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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in M&L Holdings Group Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or other transferee or to the bank manager, licensed securities dealer or registered institution in securities, or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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### M&L HOLDINGS GROUP LIMITED

明樑控股集團有限公司

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

**(Stock code: 8152)**

## VERY SUBSTANTIAL DISPOSAL IN RELATION TO THE DISPOSAL OF THE DISPOSAL PROPERTY AND MAJOR TRANSACTION IN RELATION TO THE ACQUISITION OF THE TARGET PROPERTY

**Financial adviser to the Company**



红日资本有限公司

RED SUN CAPITAL LIMITED

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Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed “Definitions” in this circular.

A letter from the Board is set out on pages 4 to 12 of this circular.

A notice convening the EGM to be held at Room 302, 3/F, First Commercial Building, 33–35 Leighton Road, Causeway Bay, Hong Kong on Thursday, 16 January 2025 at 11:00 a.m. is set out on pages 43 to 44 of this circular. A form of proxy for use at the EGM is also enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the Company’s Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM (i.e. at or before 11:00 a.m. on Tuesday, 14 January 2025) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM if you so wish.

24 December 2024

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## CHARACTERISTICS OF GEM

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

“A\$”	Australian dollars, the lawful currency of Australia
“Acquisition”	the sale and purchase of the Target Property under the Acquisition Agreement
“Acquisition Agreements”	the sale and purchase agreement dated 29 November 2024 entered into between the Counter Party and M&L Oceania in relation to the Acquisition
“Acquisition Completion”	completion of the Acquisition
“Acquisition Condition Precedent”	the condition precedent to the Acquisition Completion set out in the section headed “The Acquisition Agreement” in this circular
“Acquisition Consideration”	the consideration for the Acquisition
“Agreements”	the Disposal Agreement and the Acquisition Agreement
“Announcement”	the announcement of the Company dated 29 November 2024 in relation to, among others, the Transactions
“Board”	the board of Directors
“business day”	any day (other than a Saturday, Sunday or public holiday in Hong Kong) on which banks in Hong Kong are generally open for business
“Company”	M&L Holdings Group Limited, an exempted company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the GEM (stock code: 8152)
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Counter Party”	West Crane Properties No 2 Pty Ltd, a company incorporated in Australia. The Counter Party is the purchaser of the Disposal Property and the vendor of the Target Property, and as trustee for the Triholm Avenue Property Trust. Each of West Crane Properties No 2 Pty Ltd and Triholm Avenue Property Trust is an independent third party to the Company
“Director(s)”	the director(s) of the Company
“Disposal”	the sale and purchase of the Disposal Property under the Disposal Agreement

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## DEFINITIONS

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“Disposal Agreement”	the sale and purchase agreement dated 29 November 2024 entered into between M&L Oceania and the Counter Party in relation to the Disposal
“Disposal Completion”	completion of the Disposal
“Disposal Condition Precedent”	the condition precedent to the Disposal Completion set out in the section headed “The Disposal Agreement” in this circular
“Disposal Consideration”	the consideration for the Disposal
“Disposal Property”	9 Efficient Drive, Truganina VIC 3029, together with two 12.5 tonne gantry cranes, two jib and post cranes, alarm and security system
“Disposal Property Early Access Arrangement”	the Counter Party will gain access to an area of 450 sq.m. in the Disposal Property free of charge commencing on the date of the Disposal Agreement for a term of six months. In any event, the parties can extend the term by mutual agreement in writing
“Early Access Arrangements”	the Disposal Property Early Access Arrangement and the Target Property Early Access Arrangement
“EGM”	an extraordinary general meeting of the Company to be convened and held, at which resolutions will be proposed to consider, and, if thought fit, to approve the Agreements and the transactions contemplated thereunder
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries
“GST”	goods and services tax as imposed by the Australian Taxation Office from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“independent third party(ies)”	person(s) who or company(ies) together with its/their ultimate beneficial owner(s) which is/are third party(ies) independent of the Company and its connected person(s) (as defined under the GEM Listing Rules)

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## DEFINITIONS

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“Independent Valuer”	Royson Valuation Advisory Limited, an independent valuer engaged by the Company
“Latest Practicable Date”	18 December 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“M&L Oceania”	M&L Oceania Management Pty Limited, a company incorporated in Australia with limited liability and an indirect wholly-owned subsidiary of the Company, and the vendor of the Disposal Property and the purchaser of the Target Property
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the Company
“Shareholder(s)”	holders of the Shares
“sq.m.”	square meter
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning as ascribed to it under the GEM Listing Rules
“Target Property”	41 Triholm Avenue, Laverton VIC 3028, together with three existing gantry cranes with 5T hoists, four jib cranes with hoists, security camera, alarm system and shipping container (located at rear of 41 Triholm Avenue)
“Target Property Early Access Arrangement”	M&L Oceania will gain access to an area of not less than 200 sq.m. in the Acquisition Property free of charge commencing from the satisfaction of obtaining the requisite approval from the Shareholders for the Disposal on terms of the Disposal Agreement. In any event, the parties can extend the term by mutual agreement in writing
“Transactions”	the Disposal and the Acquisition
“Update Announcement”	the announcement of the Company dated 29 November 2024 in relation to, among others, the extension of the date under each of the Disposal Conditions Precedent and Acquisition Conditions Precedent for 90 days to, on or before 1 March 2025
“%”	per cent

*In this circular, for illustration purposes only and unless otherwise stated, all amounts denominated in A\$ have been translated into HK\$ using the exchange rate of A\$1.00: HK\$5.05. Such translations shall not be construed as a representation that any amount in A\$ can be or could have been converted into HK\$ at the above rate or at all.*



