theoretical ex-right price per share Approx. %	Max. dilution on holding of shares Approx. %	Theoretical dilution effect Approx. %	Excess application/ Placing	Underwriting arrangement	
10/1/2023	Kinetix Systems Holdings Limited (8606)	Information technology services provider	82.9	1 for 2	31.3	(29.4)	(47.0)	(21.69)	33.3	9.8	Placing	Non-underwritten
6/1/2023	SDM Education Group Holdings Limited (8363)	Jazz and ballet and pop dance academy in Hong Kong and childcare services in Singapore	44.4	1 for 2	22.9	0	Net liabilities	0	33.3	0	Excess Application	Fully underwritten
28/12/2022	New Amante Group Limited (8412)	Operation of club and entertainment business	27.4	1 for 2	12.6	(10.6)	Net liabilities	(7.3)	33.3	5.6	Excess Application	Underwritten on a best-effort basis
28/12/2022	Jiading International Group Holdings Limited (8153)	(1) Provision of advertising services; (2) sales of new energy electric vehicle; and (3) sales of new energy battery	170.2	1 for 2	51.0	(50.0)	77.3	(40.12)	33.3	17.3	Placing	Non-underwritten
21/10/2022	C&N Holdings Limited (8430)	Transport and storage services provider	201.9	3 for 1	32.5	(13.3)	93.0	(3.7)	75.0	3.7	Placing	Non-underwritten
Maximum			441.3			15.6	188.0	4.7	83.3	22.6		
Minimum			2.8			(52.4)	(79.1)	(42.2)	33.3	0		
Average			103.8			(17.4)	30.3	(11.1)	50.5	8.8		
15/8/2023	<b>The Company</b>		<b>30.0</b>		70.0	(22.4)	(86.4)	(6.3)	75.0	16.8	Excess Application	Fully underwritten

*Note 1: The premium of the subscription price over the net asset value per share of this comparable is exceptionally high and considered an outlier, it is therefore disregarded and excluded in the calculation of the average discount/premium.*

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## LETTER FROM THE BOARD

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The Reference Cases presented a range of subscription price premium over/discounts to their respective (i) closing prices on the last trading day before the release of the rights issue announcements ranging from a price discount of approximately 52.4% to a price premium of approximately 15.6% with an average price discount of approximately 17.4%; (ii) theoretical ex-entitlement prices ranging from a price discount of approximately 42.2% to a price premium of approximately 4.7% with an average price discount of approximately 11.1%; and (iii) theoretical dilution effects ranging from approximately 0% to approximately 22.6% with an average of approximately 8.8%. Compared to the above, the Subscription Price discounts of the Rights Issue (as set out in the paragraph above in this section) set within the ranges of all the dimensions.

The Directors are also aware of the significant discount of approximately 86.4% to the unaudited net asset value per Share as calculated and disclosed in the paragraph above in this section presented by the Subscription Price. In this regard, the Directors noted from the Reference Cases of the relation between their subscription prices and their then net asset values per share ranging from a price discount of approximately 79.1% to a price premium of 188.0% (excluding the outlier mentioned in note 1 to the Reference Cases above). Given that (i) it is not uncommon for the subscription price to present a significant discount to the net asset value per share in similar fund raising exercises; (ii) the Shares had been traded at a discount to the Group's audited net asset value per Share for the 12-month period up to the Last Trading Day, as illustrated by the discount of approximately 51.7% of the average closing price of the Shares of approximately HK\$0.159 for the aforesaid 12-month period to the Group's unaudited net asset value per Share as at 30 September 2023 of approximately HK\$0.33; and (iii) the underwriters approached by the Company expressed similar view that unless the Subscription Price is set at a realistic level (considering the recent closing prices and the size of the offer), they will have serious reservations about accepting the engagement to underwrite the rights issue. In order for the Company to ensure a successful fund raising, we have been attempting to get underwriters to fully underwrite the rights issue. Had the Company failed to secure the commitment from RaffAello Securities (HK) Limited, the Rights Issue would have been on a best-effort basis through placing of unsubscribed Right Shares. Hence, the Directors consider it is reasonable to make reference to the market price of the Shares, rather than the net asset value of the Group, in determining the Subscription Price and that the discount of the Subscription Price to the net asset value per Share is justifiable and fair and reasonable.

The Directors are of the view that the Subscription Price is fair and reasonable having considered all the particular facts and circumstances of the Group and market conditions as a whole. It is observed that the Company has a low market capitalization of approximately HK\$30.0 million while the average market capitalization of HK\$103.8 million of the Reference Cases. Given the current negative market sentiment on low market capitalization stocks and that institutional investors generally are not mandated to invest in low market capitalization stocks, the Company would not be able to make new issues without a considerable discount. The Company acknowledges the discount of Subscription Price to the last trading price and the theoretical dilution effect in above the average of the Reference Cases. However, it is impossible to weight on each factor with a precise weighting and to identify how these references counter each other where some reference measures are above the average and some are below the average.

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## LETTER FROM THE BOARD

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Furthermore, taking into account (i) the continuation of the substantial loss-making position and the continual declining net assets of the Group for the past five financial years since 2019; and (ii) a favourable discount should attract the Qualifying Shareholders to participate in the Rights Issue and invest in the Company so as to enable the Company to satisfy its funding and capital needs, details of the Group's financial performance and condition and funding needs are set out in the section headed "Reasons for and Benefits of the Rights Issue and Use of Proceeds" in this Prospectus, the Directors (including the members of Independent Board Committee) are of the view that the Subscription Price is fair and reasonable so far as the Independent Shareholders are concerned.

In addition to the above, the Directors (including the members of the Independent Board Committee) consider that, despite any potential dilution impact of the proposed Rights Issue on the shareholding interests of the Shareholders, the terms of the Rights Issue, including the Subscription Price, to be fair and reasonable and in the best interests of the Company and the Shareholders as a whole, after taking into account the following factors: (a) the Qualifying Shareholders who do not wish to take up their provisional entitlements under the proposed Rights Issue are able to sell the nil-paid rights in the market; (b) the proposed Rights Issue allows the Qualifying Shareholders an opportunity to subscribe for their pro-rata Rights Shares for the purpose of maintaining their respective existing shareholding interests in the Company; and (c) the Qualifying Shareholders are given opportunity to increase their investment in the Company through excess application on of the Rights Shares to participate in the future growth of the Company.

### **Status of Rights Shares**

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

### **Fractional entitlement to the Rights Shares**

On the basis of provisional allotment of three (3) Rights Shares for every one (1) existing Share held by the Qualifying Shareholders on the Record Date, no fractional entitlements to the Rights Shares will arise under the Rights Issue.

### **Odd lots arrangement**

In order to facilitate the trading of odd lots of the Shares arising from the Rights Issue, a designated broker will be appointed to match the purchase and sale of odd lots of the Shares at the relevant market price per Share for the period from Wednesday, 24 January 2024 to Thursday, 15 February 2024 (both days inclusive). Shareholders who wish to take advantage of this service should contact Mr. Lam Bun Hei of RaffAello Securities (HK) Limited at 7/F Central 88, 88-98 Des Voeux Road Central, Central, Hong Kong (telephone number: 2545 7722) during office hours.

Holders of odd lots of Shares should note that successful matching of the sale and purchase of odd lots of Shares is not guaranteed. Any Shareholder who is in any doubt about the odd lot arrangement is recommended to consult his/her/its own professional advisers.

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## LETTER FROM THE BOARD

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### Procedures for acceptance and payment or transfer

#### *General*

Any person (including, without limitation, agents, nominees and trustees) wishing to take up his/her/its rights under the Rights Issue must satisfy himself/herself/itself as to the full observance of the applicable laws of any relevant territory or jurisdictions including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes and duties due in such territories or jurisdictions.

Completion and return of the PAL and/or EAF will constitute a warranty and representation to the Company, from such person, that all registration, legal and regulatory requirements of all relevant jurisdictions other than Hong Kong, in connection with the PAL and any acceptance of it and/or the EAF and any applications under it, have been, or will be, duly complied with. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to any of the above representation and warranty.

The Company may treat as invalid any instruction which appears to the Company to have been despatched from any of the jurisdictions outside Hong Kong and which may involve a breach of the laws of the relevant jurisdictions; or otherwise appears to the Company may involve a breach of the laws of any jurisdiction; or if the Company or its agents believes the same may violate any applicable legal or regulatory requirement.

#### *PAL – Acceptance, payment and transfer*

A PAL is enclosed with this Prospectus which entitles the Qualifying Shareholders to whom it is addressed to subscribe for the number of the Rights Shares shown thereon. If a Qualifying Shareholder wishes to accept all the Rights Shares provisionally allotted to them as specified in the PAL, he/she/it must lodge the PAL in accordance with the instructions printed thereon with the Registrar, together with a remittance for the full amount payable on acceptance, so as to be received by no later than 4:00 p.m. (Hong Kong time) on Monday, 15 January 2024 (or, under bad weather conditions and/or extreme conditions, such later date as mentioned in the paragraph “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 the section headed “Expected Timetable” in this Prospectus). All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by banker’s cashier orders which must be issued by, a licensed bank in Hong Kong and made payable to “**WISDOMCOME GROUP HOLDINGS LIMITED**” and crossed “**ACCOUNT PAYEE ONLY**”.

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## LETTER FROM THE BOARD

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It should be noted that unless the duly completed PAL, together with the appropriate remittance, has been lodged with the Registrar by no later than 4:00 p.m. (Hong Kong time) on Monday, 15 January 2024, whether by the original allottee or any person in whose favour the provisional allotment has been validly transferred, that provisional allotment and all rights and entitlement thereunder will be deemed to have been declined and will be cancelled and such Rights Shares will be available for application under the EAFs by the Qualifying Shareholders. The Company may, at its sole and 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 such incomplete PAL to be completed by the relevant applicant at a later stage.

If a Qualifying Shareholder wishes to accept only part of his/her/its provisional allotment or transfer part of his/her/its rights to subscribe for the Rights Shares provisionally allotted to him/her/it under the PAL or to transfer part or all of his/her/its rights to more than one person, the entire PAL must be surrendered and lodged for cancellation by not later than 4:00 p.m. on Friday, 5 January 2024 to the Registrar, who will cancel the original PAL and issue new PALs in the denominations required which will be available for collection from the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, after 9:00 a.m. on the second Business Day after the surrender of the original PAL. It should be noted that Hong Kong ad valorem stamp duty is payable in connection with the transfer of your rights to subscribe for the relevant Rights Shares to the transferee(s) and the acceptance by the transferee(s) of such rights.

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 further information regarding the procedures to be followed for acceptance and/or transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders.

All cheques or banker's cashier orders will be presented for payment following receipt and all interest earned on such monies (if any) will be retained for the benefit of the Company. No receipt will be given in respect of any application monies received. You must pay the exact amount payable upon application for the Rights Shares, and underpaid application will be rejected. In the event of overpaid application, a refund cheque, without interest, will be made out to you if the overpaid amount is HK\$100 or above. Completion and return of the PAL with a cheque or a banker's cashier order, whether by a Qualifying Shareholder or by any nominated transferee(s), will constitute a warranty by the applicant that the cheque or the banker's cashier order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any PAL in respect of which the cheque or banker's cashier order is dishonoured on first presentation, and in that event, the provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled.

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## LETTER FROM THE BOARD

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No action has been taken by the Company to permit the offering of the Rights Shares or the distribution of the Prospectus Documents in any territory or jurisdiction outside Hong Kong. Accordingly, no person receiving the Prospectus Documents in any territory or jurisdiction outside Hong Kong may treat it as an offer or invitation to apply for Rights Shares, unless in the relevant territory or jurisdiction where such an offer or invitation could lawfully be made without compliance with any registration or other legal or regulatory requirements. Subject as referred to below, it is the responsibility of anyone outside Hong Kong wishing to make an application for the Rights Shares to satisfy himself/herself/itself, before subscribing for the provisionally allotted Rights Shares, as to the full observance of the laws and regulations of all relevant territories and jurisdictions, including the obtaining of any governmental or other consents and to pay taxes and duties required to be paid in such territory or jurisdiction in connection therewith.

Any acceptance of the offer of the Rights Shares by any person will be deemed to constitute a representation and warranty from such person to the Company that these local laws and requirements have been or will be fully complied with. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above representation or warranty. If you are in doubt as to your position, you should consult your own professional advisers. The Company reserves the right to refuse to accept any application for the Rights Shares where it believes that doing so would violate the applicable securities legislation or other laws and regulations of any territory or jurisdiction. No application for Rights Shares will be accepted from any person who is a Non-Qualifying Shareholder.

If any of the conditions of the Rights Issue as set out in the paragraph headed “The Underwriting Agreement – Conditions of the Rights Issue” below are not fulfilled, the monies received in respect of acceptances of the Rights Shares will be returned to the Qualifying Shareholders or such other persons to whom the Rights Shares in their nil-paid form have been validly transferred or, in the case of joint acceptances, 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 Tuesday, 23 January 2024.

### **Certificates of the Rights Shares and refund cheques for the Rights Issue**

Subject to the fulfilment of the conditions of the Rights Issue, share certificates for all fully paid Rights Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before Tuesday, 23 January 2024. Refund cheques in respect of wholly or partially unsuccessful applications for the excess Rights Shares (if any) are expected to be posted on Tuesday, 23 January 2024 by ordinary post to the applicants, at their own risk, to their registered addresses. Each Shareholder will receive one share certificate for all allotted Shares.

### **Application for the excess Rights Shares**

Qualifying Shareholders are entitled to apply, by way of excess application, for any unsold entitlements to the Rights Shares of the Non-Qualifying Shareholder(s) (if any), and for any nil-paid Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders or otherwise not subscribed for by renounees or transferees of nil-paid Rights Shares (collectively referred to as “**Untaken Rights**”).

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## LETTER FROM THE BOARD

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

- (a) 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;
- (b) no reference will be made to the Rights Shares subscribed through applications by PALs or the existing number of Shares held by Qualifying Shareholders; and
- (c) no preference will be given to applications for topping up odd-lot holdings to whole lot holdings.

Pursuant to Rule 10.31(3)(b) of the GEM Listing Rules, the Company will also take steps to identify the applications for excess Rights Shares made by any 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.

In the event that the Board notes unusual patterns of excess applications and has reason to believe that any application may have been made with the intention to abuse the mechanism, such application for excess Rights Shares may be rejected at the sole discretion of the Board.

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.

Beneficial owners of the Shares 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. Accordingly, the beneficial owners of the Shares whose Shares are registered in name of nominee companies should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to beneficial owners individually and are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date. HKSCC Nominees Limited will allocate the excess Rights Shares it receives to the relevant CCASS Participants pro rata to the number of excess Rights Shares each has applied for, or in such other manner as HKSCC Nominees Limited considers fair and appropriate which is pursuant to the allocation basis stipulated in Rule 8.10.4(ix) of the CCASS Operational Procedures. The procedures for application for excess Rights Shares shall be in accordance with the General Rules of CCASS, the CCASS Operational Procedures and any other applicable requirements of CCASS.

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## LETTER FROM THE BOARD

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Application for excess Rights Shares can be made by Qualifying Shareholders only and by duly completing and signing an EAF (in accordance with the instructions printed therein) and lodging the same with a remittance for the sum payable for the excess Rights Shares being applied for with the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:00 p.m. (Hong Kong time) on Monday, 15 January 2024 (or, under bad weather conditions and/or extreme conditions, such later date as mentioned in the paragraph “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 the section headed “Expected timetable” in this Prospectus). All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by banker’s cashier orders which must be issued by, a licensed bank in Hong Kong and made payable to “**WISDOMCOME GROUP HOLDINGS LIMITED**” and crossed “**Account Payee Only**”.

The Company may, at its sole and absolute discretion, treat an EAF as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the EAF is not completed in accordance with the relevant instructions. The Registrar will notify the Qualifying Shareholders of any allotment of the excess Rights Shares made to them. The Company may require such incomplete EAF to be completed by the relevant applicant at a later stage.

The EAF is for use only by the Qualifying Shareholders and is not transferable. The EAF contains further information regarding the procedures to be followed for application of excess Rights Shares by the Qualifying Shareholders. Qualifying Shareholders are advised to study the procedures set out in the EAF carefully.

If no excess Rights Shares are allotted to the Qualifying Shareholder who has applied for excess Rights Shares, it is expected that a cheque for the amount tendered on application in full without interest will be despatched to his/her/its registered address by ordinary post at his/her/its own risk on Tuesday, 23 January 2024. If the number of excess Rights Shares allotted to the Qualifying Shareholder is less than that applied for, it is expected that a cheque for the amount of the surplus application monies, without interest, will be despatched to his/her/its registered address by ordinary post at his/her/its own risk on Tuesday, 23 January 2024.

All cheques or banker’s cashier orders will be presented for payment following receipt and all interest earned on such monies (if any) will be retained for the benefit of the Company. No receipt will be given in respect of any application monies received. Completion and return of the EAF with a cheque or a banker’s cashier order will constitute a warranty by the applicant that the cheque or the banker’s cashier order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any EAF in respect of which the cheque or banker’s cashier order is dishonoured on first presentation, and in that event, the provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled.

If any of the conditions of the Rights Issue as set out in the paragraph headed “The Underwriting Agreement – Conditions of the Rights Issue” below are not fulfilled, the monies received in respect of relevant applications for excess Rights Shares will be returned to the relevant applicant, by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders to their registered addresses by the Registrar on Tuesday, 23 January 2024.

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## LETTER FROM THE BOARD

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### **Application for listing of the Rights Shares**

The Company will apply to the GEM Listing Committee for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms on the Stock Exchange. 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.

Dealing in the Rights Shares in both their nil-paid and fully-paid forms which are registered in the register of members of the Company in Hong Kong will be in the board lots of 5,000 Rights Shares and will be subject to the payment of stamp duty, Stock Exchange trading fee, SFC transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

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

### **Rights Shares will be eligible for admission into CCASS**

Subject to the granting of the approval for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange, 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 their respective commencement dates of dealings 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 trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbrokers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

### **Taxation**

Qualifying Shareholders are recommended to consult their professional advisers if they are in any 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 (if any) 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.

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## LETTER FROM THE BOARD

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### THE UNDERWRITING AGREEMENT

The Underwritten Shares are subject to the terms and conditions of the Underwriting Agreement. Principal terms of the Underwriting Agreement are as follows:

Date	:	15 August 2023 (after trading hours)
Issuer	:	The Company
Underwriter	:	RaffAello Securities (HK) Limited

The Underwriter is a licensed corporation carrying out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO and its ordinary course of business includes underwriting of securities, and to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Underwriter is not a connected person of the Company. As such, the Underwriter complies with Rule 10.24A(1) of the GEM Listing Rules.

Total number of Underwritten Shares	:	1,012,341,495 Rights Shares, being the difference between the total number of Rights Shares and the Committed Shares pursuant to the Irrevocable Undertaking
Underwriting Commission	:	7.07% of the aggregate Subscription Price in respect of the Underwritten Shares

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Underwriter and its ultimate beneficial owners are independent of the Company and its connected persons. As at the date of the Underwriting Agreement, the Underwriter is not interested in any Shares.

The said commission rate was determined after arm's length negotiations between the Company and the Underwriter with reference to the existing financial position of the Group, the size of the Rights Issue, the normal rate of underwriting commission charged by the Underwriter in the recent rights issue of other listed issuers of the Stock Exchange underwritten by the Underwriter as disclosed below and the current and expected market condition. The Directors (including the members of the Independent Board Committee) consider that the terms of the Underwriting Agreement (including the commission rate) are fair and reasonable so far as the Company and the Shareholders are concerned.

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## LETTER FROM THE BOARD

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The Directors notes that the underwriting commission of 7.07% was the normal rate charged by the Underwriter in other rights issue exercises underwritten by the Underwriter. Details of such other cases are as follows:

<b>Company name (stock code)</b>	<b>Date of underwriting agreement</b>	<b>Amounts raised from the rights issue before expenses</b>	<b>Basis of underwriting</b>	<b>Underwriting commission</b>
Palinda Group Holdings Limited (stock code: 8179)	28/4/2022	Approximately HK\$29.3 million	Fully underwritten	7.07% of the total subscription price of the rights shares
China Wantian Holdings Limited (stock code: 1854)	11/4/2023	Approximately HK\$111.4 million	Fully underwritten	7.07% of the total subscription price of the rights share

The Underwriter may enter into sub-underwriting arrangement with sub-underwriter(s) or appoint any person to be sub-agent(s) on its behalf for the purpose of arranging for the subscription of the Underwritten Shares with selected subscribers with such authority and rights as the Underwriter have pursuant to its appointment under the Underwriting Agreement. The Underwriter shall enter into such sub-underwriting arrangement or appoint such person to be sub-agent(s) and to ensure that the minimum public float requirement under the GEM Listing Rules be fulfilled by the Company upon completion of the Rights Issue. As at the Latest Practicable Date, the Underwriter has not entered into any sub-underwriting agreement with sub-underwriter or appointed any sub-agents. The Underwriter has undertaken to the Company that, among other things, other than the transactions contemplated under the Underwriting Agreement and as disclosed in the Prospectus Documents, save with the prior consent of the Company, the Underwriter or any of its associates will not deal in the Shares or other securities of the Company from the date of the Underwriting Agreement to the completion of the Rights Issue, provided that the Underwriter may, before completion of the Rights Issue, enter into agreement with any other person(s) in respect of (a) the sub-underwriting of the Rights Shares; and/or (b) the subscription of the Underwritten Shares not taken up, so long as such transactions are in compliance with applicable laws and regulations.