**M&L HOLDINGS GROUP LIMITED**

**明樑控股集團有限公司**

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

**(Stock code: 8152)**

*Executive Directors:*

Mr. Ng Lai Ming (*Chairman*)  
Mr. Ng Lai Tong  
Mr. Ng Lai Po

*Independent non-executive Directors:*

Mr. Tai Wai Kwok  
Ir Lo Kok Keung  
Mr. Lau Chi Leung  
Ms. Luk Pui Yin Grace

*Registered office:*

Windward 3  
Regatta Office Park  
P.O. Box 1350  
Grand Cayman, KY1-1108  
Cayman Islands

*Head office and principal place  
of business in Hong Kong:*

21st Floor, Empress Plaza  
17–19 Chatham Road South  
Tsimshatsui, Kowloon  
Hong Kong

24 December 2024

*To the Shareholders*

Dear Sir or Madam,

**VERY SUBSTANTIAL DISPOSAL IN RELATION TO  
THE DISPOSAL OF THE DISPOSAL PROPERTY  
AND  
MAJOR TRANSACTION IN RELATION TO  
THE ACQUISITION OF THE TARGET PROPERTY**

**INTRODUCTION**

Reference is made to the Announcement and the Update Announcement.

The purpose of this circular is to provide you with, among other things, further information relating to the Transactions, the notice of the EGM and other information as required under the GEM Listing Rules.

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## LETTER FROM THE BOARD

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### THE TRANSACTIONS

On 29 November 2024 (after trading hours of the Stock Exchange), M&L Oceania (as the vendor) and the Counter Party (as the purchaser) entered into the Disposal Agreement, pursuant to which M&L Oceania has conditionally agreed to dispose of, and the Counter Party has conditionally agreed to purchase, the Disposal Property, at a total consideration of A\$6.0 million (equivalent to approximately HK\$30.3 million).

On the same day (after trading hours of the Stock Exchange), the Counter Party (as the vendor) and M&L Oceania (as the purchaser) entered into the Acquisition Agreement, pursuant to which the Counter Party has conditionally agreed to dispose of, and M&L Oceania has conditionally agreed to purchase, the Target Property, at a total consideration of A\$2.75 million (equivalent to approximately HK\$13.9 million).

### The Disposal Agreement

The principal terms of the Disposal Agreement are set out below:

#### *Date*

29 November 2024 (after trading hours of the Stock Exchange)

#### *Disposal Property*

9 Efficient Drive, Truganina VIC 3029, located in Melbourne, Australia, an industrial use property, together with two 12.5 tonne gantry cranes, two jib and post cranes, alarm and security system, i.e. the Disposal Property

#### *Parties*

- (i) M&L Oceania (as the vendor); and
- (ii) the Counter Party, namely West Crane Properties No 2 Pty Ltd as trustee for the Triholm Avenue Property Trust (as the purchaser), being an independent third party

#### *Disposal Consideration*

A\$6,000,000 (equivalent to approximately HK\$30.3 million)

#### *Payment*

- (i) a refundable holding deposit of A\$1,000 was paid to the vendor's solicitors' trust account upon the execution of the Potential Disposal HoA;



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## LETTER FROM THE BOARD

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- (ii) a deposit, representing 10% of the Disposal Consideration, shall be payable on the date of the Disposal Agreement and released to the vendor immediately upon receipt by the purchaser of a valid S27 statement in accordance with Section 27 of the Sale of Land Act 1962, of which A\$1,000 was paid as the refundable holding deposit as mentioned in (i) above; and
- (iii) balance of the Disposal Consideration to be settled upon settlement, which is conditional upon the fulfilment of the Disposal Conditions Precedent.

The Disposal Consideration was determined after arm's length negotiations between M&L Oceania and the Counter Party by reference to, among other things, the preliminary valuation of the property located at 9 Efficient Drive, Truganina VIC 3029 of approximately A\$5.8 million (equivalent to approximately HK\$29.3 million) as at 30 September 2024 conducted by the Independent Valuer, using a combination of the market approach and cost approach, and the preliminary valuation of two 12.5 tonne gantry cranes of approximately A\$94,000 (equivalent to approximately HK\$474,700) as at 30 September 2024 conducted by the Independent Valuer, using market approach.

### ***Disposal Condition Precedent and Disposal Completion***

Completion of the Disposal Agreement is conditional upon, among others:

- (i) obtaining the requisite approval from the Shareholders for the Disposal on terms of the Disposal Agreement on or before 1 December 2024; and
- (ii) completion of settlement of the Disposal Agreement for the Disposal Property and the Acquisition Agreement for the Target Property simultaneously.

Disposal Completion is conditional upon the Shareholders having approved the Disposal Agreement and the transaction contemplated thereunder at the EGM.

In the event that condition (i) cannot not been fulfilled on or before 1 December 2024, M&L Oceania may terminate the Disposal Agreement by giving writing notice to the Counter Party and M&L Oceania has the right to extend the due date by up to ninety (90) days (i.e. 1 March 2025, the long stop date) if, in the reasonable opinion of M&L Oceania, it is likely to be satisfied within the ninety (90) days period. If a further extension is required after the aforesaid extension, such further extension will apply subject to mutual agreement by both parties in writing.