### **Conditions of the Underwriting Agreement**

The conditions of the Underwriting Agreement have been set out in the section headed “Conditions of the Rights Issues” below.

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## LETTER FROM THE BOARD

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### Termination of the Underwriting Agreement

The Underwriter shall be entitled by notice in writing to the Company, served prior to the Latest Time for Termination, to terminate the Underwriting Agreement if, inter alia:

- (a) in the reasonable opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:
  - (i) the introduction of any new law or regulation or any change in existing laws or regulations (or the judicial interpretation thereof); or
  - (ii) the occurrence of (1) any local, national or international event or change of a political, military, financial, economic or currency or other nature or of the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities market; (2) a suspension or a material limitation in trading in securities generally on the Stock Exchange; (3) a suspension or a material limitation in trading in the Company's securities on the Stock Exchange for more than ten consecutive business days (other than pending publication of the announcement of the Company concern the Rights Issue or any other document relating to the Rights Issue); (4) a general moratorium on commercial banking activities in Hong Kong declared by the relevant authority or a material disruption in commercial banking or securities settlement or clearance services in Hong Kong; or (5) a change or development involving a prospective change in taxation affecting the Company, the Shares or the transfer thereof; or
- (b) any change in the circumstances of the Company or any member of the Group occurs which in the reasonable opinion of the Underwriter will materially and adversely affect the prospects of the Company, including without limiting the generality of the foregoing, the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any member of the Group or the destruction of any material asset of the Group; or
- (c) any event of force majeure occurs, including without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, outbreak of an infectious disease, epidemic, terrorism, armed conflict, strike or lock-out; or
- (d) the commencement by any third party of any litigation or claim against any member of the Group after the signing of the Underwriting Agreement which, in the reasonable opinion of the Underwriter, is or might be material to the Group taken as a whole; or
- (e) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole occurs, whether or not ejusdem generis with any of the foregoing.

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## LETTER FROM THE BOARD

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The Underwriter shall be entitled by notice in writing, served prior to the Latest Time for Termination, to rescind the Underwriting Agreement if prior to the Latest Time for Termination, inter alia:

- (a) the Company commits any material breach of any of the representations, warranties or undertakings contained in the Underwriting Agreement or it comes to the knowledge of the Underwriter of such material breach, which will or is likely to have a material and adverse effect on its business, financial or trading prospects of the Group; or
- (b) the Company's application to the GEM Listing Committee for the permission for the listing of, and permission to deal in, the Rights Shares (in their nil-paid and fully-paid forms) on the Stock Exchange is withdrawn by the Company and/or refused or revoked by the Stock Exchange; or
- (c) any condition to enable the Rights Shares (in their nil-paid and fully-paid forms) to be admitted as eligible securities for deposit, clearance and settlement in CCASS is not satisfied or notification is received by the Company from HKSCC that such admission or facility for holding and settlement has been or is to be refused; or
- (d) any statement contained in the Announcement or any Prospectus Document has been shown to be untrue, inaccurate, incomplete in any material respect or misleading with reference to the date on which such statement was made.

If prior to the Latest Time for Termination, any such notice referred to above is given by the Underwriter, all obligations of each of the parties to the Underwriting Agreement shall cease and no party shall have any claim against any other party for costs, damages, compensation or otherwise in respect of any matter arising out of or in connection with the Underwriting Agreement save for any antecedent breaches.

If the Underwriter exercises such right of termination, the Underwriting Agreement will not become unconditional and the Rights Issue will not proceed. Further announcement will be made if the Underwriting Agreement is terminated by the Underwriter.

### CONDITIONS OF THE RIGHTS ISSUE

The Rights Issue will be conditional upon:

- (a) the passing at the SGM of the necessary resolution(s) by the Independent Shareholder to approve the Rights Issue;
- (b) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively of one copy of each of the Prospectus Documents duly signed by all the Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the GEM Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance not later than the Posting Date;

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## LETTER FROM THE BOARD

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- (c) the posting of the Prospectus Documents to the Qualifying Shareholders by the Posting Date and the posting of the Prospectus and a letter to the Non-Qualifying Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Rights Issue on or before the Posting Date;
- (d) the GEM Listing Committee granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in the Rights Shares (in their nil-paid and fully-paid forms) by no later than the business day prior to the first day of their dealings;
- (e) the obligation of the Underwriter becoming unconditional and that the Underwriting Agreement not having been terminated in accordance with the terms thereof on or before the Latest Time for Termination;
- (f) the representation, warranties and undertakings of the Company as set out in the Underwriting Agreement remaining true and accurate in all material respects;
- (g) the compliance with and performance of all the undertakings and obligations of Best Richest, or any of its nominee(s), under the Irrevocable Undertaking; and
- (h) compliance with the requirements under the applicable laws and regulations of Hong Kong and Bermuda;

The Company shall use all reasonable endeavours to procure the fulfilment or waiver (as the case may be) of all the above conditions precedent by the Latest Time for Termination or such other time and date as the Company and the Underwriter may agree.

The Underwriter may at any time by notice in writing to the Company waive the condition set out in paragraph (f) above. Save and except the condition set out in paragraph (f) above, the other conditions are incapable of being waived. If the conditions precedent set out in paragraphs (a) to (h) above are not fulfilled and/or waived in whole or in part by the Underwriter by the Latest Time for Termination or such other date as the Company and the Underwriter may agree, the Underwriting Agreement shall terminate (save and except the provisions regarding fees, notices and governing law and jurisdiction which shall remain in full force and effect) and no party shall have any claim against any other party for costs, damages, compensation or otherwise save for any antecedent breaches.

As at the Latest Practicable Date, save and except for the condition set out in paragraph (a) above, none of the conditions above had been fulfilled and the Company had no intention to waive any of the conditions which are capable of being waived.

## LETTER FROM THE BOARD

### Settlement of the Loans and retirement of the Receivers

As disclosed in the inside information announcements of the Company dated 6 December 2023, 8 December 2023 and 21 December 2023, the Board was informed on 1 December 2023 by the controlling shareholder of the Company, Mr. Chan, that he received a letter of the same date informing him that the Receivers were appointed as the joint and several receivers over the Charged Shares, which in total represents approximately 43.23% of the total issued shares of the Company as at the Latest Practicable Date. The Charged Shares were charged in favour of the Appointer as security for the Loans.

On 20 December 2023, Mr. Chan and the Appointer reached an agreement over the settlement of the Loans and retirement of the Receivers over the Charged Shares. Best Richest is the beneficial owner of 181,196,866 Shares of the Charged Shares on the Record Date (representing approximately 34.94 % of the issued share capital of the Company as at the Latest Practicable Date) and the provisional entitlements of such Shares under the Rights Issue vest with Best Richest. Accordingly, the Board is of the view that Best Richest is legally capable of complying and performing its undertakings and obligations under the Irrevocable Undertaking, being a condition to the Rights Issue. The Board and the Underwriter also share the view that the settlement of the Loans and retirement of the Receivers would not have material impact on Best Richest's legal capability to fulfill and perform the Irrevocable Undertaking. Please refer to the sections headed “Irrevocable Undertaking” and “Conditions of the Rights Issue” above for further details in relation to the Irrevocable Undertaking.

### EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

As at the Latest Practicable Date, the Company had 518,644,031 Shares in issue. On the assumption that there is no change in the shareholding structure of the Company from the Latest Practicable Date to completion of the Rights Issue other than the allotment and issue of Rights Shares pursuant to the Rights Issue, the table below depicts, for illustrative purposes only, the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately upon completion of the Rights Issue assuming full acceptance of the Rights Shares by all Qualifying Shareholders; and (iii) immediately upon completion of the Rights Issue assuming no acceptance of the Rights Shares by the Qualifying Shareholders:

Shareholders	As at the Latest Practicable Date		Immediately upon completion of the Rights Issue assuming full acceptance of the Rights Shares by all Qualifying Shareholders under the Rights Issue		Immediately upon completion of the Rights Issue assuming no acceptance of the Rights Shares by the Qualifying Shareholders under the Rights Issue	
	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %
Best Richest (Note 1)	181,196,866	34.94	724,787,464	34.94	724,787,464	34.94
Underwriter, sub-underwriter(s) and/or subscriber(s) procured by them (Note 2)	–	–	–	–	1,012,341,495	48.80
Other public shareholders	337,447,165	65.06	1,349,788,660	65.06	337,447,165	16.27
<b>Total</b>	<b>518,644,031</b>	<b>100.00</b>	<b>2,074,576,124</b>	<b>100.00</b>	<b>2,074,576,124</b>	<b>100.00</b>

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## LETTER FROM THE BOARD

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*Notes:*

1. Best Richest is wholly and beneficially owned by Mr. Chan, the chairman and an executive Director and a controlling shareholder of the Company.
2. In the event that the Underwriting Agreement becoming unconditional and the Underwriter being called upon to subscribe for or procure subscribers of the Underwritten Shares pursuant to the Underwriting Agreement, the Underwriter has irrevocably undertaken to the Company that:
  - a. without affecting the Underwriter's obligation to procure underwriting for all the Underwritten Shares (whether to underwrite the same by itself or procure sub-underwriting of the same), the Underwriter shall not subscribe, for its own account, for such number of Underwritten Shares, which will result in the shareholding of it and parties acting in concert (within the meaning of the Takeovers Code) with it in the Company to trigger a mandatory offer obligation under Rule 26 of Takeovers Code on the part of the Underwriter and parties acting in concert (within the meaning of the Takeovers Code) with it upon the completion of the Rights Issue;
  - b. the Underwriter shall ensure that each of the sub-underwriters or subscribers or purchasers of the Underwritten Shares procured by it (i) shall be third party independent of, not acting in concert (within the meaning of the Takeovers Code) with and not connected with the Company, any of the Directors, chief executive of the Company or Substantial Shareholders of the Company or their respective associates (as defined in the GEM Listing Rules); and (ii) shall not, together with any party acting in concert (within the meaning of the Takeovers Code) with it, hold such number of Underwritten Shares which will trigger a mandatory offer obligation under Rule 26 of the Takeovers Code on the part of such sub-underwriters or subscribers or purchasers and parties acting in concert (within the meaning of the Takeovers Code) with it upon completion of the Rights Issue; and
  - c. the Underwriter and the Company shall ensure that the minimum public float requirement under the GEM Listing Rules be fulfilled by the Company upon completion of the Rights Issue.
3. Certain percentage figures included in the above table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

Shareholders and public investors should note that the above shareholding changes are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Rights Issue are subject to various factors, including the results of acceptance of the Rights Issue.

### **REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND THE USE OF PROCEEDS**

The Company is a company incorporated in the Cayman Islands and continued into Bermuda with limited liability, the Shares of which are listed on GEM of the Stock Exchange (stock code: 8079). The Group is principally engaged in the money lending business, retail and wholesale business, financial instruments and quoted shares investment in Hong Kong.

## LETTER FROM THE BOARD

As disclosed in the annual report of the Company for the year ended 31 March 2023 (the “**2023 Annual Report**”), the Group has been loss making over the last five financial years. Set out below are the financial summary of the Group since the financial year 2019:

	<b>FY2023</b>	<b>FY2022</b>	<b>FY2021</b>	<b>FY2020</b>	<b>FY2019</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(audited)	(audited)	(audited)	(audited)	(audited)
Revenue	71,399	98,271	115,368	116,110	206,268
Loss for the year	(54,104)	(64,324)	(94,698)	(63,940)	(37,134)
	<b>As at</b>				
	<b>31/3/2023</b>	<b>31/3/2022</b>	<b>31/3/2021</b>	<b>31/3/2020</b>	<b>31/3/2019</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(audited)	(audited)	(audited)	(audited)	(audited)
Total assets	188,730	225,133	278,695	378,796	443,488
Total liabilities	(17,024)	(21,763)	(11,001)	(15,704)	(23,585)
Net assets	171,706	203,370	267,694	363,092	419,903

As disclosed in the 2023 Annual Report, the Group’s revenue amounted to approximately HK\$71.4 million for the year ended 31 March 2023, representing a decrease of approximately 27.3% compared to approximately HK\$98.3 million in 2022. The Group also recorded a net loss of approximately HK\$54.1 million for the year ended 31 March 2023. In addition, the net assets of Group as at 31 March 2023 was approximately HK\$171.7 million, representing a decrease of approximately HK\$31.7 million or approximately 15.6% comparing to that of the financial year ended 31 March 2022. The above loss making position and declining net assets position over the years are mainly attributable to the economic environment arising from the novel coronavirus disease (COVID-19), the factors to be considered for possible loan impairment include the clients’ repayment track record and updated financial position, the change in the market value of clients’ properties as well as the sentiment of the overall market in Hong Kong.

The Group has been continuing the money lending business as its core business and the Group has been developing the retail and online business since 2015 and has sourced and launched new product lines for pet products including pet supplements and pet foods. As disclosed in the 2023 Annual Report, the Group has been implementing certain business strategies in response to the worsened market conditions arising by the novel coronavirus outbreak in Hong Kong. The Group plans to expand its money lending business and retail business. The novel coronavirus outbreak has changed consumer behavior and led to consumers shop more online than visiting in person physical stores to shop. On the other hand, the measures to contain the spread of COVID-19 such as travel restrictions and limiting opening hours of shops and restaurants during the pandemic and its aftermath had hit the Hong Kong economy badly and created the funding needs of businesses and households across the board. Accordingly, the Company needs to raise funds for working capital and for expanding its money lending business and launch new products for its retail operations for diversification and broadening of the product base and to strength the financial position of the Group.

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## LETTER FROM THE BOARD

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As disclosed in the 2023 Annual Report, the cash and cash equivalent of the Company was approximately HK\$25.8 million. As at the Latest Practicable Date, the Group's cash on hand dropped to approximately HK\$4.0 million. In the coming months, the estimate of the net cash outflow of the Group per month is set out below:

	<b>Approximate</b> <i>HK\$'000</i>
<b>Cash inflow/(outflow)</b>	
Loan receivables	1,500
Proceeds from retail and wholesales	2,800
Salaries and commission	(2,000)
Rent, rates and management fee	(560)
Utilities expenses	(200)
Transportation	(200)
General office, shop and other expenses	(800)
Costs of purchase for retail and wholesales	(2,240)
	<hr/>
Net cash outflow of the Group	<u>(1,700)</u>

As such, the Company has a net cash outflow of approximately HK\$1.7 million per month. Accordingly, the Company needs to raise funds for working capital and for expanding its money lending business which has seen steady growth over the past years and launch new products for its retail operations for diversification and broadening of the product base.

The Group will continue to expand its existing businesses, namely the money lending business and retail business. The property market of Hong Kong has been correcting and with the increase in interest rate in the major markets and the more stringent regulatory environment for money lending business, the money lending business has been very difficult. However, there are good opportunities for higher return in interest as well as securing quality properties provided funds are available when such opportunities arise. As a result, the Group would like to have sufficient cash on hand to grasp such opportunities when they become available.

On the contrary, the retail business has been very steady and the expectation is that stability should continue as people in Hong Kong changed their way of living post-COVID with more home cooking. We have seen a big demand in frozen food and ready to eat meal packages over the last 12 months and the expectation is customers would continue this way of living in the foreseeable future especially with the difficult economic environment and the reduced spending capacity of the general population due to inflation, high interest rates and relatively poor financial performance of companies in general. In order to capture the growing demand, the Group intends to expand its product range in its retail business as well as growing its retail network and possibly have its own logistics team to support our online retail business.

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## LETTER FROM THE BOARD

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### Use of proceeds

The gross proceeds from the Rights Issue will be approximately HK\$70.0 million (assuming no Shares have been issued or repurchased by the Company before the Record Date). The net proceeds after deduction of relevant expenses (including but not limited to underwriting commission, professional parties expenses and disbursements) are estimated to be approximately HK\$64.5 million, representing a net subscription price of approximately HK\$0.041 per Rights Share.

Set out below a breakdown of the intended use of proceeds from the Rights Issue and the expected timeline in utilising the estimated net proceeds.

Intended use of proceeds from the Rights Issue	Approximate amount of the estimated net proceeds	Expected timeline in utilising the estimated Net Proceeds
(i) continual expansion of its money lending business, including secured loans and unsecured loans, such as mortgaged loans, car loans and personal loans under current client profiles	HK\$29 million	On or before 31 July 2024
(ii) procurement of healthcare products for human to enhance and expand its retail business	HK\$3 million	On or before 30 April 2024
(iii) procurement pets products including pet supplement and consumable goods	HK\$3 million	On or before 30 April 2024
(iv) expansion of other products offerings of the retail business	HK\$15 million	On or before 31 July 2024
(v) payment of outstanding promissory notes and consultancy fees		
– promissory note of subscription 2 companies' shares	HK\$3.1 million	On or before 31 January 2024
– consultancy fee	HK\$1.9 million	On or before 31 January 2024
(vi) general working capital of the Group (including rental, staff salaries, utilities expenses and general expenses etc)	HK\$9.5 million	On or before 31 March 2024

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## LETTER FROM THE BOARD

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Details of the Company intends to apply the net proceeds from the Rights Issue as follow:

- (i) as to HK\$29 million for the continual expansion of its money lending business under current client profiles including secured and unsecured loans such as mortgaged loan, car loans and personal loans. As at the Latest Practicable Date, the Company had no plan to conduct any other fundraising activities in the next 12 months and would focus on the Rights Issue. Nevertheless, the Group is actively participating in money lending business, as stated in the 2023 Annual Report, the demand for loans is correlated to consumer and business sentiment on expenditure and/or purchase of real estate assets for residential or investment purposes which can then be reflected in the level of domestic economic activities. The economic activities and business sentiment have been affected by the novel coronavirus infection. Many enterprises suffer from a plunge in business turnover, resulting in a liquidity problem, in particular those small and medium enterprises which have difficulty in obtaining commercial bank loans due to their scale of operation. This may provide potential opportunities for licensed money lenders, particularly when banks' attitudes have become more conservative under the worsened economic environment, notwithstanding that the Group has become more cautious in its lending given the weakening economy in Hong Kong which may give rise to more bad debts in the industry. The management of the Company will closely monitor and review the change in the money lending business and assess from time to time whether additional capital is needed. Despite that the Company is cautiously optimistic about the prospects of the money lending business, it is the management's responsibility to plan well ahead of time so that no promising business opportunities will be missed out when such business opportunities arise. As such, the Company intends to allocate net proceeds of approximately HK\$29 million from the Rights Issue to strengthen the capital base for the continual expansion of its money lending business. The management of the Company estimated that the maximum amount of capital that they can lend would increase to approximately HK\$86 million. Subject to the market performance and market sentiment, the net proceeds from the Rights Issue in this regard is expected to be fully utilised by June 2024.
- (ii) as to HK\$3 million for purchase of healthcare products for humans to enhance and expand its retail business. The Company has identified new source of suppliers and different brands of healthcare products and those healthcare products such as cordyceps products, sporoderm-broken ganoderma lucidum products, kidney and heart healthcare products and organic products are expected to be sold in the Company's existing retail stores.
- (iii) as to HK\$3 million to purchase pets products to enhance and expand its retail business, the Company has identified innovative brands such as Yunzhi & Agaricus Blazei Murill products, Petroselinum Crispum products, Broken Ganoderma Spore Meal Booster products, Joint Health Formula products under Brand name King of Chicken Essence, PAg+, Natural Pro, Petsmore, Petural and Cat Daily. The Company will also explore new source of suppliers and different brands of pets products and those pets products are expected to be sold in the existing retail stores.

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## LETTER FROM THE BOARD

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- (iv) as to HK\$15 million for expansion of other products offerings of the retail business; the Company is exploring a cooperation opportunity with a famous brand which sells frozen food products, such as dumplings, buns, dim sum etc. The idea is to bring signature dim sum into supermarket and home. The Company sees the opportunity of the change in consumer behavior during and after the COVID-19 pandemic and that the frozen food and ready-to-eat market suits all age groups and the increasing volume year-on-year. Consumers have now been accustomed to ordering raw food and frozen food to cook at home instead of patronizing restaurants. However, the pandemic has not diminished consumers in particular Hongkongers' appetite in quality dim sum. The Company plans to acquire trademark right from a famous local producer of food and beverage products and engage OEM (original equipment manufacturing) food factory to produce quality frozen dim sum. Leveraging the Group's expertise and experience in retail business and well-established relationship with distribution channels including supermarkets and chain stores, the Group will first launch the products in its own supermarkets and then to other supermarkets in Hong Kong. It is estimated that the proceeds of HK\$15 million will be used to expand into the new product line as follows:

<b>Estimated costs</b>	<i>HK\$' million</i>
Acquisition of trademark	5.0
Inventory cost	5.0
Marketing and promotion	2.0
Transportation	1.0
Employment of office staff	1.0
Cold storage rental	1.0
<b>Total</b>	<b>15.0</b>

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the foregoing trademark owner is an Independent Third Party. Accordingly, acquisition of the trademark from the trademark owner will not constitute a connected transaction under Chapter 20 of the GEM Listing Rules. Based on the initial calculation of the relevant size tests, acquisition of the trademark after completion of the Rights Issue will not constitute a notifiable transaction under Chapter 19 of the GEM Listing Rules. The Company will comply the relevant requirements under the GEM Listing Rule and make announcement as and when appropriate when the acquisition is made.