### **The Acquisition Agreement**

The principal terms of the Acquisition Agreement are set out below:

#### ***Date***

29 November 2024 (after trading hours of the Stock Exchange)

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## LETTER FROM THE BOARD

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### *Target Property*

41 Triholm Avenue, Laverton VIC 3028, located in Melbourne, Australia, an industrial use property, together with three existing gantry cranes with 5T hoists, four jib cranes with hoists, security camera, alarm system and shipping container (located at rear of 41 Triholm Avenue), i.e. the Target Property

### *Parties*

- (i) the Counter Party, namely West Crane Properties No 2 Pty Ltd as trustee for the Triholm Avenue Property Trust (as the vendor), being an independent third party; and
- (ii) M&L Oceania (as the purchaser)

### *Acquisition Consideration*

A\$2,750,000 (equivalent to approximately HK\$13.9 million) plus GST. For the avoidance of doubt, the GST does not form part of the Acquisition Consideration

### *Payment*

- (i) a refundable deposit of A\$1,000 was payable by the purchaser to the vendor's solicitors' trust account upon the execution of the Potential Acquisition HoA;
- (ii) a deposit, representing 10% of the Acquisition Consideration, shall be payable on the date of the Acquisition Agreement and released to the vendor immediately upon receipt by the purchaser of a valid S27 statement in accordance under Section 27 of the Sale of Land Act 1962, of which A\$1,000 was paid as the refundable holding deposit as mentioned in (i) above; and
- (iii) balance of the Acquisition consideration to be settled upon settlement, which is conditional upon the fulfilment of the Acquisition Conditions Precedent.

The Acquisition Consideration was determined after arm's length negotiations between the Counter Party and M&L Oceania by reference to, among other things, the preliminary valuation of the property located at 41 Triholm Avenue, Laverton VIC 3028 of approximately A\$2.8 million (equivalent to approximately HK\$14.1 million) as at 30 September 2024 conducted by the Independent Valuer, using a combination of the market approach and cost approach, and the preliminary valuation of three existing gantry cranes with 5T hoists of approximately A\$129,000 (equivalent to approximately HK\$651,450) as at 30 September 2024 conducted by the Independent Valuer, using market approach.

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## LETTER FROM THE BOARD

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### *Acquisition Condition Precedent and Acquisition Completion*

Completion of the Acquisition Agreement is conditional upon, among others:

- (i) obtaining the requisite approval from the Shareholders for the Acquisition on terms of the Acquisition Agreement on or before 1 December 2024; and
- (ii) completion of settlement of the Acquisition Agreement for the Target Property and the Disposal Property for the Disposal Property simultaneously.

Acquisition Completion is conditional upon the Shareholders having approved the Acquisition Agreement and the transaction contemplated thereunder at the EGM.

In the event that condition (i) cannot not been fulfilled on or before 1 December 2024, M&L Oceania may terminate the Disposal Agreement by giving writing notice to the Counter Party and M&L Oceania has the right to extend the due date by up to ninety (90) days (i.e. 1 March 2025, the long stop date) if, in the reasonable opinion of M&L Oceania, it is likely to be satisfied within the ninety (90) days period. If a further extension is required after the aforesaid extension, such further extension will apply subject to mutual agreement by both parties in writing.

With reference to the Update Announcement, as it is expected that additional time is required to obtain the approval from the Shareholders for (i) the Disposal on terms of the Disposal Agreement; and (ii) the Acquisition on terms of the Acquisition Agreement, the Company has exercised its rights under the respective agreements to extend the aforesaid date under each of the Disposal Conditions Precedent and Acquisition Conditions Precedent for 90 days to, on or before 1 March 2025.

As at the Latest Practicable Date, none of the Disposal Conditions Precedent and Acquisition Conditions Precedent have been satisfied or waived.

### **FINANCIAL EFFECTS OF THE TRANSACTIONS**

Based on the Disposal Consideration of approximately A\$6.0 million (equivalent to approximately HK\$30.3 million), the book value of the Disposal Property of approximately A\$3.6 million (equivalent to approximately HK\$18.2 million), the professional fees and other expenses of approximately HK\$1.1 million, the Company expects to record a profit of approximately HK\$11.0 million from the Disposal (before taxes and surcharges), subject to audit. The cash balance of the Group is expected to increase by the net proceeds arising from the Disposal, before taking into account the effects of the Acquisition.

Based on the Acquisition Consideration of approximately A\$2.75 million (equivalent to approximately HK\$13.9 million) and the professional fees and other expenses, excluding the GST, of approximately HK\$1.0 million, the cash balance of the Group is expected to reduce by the Acquisition Consideration together with the related expense arising from the Acquisition, before taking into account the effects of the Disposal.

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## LETTER FROM THE BOARD

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The above figures are for illustrative purpose only. The actual figures in connection with the Transactions will be subject to the amount of taxes and surcharges to be assessed by the relevant taxation departments in Australia, and the review and final audit by the independent auditors of the Company.

### EARLY ACCESS ARRANGEMENTS

Pursuant to the Early Access Arrangements, the Counter Party will gain access to an area of 450 sq.m. in the Disposal Property free of charge commencing on the date of the Disposal Agreement for a term of six months. On the other hand, M&L Oceania will gain access to an area of not less than 200 sq.m. in the Acquisition Property free of charge, commencing from the satisfaction of obtaining the requisite approval from the Shareholders for the Disposal on terms of the Disposal Agreement. The parties can extend the term of the Early Access Arrangements by mutual agreement in writing. Such arrangement shall facilitate the relocation of, where applicable, the Counter Party's raw material, stock, machinery and equipment, in part, to the Disposal Property first, which would free up space at the Target Property, which is smaller in size compared to the Disposal Property, for the relocation the Group's raw material, stock, machinery and equipment to the Target Property, and barring unforeseen circumstances, the aforesaid arrangement would not materially impact the relocation and the business operations of the Group adversely.