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## LETTER FROM THE BOARD

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- (v) as to HK\$3.1 million for payment of outstanding promissory notes for investment in 20% shares in Just Production (HK) Limited (“**Just Production**”), a production company which produces unmatched high quality media and private projects. Pursuant to a sale and purchase agreement dated 5 July 2023 between Great Sources Limited (a wholly-owned subsidiary of the Company) (“**Great Sources**”) as buyer and Mr. Siu Chung Ki Jarco, who is an Independent Third Party, as seller, Great Sources agreed to acquire a 20% interest in Just Production for a cash consideration of HK\$3,120,000 which is payable by way of issue of promissory note of Great Sources or its holding company upon completion. Acquisition of the 20% interest in Just Production was completed on 31 July 2023 and a promissory note in the amount of HK\$3,120,000 was issued by Great Sources at the closing of the transaction. The Directors confirm that the acquisition of interest in Just Production does not constitute a notifiable transaction or connected transaction under Chapter 19 and 20 of the GEM Listing Rules. It is expected that Just Production will contribute unparalleled insights into the promotion campaigns of the Company; and approximately HK\$1.9 million for consultancy fee, financial advisory fee and legal fees incurred in the Company’s day-to-day running of its businesses; and
- (vi) the remaining of the net proceeds for general working capital such as rental, staff salaries, utilities expenses and general expenses of the Group.

The Directors (including the members of the Independent Board Committee) have considered other financing alternatives such as debt financing, placing, open offer or internal cash resources to meet the funding needs of the Group, if appropriate, taking into consideration the financial position, capital structure and cost of funding of the Group as well as the prevailing market condition.

As for debt financing, firstly, debt financing such as bank borrowing will incur interest burden to the Group, thus weakening the financial position of the Group by increasing its gearing ratio, especially in light of the current upward trend of interest rates. Secondly, the Group may be subject to due diligence and negotiations for approximately two to three months, including assessment to the Group’s profitability, financial position and the then prevailing market condition. It is thus possible that the Group may either receive insufficient funds for its needs or receive sufficient funds under unfavorable financing conditions. Thirdly, debt financing may involve pledge of the Group’s assets, however, as mentioned above, over 50% of total asset of the Group are the loans and advances to customers and financial assets at fair value through profit or loss and inventory and trade receivables, which may not be regarded as valid pledge by the debt financing providers. Given the above considerations, the Directors consider debt financing to be relatively uncertain and time-consuming and thus not a commercially viable alternative, as compared to equity financing for the Group to obtain additional funding.

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## LETTER FROM THE BOARD

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As for equity fundraising, such as placing of new Shares, it is relatively smaller in scale as compared to fund raising through rights issue and it would lead to immediate dilution in the shareholding interest of existing Shareholders without offering them the opportunity to participate in the enlarged capital base of the Company, which is not the intention of the Company. Furthermore, to raise fund from placing, substantial amount of securities must be issued and it is not uncommon that the subscriber(s) request for a relatively deeper discount to the trading price of the Shares in view of the substantial amount of securities involved.

As for open offer, while it is similar to a rights issue, offering qualifying shareholders to participate, it does not allow free trading of rights entitlements in the open market unlike a rights issue, which would allow Shareholders to have more flexibility in dealing with the Shares and the nil paid rights attaching thereto.

In determining the subscription ratio of the Rights Issue, the Directors had taken into accounts, among other things, (i) the amounts to be raised by the exercise as compared to the relatively low market capitalisation of the Company of approximately HK\$30 million as at the date of the Underwriting Agreement; (ii) the subscription price shall be set at certain discount levels to the recent closing prices of the Shares at which the potential underwriters may accept and shall be attractive to encourage shareholders to participate in the Rights Issue; and (iii) the requirements of Rule 10.44A of the GEM Listing Rules that Rights Issue should not result in a theoretical dilution effect of 25% or more.

In the view of the above, the Directors (including the members of the Independent Board Committee) are of the view that the Rights Issue can strengthen the financial position of the Group, provide funding to the Group to finance the Group's funding needs as stated above and that the proceeds from previous equity fund raising activities (as stated below) have been fully utilised as at the date of this Prospectus, and will also enable all Qualifying Shareholders to participate in the future development of the Company on equal terms and at the same time to maintain their respective pro rata shareholdings in the Company. As such, the Directors consider that the fund raising through the Rights Issue is in the interests of the Company and the Shareholders as a whole.

## LETTER FROM THE BOARD

### EQUITY FUND RAISING ACTIVITIES OF THE COMPANY DURING THE PAST 12 MONTHS

Apart from the fund raising activities mentioned below, the Company has not conducted any other fund raising activities involving the issue of its equity securities in the 12 months immediately preceding the date of this Prospectus.

Date of announcement	Fund raising activity	Net proceeds raised <i>(approximately)</i>	Proposed use of the net proceeds	Actual use of net proceeds
10 August 2022 (completed on 21 September 2022)	Rights issue on the basis of one (1) rights share for every two (2) Shares held on the record date at the subscription price of HK\$0.12 per rights share	HK\$12.62 million	(i) as to HK\$6 million for the continual expansion of its money lending business;  (ii) as to HK\$6 million for purchase of products to expand its retail operations offering; and  (iii) the remaining amount for general working capital of the Group.	(i) as to approximately HK\$6 million was used for money lending to clients;  (ii) as to approximately HK\$6 million was used for purchase of products to expand its retail operations offering from supplier; and  (iii) as to approximately HK\$0.62 million was used for general working capital of the Group.
1 November 2022 (completed on 21 November 2022)	Offer by way of private placing of 72,105,000 Shares to the placees	HK\$9.8 million	(i) as to approximately HK\$9 million for continual expansion of its money lending business; and  (ii) as to approximately HK\$0.8 million for general working capital of the Group.	(i) as to approximately HK\$9 million for money lending to clients; and  (ii) as to approximately HK\$0.8 million was used for general working capital of the Group.

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## LETTER FROM THE BOARD

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Date of announcement	Fund raising activity	Net proceeds raised <i>(approximately)</i>	Proposed use of the net proceeds	Actual use of net proceeds
9 February 2023 (completed on 23 May 2023)	Subscription of 86,000,000 new Shares at the subscription price of HK\$0.20 per Share under specific mandate	HK\$15.2 million	(i) as to HK\$1 million and HK\$1 million for financing the respective acquisitions of Union Raise Limited (“ <b>Union Raise</b> ”) and Pets Supermarket Limited (“ <b>Pets Supermarket</b> ”); and  (ii) as to approximately HK\$6.6 million and HK\$6.6 million for the operation and working capital of Union Raise and Pets Supermarket respectively.	(i) as to HK\$1 million and HK\$1 million for financing the respective acquisitions; and  (ii) as to approximately HK\$6.6 million and HK\$6.6 million for the operation and working capital of Union Raise and Pets Supermarket respectively.

### GEM LISTING RULES IMPLICATIONS

As the Rights Issue will increase the issued share capital of the Company by more than 50%, the Rights Issue is subject to approval by the Independent Shareholders at the SGM by poll in accordance with the requirements of Rule 10.29(1) of the GEM Listing Rules and any controlling shareholder and their respective associates or where there is no controlling shareholder, the Directors (excluding independent non-executive Directors), the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution(s) relating to the Rights Issue.

As at the Latest Practicable Date, Best Richest (a company which is ultimately owned as to 100% by Mr. Chan, the chairman and an executive Director) holds 181,196,866 Shares (representing approximately 34.94% of the issued share capital of the Company), is a controlling shareholder of the Company. Accordingly, Mr. Chan and his associates are required to abstain from voting in favour of the resolution(s) approving the Rights Issue at the SGM.

The Rights Issue (whether on its own or when aggregated with the 2022 Rights Issue) does not result in a theoretical dilution effect of 25% or more. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 10.44A of the GEM Listing Rules.

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## LETTER FROM THE BOARD

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### **RISK FACTORS**

The Group's financial condition, results of operations, and business prospects may be affected by a number of risks and uncertainties directly or indirectly pertaining to the Group's businesses. To their best of knowledge and belief, the Directors consider that the followings are the key risks and uncertainties identified by the Group.

#### **Risks relevant to the Company's business**

##### *Money lending business*

The money lending business of the Group is exposed to default from the Group's customers, which involves the risk of loss due to the inability or unwillingness of customers to meet their contractual obligations. While the Group has internal policies and procedures designed to manage such risks, these policies and procedures may not be fully effective. If the customers of the money lending business of the Group fail to meet their contractual obligations, the Company may incur additional costs to collect the loan principal and corresponding interests.

##### *Groceries retail and wholesale business*

The groceries retail and wholesale market is highly competitive. In the event the Group is unable to compete effectively, the business and financial results of the Group may be affected.

#### **Foreign Exchange Rates Risk**

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

#### **Liquidity Risk**

Liquidity risk is the potential risk that the Group will be unable to meet its obligations when they fall due because of an inability to obtain adequate funding or liquidate assets. In managing liquidity risk, the Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

#### **Price Risk**

The Group's financial assets at fair value through profit or loss are measured at fair value at the end of each reporting period. Therefore, the Group is exposed to price risk arising from listed equity securities and unlisted fund. The Directors manage this exposure by maintaining a portfolio of investments with different risk profiles.

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## LETTER FROM THE BOARD

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

Shareholders and potential investors of the Company should note that the proposed Rights Issue is conditional upon, among others, the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof (a summary of which is set out in the paragraph headed “Termination of the Underwriting Agreement” under the section headed “THE UNDERWRITING AGREEMENT” above). Accordingly, the proposed Rights Issue may or may not proceed.

The Shares are expected to be dealt in on an ex-rights basis from Friday, 1 December 2023. Dealings in the Rights Shares in nil-paid form are expected to take place from Wednesday, 3 January 2024 to Wednesday, 10 January 2024 (both days inclusive). Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or Rights Shares in their nil-paid form is advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares.

Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s). Any Shareholder or other person dealing in the Shares or in the nil-paid Rights Shares up to the date on which all the conditions to which the proposed Rights Issue is subject are fulfilled (and the date on which the Underwriter’s right of termination of the Underwriting Agreement ceases) will accordingly bear the risk that the proposed Rights Issue may not become unconditional or may not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

### ADDITIONAL INFORMATION

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

On behalf of the Board  
**Wisdomcome Group Holdings Limited**  
**Chan Yan Tak**  
*Director and Chairman of the Company*

**1. SUMMARY OF THE FINANCIAL INFORMATION OF THE GROUP**

The financial information of the Group for each of the three financial years ended 31 March 2021, 2022 and 2023 were disclosed in the following documents which been published on both the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website ([www.ecrepay.com](http://www.ecrepay.com)):

- annual report of the Company for the year ended 31 March 2021 published on 25 June 2021 (pages 44 to 116):  
  
(<https://www1.hkexnews.hk/listedco/listconews/gem/2021/0625/2021062502423.pdf>);
- annual report of the Company for the year ended 31 March 2022 published on 26 June 2022 (pages 52 to 120):  
  
(<https://www1.hkexnews.hk/listedco/listconews/gem/2022/0626/2022062600011.pdf>);
- annual report of the Company for the year ended 31 March 2023 published on 25 June 2023 (pages 63 to 128):  
  
(<https://www1.hkexnews.hk/listedco/listconews/gem/2023/0625/2023062500127.pdf>).

**2. STATEMENT OF INDEBTEDNESS**

As at the close of business on 30 November 2023, being the latest practicable date for the purpose of this indebtedness statement, the Group had a total outstanding borrowings of approximately HK\$4,177,000, comprising borrowings of approximately HK\$1,200,000 and lease liabilities of approximately HK\$2,977,000.

Save as aforesaid and apart from intra-group liabilities, the Group did not, at the close of the business on 30 November 2023, have any loan capital issued and outstanding or agreed to be issued, bank overdrafts, charges or debentures, mortgages, loans or other similar indebtedness, finance leases or hire purchase commitment, liabilities under acceptance (other than normal trade bills and payables), acceptance credits, or any guarantees or other material contingent liabilities.

For the purpose of the above indebtedness statement, foreign currency amounts have been translated into Hong Kong dollars at the applicable rates of exchange prevailing at the close of business on 30 November 2023.

**3. WORKING CAPITAL**

The Directors, after due and careful enquiry, are of the opinion that, after taking into consideration the financial resources presently available to the Group, including the existing cash and bank balances, available facilities and the estimated net proceeds from the Rights Issue, the Group has sufficient working capital for its present requirements for at least the next 12 months from the date of this Prospectus in the absence of any unforeseen circumstances.

**4. MATERIAL ADVERSE CHANGE**

The Directors confirm that, save as disclosed below, there had been no material change in the financial or trading position or outlook of the Group since 31 March 2023, being the date to which the latest published audited financial statements of the Company were made up, up to the Latest Practicable Date:

- as disclosed in the interim report of the Group, the Group recorded an unaudited loss attributable to shareholders of the Company of approximately HK\$18.1 million for the six months ended 30 September 2023 as compared to the corresponding period a loss of approximately HK\$8.4 million in 2022.

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

The Company is an investment holding company. The Group is principally engaged in money lending business, retail and wholesale business, financial instruments and quoted shares investment in Hong Kong.

**Money Lending Business**

The money lending business is the core business of the Group and generate stable income to the Group. The Group has been engaging actively in money lending business for more than ten years and a solid client base was built.

For the six months ended 30 September 2023, turnover for this segment under review was approximately HK\$8.1 million as compared to approximately HK\$16.3 million for the corresponding period in 2022.

The economic activities and business sentiment have been affected by the novel coronavirus infection. Many enterprises suffer from a plunge in business turnover, resulting in a liquidity problem, in particular those small and medium enterprises which have difficulty in obtaining commercial bank loans due to their scale of operation. This may provide potential opportunities for licensed money lenders, particularly when banks' attitudes have become more conservative under the worsened economic environment, notwithstanding that the Group has become more cautious in its lending given the weakening economy in Hong Kong which may give rise to more bad debts in the industry.

**Retail and Wholesale Business**

The Group is operating 4 retail shops which located in Wanchai, Lai Chi Kok, Kowloon Bay and Tai Po and online business for the sales of grocery products. Beyond the general products like frozen food, the Group will focus more the in-house ready-to-eat products for the public. Turnover for this segment for the six months ended 30 September 2023 under review was approximately HK\$16.8 million when compared with the corresponding period in 2022 was of HK\$25.8 million.

During the severe epidemic period, peoples reduced their social life and went out to eat, and tried to stay at home to cook. Therefore, peoples began to suffer from anti-epidemic fatigue for a long time. After the fifth wave of the covid-19 epidemic has subsided, the Government has begun to loosen social distancing, and peoples have begun to resume social life and dining out more. However, the reduction of cooking at home has directly affected the revenue of the retail and wholesale business of the Group.

***Outlook***

The Group will proceed to seek investment opportunities for further improving the business and explore new investments to boarder the business scope of the Group with the ultimate goal to maximise the return to its shareholders.

*For illustrative purpose only, set out below is the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group after completion of the Rights Issue. Although reasonable care has been exercised in preparing the unaudited pro forma financial information, Shareholders who read the information should bear in mind that these figures are inherently subject to adjustments and may not give a complete picture of the Group's financial results and positions for the financial periods concerned.*

#### A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company (the “**Unaudited Pro Forma Financial Information**”) has been prepared by the Directors in accordance with paragraph 7.31 of the Rules Governing the Listing of Securities on the GEM operated by The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) to illustrate the effect of the Rights Issue on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as if the Rights Issue had been completed on 30 September 2023.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purpose only, and because of its hypothetical nature, it may not reflect a true picture of the consolidated net tangible assets of the Group attributable to owners of the Company upon completion of the Rights Issue or at any future date.

The Unaudited Pro Forma Financial Information is prepared based on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2023, as extracted from the published unaudited consolidated statement of financial position as at 30 September 2023, and is adjusted for the effect of the Rights Issue described below:

	<b>Unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2023 HK\$'000 (Note 1)</b>	<b>Estimated net proceeds from the Rights Issue HK\$'000 (Note 2)</b>	<b>Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company immediately after the completion of the Rights Issue HK\$'000</b>
Rights issue of 1,555,932,093 Rights Shares at a Subscription Price of HK\$0.045 per Rights Share	165,755	64,517	230,272

HK\$

Unaudited consolidated net tangible assets of the Group per Share attributable to the owners of the Company as at 30 September 2023 before the completion of the Rights Issue ( <i>Note 3</i> )	0.32
Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company immediately after the completion of the Rights Issue per adjusted Share ( <i>Note 4</i> )	
Based on 1,555,932,093 Rights Shares to be issued	0.11

*Notes:*

1. The amount of unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2023 is extracted from the Group's published unaudited consolidated financial statement for the six months ended 30 September 2023.
2. Best Richest, as at the date of this Prospectus, has in an aggregate of 181,196,866 Shares and Best Richest has undertaken to accept in full the Rights Shares to be provisionally allotted to it under the Rights Issue of 543,590,598 Rights Shares.

The estimated net proceeds from the Rights Issue of approximately HK\$64,517,000 are calculated based on 1,555,932,093 Rights Shares to be issued at Subscription Price of HK\$0.045 per Rights Share, after deduction of estimated expenses of approximately HK\$5,500,000 to be incurred by the Company, which include underwriting commission and professional fees payable to lawyers, reporting accountants, financial printer and other parties involved in the Rights Issue.

3. The calculation of the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2023 per Share in issue is determined based on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company of approximately HK\$165,755,000 divided by the number of Shares in issue of 518,644,031 as at 30 September 2023.
4. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2023 immediately after the completion of the Right Issue per adjusted Share is calculated based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company immediately after the completion of the Rights Issue of approximately HK\$230,272,000 divided by the adjusted number of Shares of 2,074,576,124 Shares, which represents: 518,644,031 Shares in issue as at 30 September 2023; and
5. No adjustments have been made to the Unaudited Pro Forma Financial Information to reflect any trading results or other transactions of the Group entered into subsequent to 30 September 2023.

**B. ACCOUNTANT'S REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION**

*The following is the text of a report received from the independent reporting accountants, CL Partners CPA Limited, Certified Public Accountants, Hong Kong, in respect of the Group's pro forma financial information prepared for the sole purpose of inclusion in this Prospectus.*

**Independent Reporting Accountants' Assurance Report on the Compilation of Unaudited Pro Forma Financial Information****To the directors of WISDOMCOME GROUP HOLDINGS LIMITED**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Wisdomcome Group Holdings Limited (the "**Company**", formerly known as "Easy Repay Finance & Investment Limited (易還財務投資有限公司)") and its subsidiaries (hereinafter collectively the "**Group**") by the directors of the Company (the "**Directors**") 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 owners of the Company as at 30 September 2023, and related notes as set out in on pages II-1 to II-2 of the prospectus dated 29 December 2023 (the "**Prospectus**") issued by the Company (the "**Unaudited Pro Forma Financial Information**"). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described on pages II-1 to II-2 of the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the proposed rights issue of 1,555,932,093 rights shares (the "**Rights Shares**") at subscription price of HK\$0.045 per rights share on the basis of three Rights Shares for every one existing share of the Company in issue held on the record date on a fully underwritten basis (the "**Rights Issue**") on the unaudited Group's financial position as at 30 September 2023 as if the Rights Issue had taken place on 30 September 2023. As part of this process, information about the Group's financial position has been extracted by the Directors from the Group's condensed consolidated financial statements for the six months ended 30 September 2023, on which review report has been published.

***Directors' Responsibilities for the Unaudited Pro Forma Financial information***

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 7.31 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "**GEM Listing Rules**") and with reference to Accounting Guideline ("**AG**") 7 Preparation of "Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

***Our Independence and Quality Management***

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 behaviour.

Our firm applies Hong Kong Standard on Quality Management (HKSQM) 1 “Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements” issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

***Reporting Accountants’ Responsibilities***

Our responsibility is to express an opinion, as required by paragraph 7.31(7) of the GEM 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 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 paragraph 7.31 of the GEM Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes 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 the Unaudited Pro Forma Financial Information included in this Prospectus 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 Rights Issue at 30 September 2023 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 unaudited 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 accountants' judgment, having regard to the reporting accountants' 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 Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 7.31(1) of the GEM Listing Rules.