### INFORMATION OF THE PARTIES, THE DISPOSAL PROPERTY AND THE TARGET PROPERTY

M&L Oceania, principally engaged in property investment in Australia, is a company incorporated in Australia with limited liability and an indirect wholly-owned subsidiary of the Company.

West Crane Properties No 2 Pty Ltd, principally engaged in manufacture cranes and hoist, is a company incorporated in Australia and an independent third party to the Company, and is owned, directly or indirectly, as to approximately 50.0%, 25.0% and 25.0% by Julie Maree Skoglund, Domenica Cassetta and Toni Cassetta, respectively. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, West Crane Properties No 2 Pty Ltd and each of its ultimate beneficial owners is an independent third party of and not connected with the Company and its connected persons.

The Disposal Property comprised an industrial use property located at 9 Efficient Drive, Truganina VIC 3029, together with two 12.5 tonne gantry cranes, two jib and post cranes, alarm and security system. The rental income of the Group attributable to the Disposal Property for the year ended 31 December 2021, 2022 and 2023 and since 1 January 2024 and up to the date of the Announcement, amounted to nil, nil, nil and approximately A\$15,000 (excluding GST), respectively. For the avoidance of doubt, the A\$15,000 rental income was related to the period between 15 April 2024 and 14 August 2024, and the end-user (i.e. the tenant) at the relevant time was an Independent Third Party.

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## LETTER FROM THE BOARD

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The Target Property comprised an industrial use property located at 41 Triholm Avenue, Laverton VIC 3028, with three existing gantry cranes with 5T hoists, four jib cranes with hoists, security camera, alarm system and shipping container (located at rear of 41 Triholm Avenue). As advised by the Vendor, in each of the past three most recently completed financial years up to and including the date of the Announcement, the subject assets was leased to the Vendor's related entity, and was not leased to the Vendor's independent third party that was not a related entity of the Vendor, and did not give rise to any external generated rental and/or income, directly or indirectly.

### REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Group is an integrated engineering solutions provider principally engaged in the trading and lease of construction machinery and spare parts with two principal segments, namely, tunnelling and foundation, in connection with the supply of specialised tools and construction equipment. It has established relationship with customers and/or business operators across overseas countries and maintained operations in Asia-Pacific countries, the PRC, including Hong Kong, and Australia.

The management of the Group has been actively exploring and pursuing local and overseas business opportunities. Its financial and operational resources will be managed and, where necessary, reallocated from time to time with a view to satisfy the working capital needs of the projects on hand at the material time. The Group has adopted and shall continue to adhere to a prudent financial management strategy.

The Board is of the view that the Transactions represent an attractive opportunity for the Group to realise its investment in the Disposal Property, which is mainly used for the Group's operations in Australia, such as storage of construction machinery and spare parts primarily for tunneling projects, project coordination and general administrative functions for the Group's businesses in Australia as at the Latest Practicable Date, and acquire the Target Property at a consideration determined with reference to, among other things, the valuation of the subject assets as respectively appraised by the Independent Valuer. The Group's main operating site in Australia will be relocated to the Target Property after the completion of the Transactions, with an estimated relocation cost of approximately A\$10,000 (equivalent to approximately HK\$50,500, which will not cause undue or prolonged business and operation disruption of the Group and that the Group is anticipated to receive net cash inflow from the proceeds arising from the Disposal less the Acquisition Consideration and any related costs related to the Transactions, such as professional fees (the "**Net Transaction Proceeds**").

It is the intention of the Board to utilise the Net Transaction Proceeds to enhance the Group's overall working capital, re-deploy to other ongoing and/or potential project(s) of the Group which may require cash outlay and/or develop the existing tunnelling and/or foundation businesses of the Group.

Having considered the above factors, the Board is of the view that the Transactions and the estimated relocation cost, although not conducted in the ordinary and usual course of business, the terms of the Transactions are on normal commercial terms, fair and reasonable and in the interests of the Shareholders and the Company as a whole.

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## LETTER FROM THE BOARD

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### GEM LISTING RULES IMPLICATION

As the highest applicable percentage ratio in respect of the Disposal is more than 75%, the Disposal constitutes a very substantial disposal of the Company pursuant to Rule 19.06(4) of the GEM Listing Rules and is, therefore, subject to reporting, announcement, circular and the Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

As the highest applicable percentage ratio in respect of the Acquisition is more than 25% but less than 100%, the Acquisition constitutes a major transaction of the Company pursuant to Rule 19.06(3) of the GEM Listing Rules and is, therefore, subject to reporting, announcement, circular and the Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

**Disposal Completion and Acquisition Completion is conditional upon the satisfaction of the Disposal Conditions Precedent and Acquisition Conditions Precedent, respectively. Accordingly, the Disposal and the Acquisition may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

### EGM

Set out on pages 43 to 44 of this circular is a notice convening the EGM to be held at Room 302, 3/F, First Commercial Building, 33–35 Leighton Road, Causeway Bay, Hong Kong, at 11:00 a.m. on Thursday, 16 January 2025 at which ordinary resolutions will be proposed to consider and, if thought fit, approve the Agreements and the transactions contemplated thereunder. For determining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Monday, 13 January 2025 to Thursday, 16 January 2025, both dates inclusive, during which period no transfer of Shares will be effected. In order to be eligible to attend and vote at the EGM, non-registered Shareholders must lodge all duly completed and stamped transfers of Shares, accompanied by the relevant share certificates with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Friday, 10 January 2025.

### RECOMMENDATIONS

The Directors (including the independent non-executive Directors) are of the opinion that the terms of the Agreements and the transactions contemplated thereunder are on normal commercial terms which have been made on an arm's length basis and are fair and reasonable, and in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the resolutions in relation to the Agreements and the transaction contemplated thereunder to be proposed in the EGM.

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## LETTER FROM THE BOARD

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### GENERAL

The translation into Chinese language of this circular is for reference only. In case of any inconsistency, the English text of this circular will prevail.

### FURTHER INFORMATION

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

Yours faithfully,  
For and on behalf of the Board of  
**M&L Holdings Group Limited**  
**Ng Lai Ming**  
*Chairman, Chief Executive Officer and  
Executive Director*

## 1. FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for the year ended 31 December 2021, 2022 and 2023 and the six months ended 30 June 2024 (the “**Period**”) and are disclosed in the following documents which have been published on both the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.mleng.com), and can be accessible by the links as follows:

- annual report of the Company for the year ended 31 December 2021 (pages 49 to 116)  
<https://www1.hkexnews.hk/listedco/listconews/gem/2022/0330/2022033001834.pdf>
- annual report of the Company for the year ended 31 December 2022 (pages 50 to 116)  
<https://www1.hkexnews.hk/listedco/listconews/gem/2023/0331/2023033102813.pdf>
- annual report of the Company for the year ended 31 December 2023 (pages 52 to 112)  
<https://www1.hkexnews.hk/listedco/listconews/gem/2024/0423/2024042300698.pdf>
- interim report of the Company for the Period (Pages 1 to 21)  
<https://www1.hkexnews.hk/listedco/listconews/gem/2024/0826/2024082600363.pdf>

## 2. STATEMENT OF INDEBTEDNESS

### **Bank Borrowings**

As at 30 November 2024, for the purpose of this statement of indebtedness, the Group has unaudited outstanding bank borrowings of approximately HK20.6 million which were secured by: (i) the assignment of the life insurance policy of Mr. Ng Lai Ming with an insured sum of US\$1,582,862; (ii) corporate guarantees provided by the Company and its subsidiaries, M&L Engineering & Materials Limited and East Focus Engineering Services Limited; and; (iii) personal guarantees provided by the executive Directors.

### **Amounts due to directors**

As at 30 November 2024, for the purpose of this statement of indebtedness, the Group has unaudited outstanding amounts due to directors of approximately HK1.9 million which were unsecured and unguaranteed, bears interest at 2.5% per annum on simple basis and payable semi-annually, and is repayable upon three months notice.



**Lease Liabilities**

As at 30 November 2024, for the purpose of this statement of indebtedness, the Group, as a lessee, had unaudited outstanding unpaid contractual lease liabilities of approximately HK\$1.7 million, were unsecured and unguaranteed.

**Contingent Liabilities**

The Group did not have any material contingent liabilities as at the close of business on 30 November 2024.

Save as aforesaid or otherwise mentioned herein, and apart from intra-group liabilities and normal trade payables in the ordinary course of business, as at the close of business on 30 November 2024, the Group did not have any other outstanding borrowings, loan capital, bank overdrafts, debt securities or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

**3. WORKING CAPITAL**

After taking into account the financial resources available to the Group, including the internally generated funds and the presently available credit facilities, the Directors, after due and careful enquiry, are of the opinion that the Group will have sufficient working capital for its present requirements for at least the next 12 months from the date of this circular, in the absence of unforeseeable circumstances.

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

As mentioned in the Company's interim report for the six months ended 30 June 2024, the Group is an integrated engineering solutions provider in connection with (i) the supply of specialised cutting tools and parts for construction equipment with particular focus on disc cutters which are widely used in conjunction with tunnel boring machines and microtunnelling equipment; (ii) the supply of fabricated construction steel works and equipment; (iii) the supply of specialised construction equipment, and repair and maintenance services. The Group's business can broadly be categorized into two segments, namely tunnelling and foundation.

In respect of Hong Kong market, during the Period, the progress of key tunnelling projects that we have been serving did not require high level consumption of cutting tools and parts; accordingly orders for tunnelling products placed by the Group's customers declined substantially as compared to the previous period. It is hopeful that revenue from the tunnelling business segment will improve in the second half of the year 2024 when progress of key projects pick up. Performance of the foundation business segment remained relatively stagnant during the Period with negligible revenue owing to the uncertain condition of the real estate market. Competition in the foundation business segment remained keen as market players are determined to bid for declining number of new projects. Outlook of the Hong Kong market is expected to be driven by large scale

infrastructure projects and we will closely monitor potential business opportunities associated with the “Railway Development Strategy”, the “Lantau Tomorrow” and the “Northern Metropolitan” development, while being cautious not to engage in cut-throat price competition.

In respect of PRC market, the Group’s business in the PRC market was related to the supply of specialised cutting tools and parts mainly for the tunnelling construction sites as well as the tunnelling equipment manufacturers. Owing to the uncertain economic conditions, relatively few large scale tunnelling projects were launched in the past year and during the Period. Furthermore, customers have become more price conscious with their procurement whereas the Group refrained from excessive price competition and remained cautious on negotiation of settlement terms due to the prevailing economic uncertainties. All aforesaid factors lead to a declined performance in the PRC market for the Period. In the near term the Group will mainly target projects undertaken by the PRC customers at overseas locations with favourable profit margin and settlement terms, and also focus to recover settlement of overdue receivable balances in order to contain credit and liquidity risks.

In respect of Singapore and other Asia-Pacific countries and other markets, the Group recorded an improvement in performance in the Singapore and other Asia Pacific countries market during the Period, as we secured a relatively sizeable order for tunnelling products.

In accordance with paragraph 19.68(2)(b)(i) of the GEM Listing Rules, the Company is required to include in this circular a profit or loss statement for the preceding financial years on the identifiable net income stream in relation to such assets which must be reviewed by the reporting accountants to ensure that such information has been properly compiled and derived from the underlying books and records of the Group provided by the Directors.