**CL Partners CPA Limited**  
*Certified Public Accountants*

Hong Kong, 29 December 2023

**1. RESPONSIBILITY STATEMENTS**

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

The authorized and issued share capital of the Company (a) as at the Latest Practicable Date; and (b) immediately after the completion of the Rights Issue (assuming no change in the number of issued Shares on or before the Record Date) are as follows:

**(i) As at the Latest Practicable Date**

<i>Authorised:</i>	<i>HK\$</i>
<u>30,000,000,000</u> Shares of HK\$0.01 each	<u>300,000,000.00</u>
<i>Issued and fully paid up:</i>	
<u>518,644,031</u> Shares of HK\$0.01 each	<u>5,186,440.31</u>

**(ii) Immediately after completion of the Rights Issue (assuming no change in the number of issued Shares on or before the Record Date)**

<i>Authorised:</i>	<i>HK\$</i>
<u>30,000,000,000</u> Shares	<u>300,000,000.00</u>
<i>Issued and fully paid up:</i>	
518,644,031 Shares as at the Latest Practicable Date	5,186,440.31
<u>1,555,932,093</u> Rights Shares to be allotted and issued under the Rights Issue	<u>15,559,320.93</u>
<u>2,074,576,124</u> Total enlarged number of Shares upon completion of the Rights Issue	<u>20,745,761.24</u>

All issued Shares rank *pari passu* with each other in all respects including all rights as to voting, dividends, and return of capital, and with all the Shares in issue as at the date of allotment and issue of the Rights Shares.

The Rights Shares, when issued and fully-paid, will rank *pari passu* in all respects among themselves and with the Shares then in issue. 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 and issue of the Rights Shares.

The Company has applied to the Stock Exchange 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 Rights Shares or any other securities of the Company to be listed or dealt in on any other stock exchange. Accordingly, there are no dealing and settlement arrangements for securities of the Company between the Stock Exchange and any other stock exchange.

As at the Latest Practicable Date, there were no arrangements under which future dividends are waived or agreed to be waived.

As at the Latest Practicable Date, the Company had no outstanding convertible securities, options or warrants or other similar rights which confer any right to convert into or subscribe for Shares and there was no capital of any member of the Group which is under option, or agreed conditionally or unconditionally to be put under option.

### 3. DISCLOSURE OF INTERESTS

#### (a) Interests of Directors and chief executives of the Company

As at the Latest Practicable Date, save as disclosed below, none of the Directors or chief executives of the Company or any of their respective associates had or was 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 (i) 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 (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register maintained by the Company referred to therein; or (iii) have to be notified to the Company and the Stock Exchange pursuant to the standard of dealings by Directors as set out in Rule 5.46 to 5.67 of the GEM Listing Rules.

Name of Director	Capacity	Number of Shares held	Approximate percentage of shareholding in the Company (Note 1)
Mr. Chan	Interest in controlled corporation (Note 2)	181,196,866 (L)	34.94%

*Notes:*

1. As at the Latest Practicable Date, the total number of Shares in issue was 518,644,031 Shares.
2. The 181,196,866 Shares are held by Best Richest, which is wholly-owned by Mr. Chan, the chairman and an executive Director of the Company. Pursuant to the Division 7 and 8 of Part XV of the SFO, Mr. Chan is deemed to have an interest in all shares in which Best Richest has, or deemed to have an interest.

Save as disclosed above, as at the Latest Practicable Date, 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 which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

**(b) Interests of substantial Shareholders**

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of SFO, and so far as was known to any Directors or chief executive of the Company, the following persons or companies (not being a Director or chief executive of the Company), had, or was deemed or taken to have interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were, directly or indirectly, deemed to be interested in 10% or more of the nominal value of any class of share capital, including options in respect of such capital, carrying rights to vote in all circumstances at general meetings of any member of the Group:

Name of substantial Shareholders	Capacity	Total number of Shares held	Approximate percentage of total number of issued Shares (Note)
Mr. Cheng Sai Chit Luke	Beneficial owner	43,000,000	8.29%
Ms. Li Yung	Beneficial owner	32,900,000	6.34%

*Note:*

As at the Latest Practicable Date, the total number of Shares in issue was 518,644,031 Shares.

Save as disclosed above, as at the Latest Practicable Date, the Company had not been notified of any other persons who had an interests or a short position in the Shares and underlying Shares, which would fall to be disclosed to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required to be entered into in the register required to be kept by the Company pursuant to section 336 of the SFO.

**4. LITIGATIONS**

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against the Company or any member of the Group.

**5. DIRECTORS' SERVICE CONTRACTS**

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

## 6. DIRECTORS' INTEREST IN COMPETING BUSINESS

As at the Latest Practicable Date, to the best knowledge and belief of the Directors after having made all reasonable enquiries, none of the Directors, controlling shareholder of the Company nor their respective close associates (as defined in the GEM Listing Rules) had any interest in a business, which competes or may compete, either directly or indirectly, with the business of the Group.

## 7. DIRECTORS' INTEREST IN ASSETS, CONTRACTS AND ARRANGEMENT OF THE GROUP

As at the Latest Practicable Date, none of the Directors were materially interested in any contract or arrangement entered into by any member of the Group which was subsisting as at the Latest Practicable Date and which was significant in relation to the business of the Group. As at the Latest Practicable Date, save as disclosed in this Prospectus, none of the Directors had any interest, directly or indirectly, in any assets which have been, since 31 March 2023 (being the date to which the latest published audited consolidated accounts of the Company were made up), acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

## 8. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business of the Group) have been entered into by the members of the Group during the period commencing two years immediately preceding the date of this Prospectus and up to the Latest Practicable Date which are or may be material:

- (a) a subscription agreement dated 17 January 2022 between Yvonne Credit Service Co., Limited, a subsidiary of the Company ("**Yvonne Credit**") as subscriber and Albany Creek Fund SPC as issuer for the subscription of Class A Shares in the Albany Creek Bond Series Segregated Portfolio, a segregated portfolio of Albany Creek Fund SPC of up to approximately HK\$10,000,000;
- (b) the conditional placing agreement dated 10 August 2022 and entered into between the Company (as issuer) and RaffAello Securities (HK) Limited ("**RSL**") (as placing agent) in relation to the offer by way of private placing of (i) the unsubscribed rights shares under the rights issue (the "**2022 Rights Issue**") on the basis on one (1) rights share for every two (2) Shares at the subscription price of HK\$0.12 per rights share; and (ii) the rights shares which would otherwise have been provisionally allotted to the non-qualifying Shareholders under the 2022 Rights Issue;
- (c) the conditional placing agreement dated 1 November 2022 and entered into between the Company (as issuer) and RSL (as placing agent) in relation to the offer by way of private placing of up to 72,105,000 new Shares to the placee(s) under the general mandate granted to the Directors by the Shareholders pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 27 September 2022;

- (d) the conditional sale and purchase agreement dated 8 February 2023 and entered into between the Company and Mr. Cheng Sai Chit Luke (“**Mr. Cheng**”) in respect of the acquisition of 901 shares of Union Raise Limited;
- (e) the conditional subscription agreement dated 8 February 2023 and entered into between the Company and Mr. Cheng in respect of the subscription for 43,000,000 new Shares by Mr. Cheng;
- (f) the conditional sale and purchase agreement dated 8 February 2023 and entered into between the Company and Ms. Li Yung (“**Ms. Li**”) in respect of the acquisition of 901 shares of Pets Supermarket Limited;
- (g) the conditional subscription agreement dated 8 February 2023 and entered into between the Company and Ms. Li in respect of the subscription for 43,000,000 new Shares by Ms. Li;
- (h) the Underwriting Agreement; and
- (i) the Supplemental Underwriting Agreement.

## 9. QUALIFICATION AND CONSENT OF EXPERTS

The following is the qualification of the experts who have given opinion, letter or advice contained in this Prospectus:

<b>Name</b>	<b>Qualification</b>
CL Partners CPA Limited	Certified Public Accountants under Professional Accountant Ordinance (Cap. 50 of Laws of Hong Kong) and Registered Public Interest Entity Auditor under Financial Reporting Council Ordinance (Cap. 588 of Laws of Hong Kong)
South China Capital Limited	a corporation licensed to carry out type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, the above experts have given and has not withdrawn their written consent to the issue of this Prospectus with the inclusion herein of their letter, advice or report, as the case may be, and references to their name in the form and context in which they respectively appear.

As at the Latest Practicable Date, the above experts did not have any shareholding, directly or indirectly, in any member of the Group nor did they have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

## 10. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE RIGHTS ISSUE

**Board of Directors***Executive Directors:*

Mr. Chan Yan Tak (*Board Chairman*)  
Mr. Lim Ming Shing Tony  
Ms. Siu Yeuk Hung, Clara  
Mr. Law Ka Kei

*Independent non-executive Directors:*

Mr. Lee King Fui  
Mr. Joseph Rodrick Law  
Ms. Ho Sau Ping Pia  
Mr. Cheung Leung

*Audit Committee:*

Mr. Lee King Fui (*Committee Chairman*)  
Mr. Joseph Rodrick Law  
Ms. Ho Sau Ping Pia  
Mr. Cheung Leung

*Nomination Committee:*

Mr. Chan Yan Tak (*Committee Chairman*)  
Mr. Lim Ming Shing Tony  
Ms. Siu Yeuk Hung, Clara  
Mr. Lee King Fui  
Mr. Joseph Rodrick Law  
Ms. Ho Sau Ping Pia  
Mr. Cheung Leung

*Remuneration Committee:*

Mr. Lee King Fui (*Committee Chairman*)  
Mr. Chan Yan Tak  
Mr. Lim Ming Shing Tony  
Ms. Siu Yeuk Hung, Clara  
Mr. Joseph Rodrick Law  
Ms. Ho Sau Ping Pia  
Mr. Cheung Leung

**Registered Office**

Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM 10  
Bermuda

<b>Head Office and Principal Place of Business in Hong Kong</b>	Unit 02, 11/F, Eastmark 21 Sheung Yuet Road Kowloon Bay, Kowloon Hong Kong
<b>Authorised Representatives</b>	Mr. Chan Yan Tak Mr. Lim Ming Shing, Tony
<b>Company secretary</b>	Mr. To Chi (CPA, FCCA)
<b>Principal share registrar and transfer office in Bermuda</b>	Ocorian Management (Bermuda) Limited Victoria Place, 5th Floor 31 Victoria Street Hamilton HM 10 Bermuda
<b>Branch share registrar and transfer office in Hong Kong</b>	Tricor Standard Limited 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong
<b>Principal Bankers</b>	Bank of China (Hong Kong) Limited Bank of China Tower 1 Garden Road Central Hong Kong
<b>Legal adviser to the Company</b>	C&T Legal LLP 10/F & 22/F, Shum Tower 268 Des Voeux Road Central Sheung Wan Hong Kong
<b>Auditor and Reporting Accountant</b>	CL Partners CPA Limited 3203A-5, Tower 2 Lippo Centre 89 Queensway Admiralty Hong Kong
<b>Financial adviser</b>	RaffAello Capital Limited 1/F, E168, 166-168 Des Voeux Road Central Hong Kong
<b>Underwriter</b>	RaffAello Securities (HK) Limited 1/F, E168, 166-168 Des Voeux Road Central Hong Kong

## 11. EXPENSES

The expenses in connection with the Rights Issue, including but not limited to the underwriting commission and professional fees payable to financial adviser, legal adviser, reporting accountants, financial printer and other parties involved in the Rights Issue are estimated to be approximately HK\$5.5 million, which are payable by the Company.