The unaudited profit or loss statements of the Disposal Property (the “**Unaudited Profit or Loss Statements**”) for the years ended 31 December 2021, 2022 and 2023, and the nine months ended 30 September 2024 (the “**Relevant Periods**”) prepared by the Directors based on the underlying books and records of the Group during the Relevant Periods are set out below:

	Year ended 31 December			Nine months ended
	2021	2022	2023	September
	HK\$000	HK\$000	HK\$000	2024
				HK\$000
Other income ( <i>note</i> )	—	—	—	78
Administrative expenses	<u>(469)</u>	<u>(470)</u>	<u>(917)</u>	<u>(892)</u>
Loss before income tax	(469)	(470)	(917)	(814)
Income tax	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Loss for the year/period	(469)	(470)	(917)	(814)
Other comprehensive income				
— Revaluation of land and buildings				
— Increase in fair value	5,613	1,038	2,420	11,860
— Income tax effect	<u>(1,403)</u>	<u>(260)</u>	<u>(726)</u>	<u>(3,558)</u>
Other comprehensive income for the year/period	<u>4,210</u>	<u>778</u>	<u>1,694</u>	<u>8,302</u>
Total comprehensive income for the year/period	<u><u>3,741</u></u>	<u><u>308</u></u>	<u><u>777</u></u>	<u><u>7,488</u></u>

*Note:* rental income

The Company has engaged BDO Limited, the Reporting Accountants, to perform certain agreed-upon procedures and report their factual finding in respect of the unaudited statements of profit or loss on the identifiable net income stream of the Disposal Property set out above in accordance with Hong Kong Standard on Related Services 4400 (Revised) “Agreed-Upon Procedures Engagements” issued by the Hong Kong Institute of Certified Public Accountants.

The Reporting Accountants have agreed the unaudited statements of profit or loss on the identifiable net income stream of the Disposal Property to the relevant accounting records of the Group, including general ledger and reconciliation schedules (the “Schedules”) prepared by the management, traced the unadjusted amounts in the Schedules to the relevant accounting records of the Group and found the amounts to be in agreement.

The above agreed-upon procedures do not constitute an assurance engagement performed in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants, the Reporting Accountants do not express any assurance on the unaudited statements of profit or loss on the identifiable net income stream of the Disposal Property.

The findings on the agreed-upon procedures were reported solely for the information of the Directors and should not be used or relied upon by any other parties for any other purposes.

**(A) UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP**

The following is an illustrative unaudited pro forma financial information of the Group which comprises of unaudited pro forma consolidated statement of net assets of the Group as at 30 June 2024 and unaudited pro forma consolidated statement of comprehensive income of the Group for the year ended 31 December 2023 (the “**Unaudited Pro Forma Financial Information**”), which have been prepared in accordance with paragraph 7.31 of the GEM Listing Rules and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants, for the purpose of illustrating the effect of the Disposal and the Acquisition as if it had taken place on 30 June 2024 for the unaudited pro forma consolidated statement of net assets and on 1 January 2023 for the unaudited pro forma consolidated statement of comprehensive income.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of the financial position and financial results of the Group had the Disposal and the Acquisition been completed on 30 June 2024 for the financial position or on 1 January 2023 for the financial results or at any future date.

The Unaudited Pro Forma Financial Information should be read in conjunction with other financial information included elsewhere in this circular.

UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF NET ASSETS OF  
THE GROUP AS AT 30 JUNE 2024

	Unaudited consolidated statement of net assets as at 30 June 2024		Pro forma adjustments			Unaudited pro forma adjusted consolidated statement of net assets as at 30 June 2024
	HK\$'000 Note 1	HK\$'000 Note 2(a)	HK\$'000 Note 2(b)	HK\$'000 Note 3(a)	HK\$'000 Note 3(b)	HK\$'000
<b>Non-current assets</b>						
Property, plant and equipment	24,947	(18,930)		15,247		21,264
Right-of-use assets	8,269					8,269
Deposits	451					451
Other assets at fair value through profit or loss	5,670					5,670
Deferred tax assets	1,961					1,961
<b>Total non-current assets</b>	<b>41,298</b>					<b>37,615</b>
<b>Current assets</b>						
Inventories	31,820					31,820
Trade and other receivables	61,943				1,432	63,375
Tax recoverable	352					352
Cash and cash equivalent	28,993		24,644	(15,247)	(1,552)	36,838
<b>Total current assets</b>	<b>123,108</b>					<b>132,385</b>
<b>Current liabilities</b>						
Trade and other payables	26,880					26,880
Contract liabilities	4,520					4,520
Dividend payable	5,880					5,880
Amounts due to directors	2,000					2,000
Bank borrowings	18,636					18,636
Lease liabilities	1,737					1,737
Income tax liabilities	1,243					1,243
<b>Total current liabilities</b>	<b>60,896</b>					<b>60,896</b>
<b>Net current assets</b>	<b>62,212</b>					<b>71,489</b>
<b>Total assets less current liabilities</b>	<b>103,510</b>					<b>109,104</b>
<b>Non-current liabilities</b>						
Bank borrowings	2,651					2,651
Lease liabilities	872					872
Deferred tax liabilities	2,718	(1,320)				1,398
Other provision	615					615
<b>Total non-current liabilities</b>	<b>6,856</b>					<b>5,536</b>
<b>Net assets</b>	<b>96,654</b>					<b>103,568</b>

UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF COMPREHENSIVE  
INCOME OF THE GROUP FOR THE YEAR ENDED 31 DECEMBER 2023

	Unadjusted audited consolidated statement of comprehensive income of the Group for the year ended 31 December 2023	Pro forma adjustments					Unaudited pro forma adjusted consolidated statement of comprehensive income of the Group for the year ended 31 December 2023
		HK\$'000 Note 1	HK\$'000 Note 4(a)	HK\$'000 Note 4(b)	HK\$'000 Note 4(c)	HK\$'000 Note 5(a)	
Revenue	153,748						153,748
Cost of sales	<u>(98,291)</u>						<u>(98,291)</u>
Gross profit	55,457						55,457
Other income	558						558
Selling expenses	(13,690)						(13,690)
Administrative expenses	(27,290)			917	(586)	(120)	(27,079)
Other gains and losses							
Exchange loss	(1,909)						(1,909)
Provision for impairment of trade receivables	(1,094)						(1,094)
Others	119				(548)		(429)
Gain on disposal of Disposal Property	<u>—</u>	13,050					<u>13,050</u>
Operating profit	12,151						24,864
Finance income	316						316
Finance costs	<u>(3,021)</u>						<u>(3,021)</u>
Profit before income tax	9,446						22,159
Income tax expenses	<u>(2,184)</u>		(4,025)		164		<u>(6,045)</u>
Profit for the year	<u>7,262</u>						<u>16,114</u>
Other comprehensive income							
Items that will not be reclassified to profit or loss:							
— Revaluation of land and buildings							
— Increase in fair value	2,997			(2,420)			577
— Income tax effect	<u>(824)</u>			726			<u>(98)</u>
	2,173						479
Item that may be reclassified to profit or loss:							
Currency translation differences	<u>33</u>						<u>33</u>
Other comprehensive income for the year	<u>2,206</u>						<u>512</u>
Total comprehensive income for the year	<u>9,468</u>						<u>16,626</u>

Notes to the Unaudited Pro Forma Financial Information:

1. The unaudited consolidated statement of net assets of the Group as at 30 June 2024 is extracted from the published interim report of the Company for the six months ended 30 June 2024. The unadjusted audited consolidated statement of comprehensive income of the Group for the year ended 31 December 2023 is extracted from the published annual report of the Company for the year ended 31 December 2023.
2. The following pro forma adjustments have been made to the unaudited pro forma consolidated statement of net assets as at 30 June 2024, assuming the Disposal had taken place on 30 June 2024:
  - (a) The adjustment represents the de-recognition of the carrying amount of Disposal Property which are recognised under property, plant and equipment and the corresponding deferred tax liabilities as at 30 June 2024.
  - (b) The adjustment represents the estimated net consideration received for the Disposal.

<b>Estimated net consideration</b>	<i>Notes</i>	<i>HK\$'000</i>
Disposal Consideration	i	31,248
Less:		
Professional fees and other expenses	ii	(1,064)
Capital gain tax	iii	<u>(5,540)</u>
		<u><u>24,644</u></u>

*Note i:* Pursuant to the Disposal Agreement, the Disposal Consideration is A\$6,000,000, (equivalent to approximately HK\$31,248,000) and shall be settled at the date of Disposal.

*Note ii:* The amount represents estimated professional fee of HK\$254,000 and transaction costs such as property agency fee and relocation costs of HK\$810,000 in relation to the Disposal, which are assumed to be settled in cash at the date of Disposal.

*Note iii:* The amount represents estimated capital gain tax of A\$1,064,000 which is determined based on the Disposal Consideration of Disposal Property less deductible expenditures and a tax rate of 30% according to related tax rules and regulations in Australia. The amount is assumed to be settled in cash at the date of Disposal. The actual financial effects of the capital gain tax may be different from the amount described above and would be subject to change upon the tax finalisation from the Australian tax authority.

3. The following pro forma adjustments have been made to the unaudited pro forma consolidated statement of net assets as at 30 June 2024, assuming the Acquisition had taken place on 30 June 2024:
  - (a) The adjustment represents the initial recognition of the Target Property as a result of the Acquisition. The Target Property is classified as property, plant and equipment as the Group intends to hold it for use in the production or supply of goods or services. According to the Company's accounting policies, land and building classified as property, plant and equipment are initially measured at cost (inclusive of transaction costs) and subsequently measured at revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and impairment losses.



The cost represents (i) Acquisition Consideration of the Target Property of A\$2,750,000 (equivalent to approximately HK\$14,322,000); and (ii) estimated stamp duty of approximately A\$162,000 (equivalent to approximately HK\$846,000) and other estimated direct legal and transaction costs of approximately A\$15,000 (equivalent to approximately HK\$79,000), which are assumed to be settled in cash at the date of Acquisition.

- (b) The adjustment represents (i) estimated professional service costs of HK\$120,000 directly attributable to the preparation of the Circular and (ii) estimated recoverable goods and services tax arising from the Acquisition of approximately A\$275,000 (equivalent to approximately HK\$1,432,000) which are assumed to be settled in cash at the date of Acquisition. The amount of goods and services tax is estimated at 10% over the Acquisition Consideration according to the related tax rules and regulation in Australia.
4. The following pro forma adjustments have been made to the unaudited pro forma consolidated statement of comprehensive income for the year ended 31 December 2023, assuming the Disposal had taken place on 1 January 2023:

- (a) The adjustment represents the estimated gain on the Disposal. The adjustment is not expected to have a continuing effect on the Group's consolidated statement of comprehensive income.