## 12. PARTICULARS OF THE DIRECTORS AND SENIOR MANAGEMENT

### (a) Profiles of the Directors and senior management

#### *Executive Directors*

**Mr. CHAN Yan Tak** (“**Mr. Chan**”), aged 54, joined the Company on 22 July 2022. He is the Chairman and the Controlling Shareholder of the Company. He is also the chairman of the Nomination Committee and a member of the Remuneration Committee of the Company. Mr. Chan is the chairman and chief executive officer of Wisdomcome Group. The group engaged in different businesses including pet related products, health food and pharmaceutical trading business as well as property investment and development. Mr. Chan was the chairman of the board of directors of Shunten International (Holdings) Limited, a company the shares of which are listed on the Stock Exchange until 1 April 2019. Mr. Chan has acted as the honorary president of the Federation of Beauty Industry (H.K.). He has been a member of the Association of Hong Kong and Kowloon Practitioners of Chinese Medicine Limited since 2004 and was then appointed as the advisor of the abovementioned association in 2008. Mr. Chan is currently a director of Yan Oi Tong and a founding member of Affectionate World Charitable Foundation Limited (人間有情慈善基金有限公司) since May 2017, both are registered non-profit making charitable organisations.

Mr. Chan is the brother-in-law of Mr. Lim Ming Shing, Tony, an executive Director of the Company.

**Mr. LIM Ming Shing, Tony** (“**Mr. Lim**”), aged 62, joined the Company on 22 July 2022. He is a member of the Nomination Committee and the Remuneration Committee of the Company.

Mr. Lim is a senior official of Wisdomcome Group. The group engaged in different businesses including pet related products, health food and pharmaceutical trading business as well as property investment and development. From January 2016 to August 2017, he served as Director and Chief Financial Officer of the Shunten International (Holdings) Limited respectively, Mr Lim has over 22 years of experience in financial and management accounting. He was awarded a professional diploma in management accountancy from the Hong Kong Polytechnic University (previously known as Hong Kong Polytechnic) in 1985 and he obtained his Master Degree in Business Administration from Heriot-Watt University, United Kingdom in 1999. He is a member of Hong Kong Institute of Certified Public Accountants; Association of Chartered Certified Accountants and Chartered Institute of Management Accountants.

Mr. Lim is the brother-in-law of Mr. Chan Yan Tak, the Chairman and an executive Director of the Company.

**Ms. SIU Yeuk Hung, Clara** (“**Ms. Siu**”), aged 58, joined the Company on 9 August 2017. She is compliance officer, a member of the Nomination Committee and Remuneration Committee of the Company.

Ms. Siu has extensive experience in marketing and business development. Prior to joining the Company, Ms. Siu has worked in a company listed on the Stock Exchange, responsible for the marketing and business development since 2006.

**Mr. LAW Ka Kei** (“**Mr. Law**”), aged 47, is a director of several subsidiaries of the Company. Mr. Law joined the Group as the General Manager of People’s Market in 2012 and appointed as executive director of the Company with effect from 2 July 2020. Mr. Law has over 18 years’ retail chain management experience. Mr. Law obtained a Degree of Business Administration from Lingnan University, Hong Kong.

#### *Independent non-executive Directors*

**Mr. LEE King Fui** (“**Mr. Lee**”), aged 45, joined the Company in July 2019. Mr. Lee is the Chairman of the Audit Committee and Remuneration Committee, the member of Nomination Committee of the Company. Mr. Lee is a director of Visionwide Consultancy Limited since October 2017. Mr. Lee has more than 20 years of experience in accounting, audit and corporate finance and advisory services in Malaysia, Hong Kong and Mainland China. He worked at Enersoon Technology Limited from January 2016 to December 2016, and his last position was vice president of strategic investment. Mr. Lee had been the chief financial officer of different companies in Hong Kong and China namely, Legend Oilfield Services Limited, Aujet Industry Limited, and Wellable Marine Biotech Holding Limited for the period from August 2011 to April 2015. Prior to the abovementioned positions, Mr. Lee worked in KPMG Hong Kong from October 2006 to March 2011 and the last position that he held was senior manager. Mr. Lee is an independent non-executive director of S&P International Holding Limited, which listed on the main board of the Stock Exchange of Hong Kong Limited (Stock code: 1695).

Mr. Lee obtained a master’s degree in accountancy from The Hong Kong Polytechnic University in October 2012. He was admitted as an associate member of the Hong Kong Institute of Certified Public Accountants since January 2012 and became a fellow member since September 2020. Mr. Lee was admitted as a member of the Association of Chartered Certified Accountants in September 2003 and became a fellow member since September 2008. Mr. Lee was also admitted as a chartered accountant of the Malaysian Institute of Accountants since March 2004.

**Mr. Joseph Rodrick Law** (“**Mr. Law**”), aged 43, joined the Company on 22 July 2022. Mr. Law is a member of Audit Committee, Nomination Committee and Remuneration Committee of the Company. Mr. Law is an entrepreneur, investor, bestselling author, visiting professor and philanthropist. He is the Chairman of J Global Limited, a consulting firm serving companies across Australia, Hong Kong, China, Southeast Asia, India, the United States, and Europe.

Mr. Law is a mentor for Cyberport Hong Kong and Tasmu Smart Qatar, an initiative aligned to the Ministry of Communications and Information Technology of Qatar. He is a visiting professor for the school of entrepreneurship at the Rishihood University.

Mr. Law is an Amazon best-selling author and columnist for the Forbes Magazine in China. He is the author of *The Chill Panda: Dealing with Change in Work and Life* and *Authentic Power and Greatness*. He has been interviewed by international media outlets, such as Yahoo! Finance, The Australian Financial Review, Sky News, the Financial Times, and the Wall Street Journal.

Mr. Law was invited by the former Foreign Minister of Australia to the advisory board of the think tank, Australia-China Relations Institute at the University of Technology Sydney. He has worked with the Sustainable Stock Exchange Initiative, co-organized by the United Nations Conference on Trade and Development. Mr. Law is the Chairman of the International Association of Mental Health Hong Kong and cofounder of JC Happiness Charity Foundation. He is also a member of the advisory committee of The Fred Hollows Foundation (HK).

**Ms. Ho Sau Ping, Pia** (“**Ms. Ho**”), aged 64, joined the Company on 16 January 2023. Ms. Ho is a member of Audit Committee, Remuneration Committee and Nomination Committee of the Company.

Ms. Ho has been a senior media company officer, and has been engaged in executive management of media content and broadcast programme activities, as well as philanthropy and operational management of social and cultural enterprises, for over 14 years.

Ms. Ho was formerly Creative Director and Producer at Hong Kong Commercial Broadcasting Company Limited, one of Hong Kong’s major broadcasting companies. She is a co-founding member of international theatre company Zuni Icosahedron, that has managed events in more than 30 cities, is a venue partner of the Hong Kong Cultural Centre, and is one of the major Hong Kong government-supported professional performing arts groups.

**Mr. Cheung Leung** (“**Mr. Cheung**”), aged 38, joined the Company on 15 November 2023. Mr. Cheung is a member of Audit Committee, Remuneration Committee and Nomination Committee of the Company.

Mr. Cheung holds a Bachelor of Business Administration (Honours) in Accountancy and Management Information Systems from the City University of Hong Kong.

Mr. Cheung is a fellow member of the Hong Kong Institute of Certified Public Accountants, a member of CPA Australia, and an Associate Chartered Accountant of the Institute of Chartered Accountants in England and Wales.

Mr. Cheung is currently a responsible officer of Hooray Capital Limited, being an indirectly wholly owned subsidiary of Universal Technologies Holdings Limited (Stock Code: 1026), where he is mainly responsible for the business of the licensed corporation carrying out Type 6 (advising on corporate finance) regulated activity under the Securities and Future Ordinance. Before he joined Hooray Capital Limited, Mr. Cheung has worked in various investment banks engaging in advising on corporate finance for over 10 years and has worked in various international and local accounting firms for almost five years. He has extensive experience in the fields of accounting, auditing, corporate finance, mergers and acquisitions and the capital market.

#### *Senior Management*

**Mr. TO Chi** (“**Mr. To**”) has been the company secretary of the Company since 7 August 2014. Mr. To holds a Master of Finance from RMIT University. He is a member of The Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. To has over 33 years of experience in company management, accounting, taxation as well as corporate finance.

#### **(b) Business address of the Directors, the senior management and authorised representatives**

The business address of the Directors, the senior management and authorised representatives is the same as the Company’s head office and principal place of business in Hong Kong located at Unit 02, 11/F, Eastmark, 21 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong.

### **13. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG**

A copy of each of the Prospectus Documents and the written consent referred to in the paragraph headed “9. Qualification and Consent of Experts” in this appendix have been registered with the Registrar of Companies in Hong Kong pursuant to section 342C of the Companies (WUMP) Ordinance.

### **14. BINDING EFFECT**

The Prospectus Documents 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. When an acceptance or application is made in pursuance of any such documents, the relevant document(s) shall have the effect of rendering all persons concerned bound by the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (WUMP) Ordinance, so far as applicable.

### **15. AUDIT COMMITTEE**

As at the Latest Practicable Date, the audit committee of the Board (the “**Audit Committee**”) comprised four independent non-executive Directors, namely, Mr. Lee King Fui, Mr. Joseph Rodrick Law, Ms. Ho Sau Ping Pia and Mr. Cheung Leung. The Audit Committee is chaired by Mr. Lee King Fui. The Audit Committee is responsible for monitoring and reviewing the risk management procedures and internal control system of the Group.

**16. DOCUMENTS ON DISPLAY**

Copies of the following documents will be published on (i) the website of the Company (www.ecrepay.com) and (ii) the website of the Stock Exchange (www.hkexnews.hk) for 14 days from the date of this Prospectus:

- (a) the annual reports of the Company for the years ended 31 March 2021, 2022 and 2023;
- (b) the first quarterly report of the Company for the three months ended 30 June 2023 and the interim report of the Company for the six months ended 30 September 2023;
- (c) the material contracts referred to in the paragraph under the heading “8. Material Contracts” in this appendix;
- (d) the accountant’s report on the unaudited pro forma financial information of the Group in respect of the Rights Issue as set out in Appendix II to this Prospectus;
- (e) the written consent of the expert referred to in the paragraph headed “9. Qualification and Consent of Experts” in this appendix; and
- (f) the Prospectus Documents.

**17. MISCELLANEOUS**

- (a) As at the Latest Practicable Date, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong.
- (b) As at the Latest Practicable Date, the Group had no exposure to foreign exchange liabilities.
- (c) The English text of this Prospectus shall prevail over their respective Chinese text for the purpose of interpretation.