	<i>Notes</i>	<i>HKD'000</i>
Disposal Consideration	i	31,182
Less:		
Professional fees and other expenses	ii	<u>(1,062)</u>
		30,120
Less: carrying amount of the Disposal Property as at 1 January 2023		<u>(17,070)</u>
Estimate gain on Disposal		<u><u>13,050</u></u>

*Note i:* Pursuant to the Disposal Agreement, the Disposal Consideration is A\$6,000,000 (equivalent to approximately HK\$31,182,000).

*Note ii:* The amount represents estimated professional fee of HK\$254,000 and transaction costs such as property agency fee and relocation costs of HK\$808,000 in relation to the Disposal.

- (b) The adjustment represents the estimated income tax expense, based on the estimated capital gain tax of A\$1,064,000 (equivalent to approximately HK\$5,529,000), as calculated based on the Disposal Consideration of Disposal Property less deductible expenditures and offsetted by the de-recognition of the corresponding deferred tax liabilities of A\$289,000 (equivalent to approximately HK\$1,504,000) to profit or loss as at the same date. The adjustment is not expected to have a continuing effect on the Group's consolidated statement of comprehensive income.

The actual financial effects of the capital gain tax may be different from the amount described above and would be subject to change upon the tax finalisation from the Australian tax authority.

- (c) The adjustment represents the exclusion of operating results directly attributable to the Disposal Property, assuming the Disposal had taken place on 1 January 2023. The decrease in administrative expenses of approximately HK\$917,000, represents reversal of (i) council rates and land tax of A\$99,000 (equivalent to approximately HK\$512,000) and (ii) depreciation expenses of A\$78,000 (equivalent to approximately HK\$405,000). The decrease in other comprehensive income of

approximately HK\$1,694,000, represents reversal of increase in fair value on the Disposal Property and related income tax effect calculated at Australia tax rate of 30%. These amounts are extracted from the Unaudited Profit of Loss Statements set out in Appendix II to the Circular and are not expected to have a continuing effect on the Group's consolidated statement of comprehensive income.

5. The following pro forma adjustments have been made to the unaudited pro forma consolidated statement of comprehensive income for the year ended 31 December 2023, assuming the Acquisition had taken place on 1 January 2023:
  - (a) The adjustment represents the inclusion of estimated operating results directly attributable to the Target Property, assuming the Acquisition had taken place on 1 January 2023. The increase in administrative expenses of approximately HK\$586,000, represents recognition of (i) council rates and land tax of A\$90,000 (equivalent to approximately HK\$470,000) based on the applicable rate caps and progressive rate ranging from 2.375% to 3.0114% respectively and (ii) depreciation expenses of A\$22,000 (equivalent to approximately HK\$116,000) over the cost of building at annual depreciation rate of 2.08% on a straight-line basis. The amount in others under other gains and losses and income tax expense represents an estimated revaluation loss and related income tax effect on the Target Property calculated at the Australia tax rate of 30%. The revaluation loss is based on the difference between the carrying amount and fair value of the Target Property as of 31 December 2023 of HK\$15,100,000 and HK\$14,552,000, respectively. The carrying amount of the Target Property is based on the initial cost of HK\$15,216,000, represented by (i) Acquisition Consideration of A\$2,750,000 (equivalent to approximately HK\$14,292,000); and (ii) estimated stamp duty of approximately A\$162,000 (equivalent to approximately HK\$845,000) and other estimated direct legal and translation costs of approximately A\$15,000 (equivalent to approximately HK\$79,000), and net of depreciation expenses of A\$22,000 (equivalent to approximately HK\$116,000). The fair value of the Target Property is estimated by the Directors, assuming the fair value was the same as the valuation conducted by the Independent Valuer on the Target Property set out in Appendix V to the Circular. The adjustment is expected to have a continuing effect on the Group's consolidated statement of comprehensive income.
  - (b) The adjustment represents estimated professional service costs of HK\$120,000 directly attributable to the preparation of the Circular.
6. No adjustment has been made to reflect any trading or other transactions of the Group entered into subsequent to 1 January 2023 for the preparation of the unaudited pro forma consolidated statement of comprehensive income and those entered into subsequent to 30 June 2024 for the preparation of the unaudited pro forma consolidated statement of net assets.
7. The conversion of A\$ into HK\$ for the purpose of the unaudited pro forma consolidated statement of net assets is based on the closing rate as at 30 June 2024 of A\$1 to HK\$5.208, and for the purpose of the unaudited pro forma consolidated statement of comprehensive income, the conversion is based on the average rate for the year ended 31 December 2023 of A\$1 to HK\$5.197.

**(B) INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE  
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION**

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To the directors of M&L Holdings Group Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of M&L Holdings Group Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) by the directors of the Company for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated statement of net assets of the Group as at 30 June 2024, unaudited pro forma consolidated statement of comprehensive income of the Group for the year ended 31 December 2023 and related notes as set out in Part A of Appendix III to the Company’s circular dated 24 December 2024 (the “**Circular**”) in connection with the disposal of a property located in Australia (the “**Disposal**”) and the acquisition of another property located in Australia (the “**Acquisition**”). The applicable criteria on the basis of which the directors of the Company have compiled the unaudited pro forma financial information are described in Part A of Appendix III to the Circular.

The unaudited pro forma financial information has been compiled by the directors of the Company to illustrate the impact of the Disposal and the Acquisition on the Group’s consolidated financial position as at 30 June 2024 and the Group’s financial performance for the year ended 31 December 2023 as if the Disposal and the Acquisition had been taken place on 30 June 2024 and 1 January 2023 respectively. As part of this process, information about the Company’s consolidated financial position and financial performance have been extracted by the directors of the Company from the Company’s financial information for the six months ended 30 June 2024, on which no audit or review report has been published; and the Company’s consolidated financial statements for the year ended 31 December 2023, on which an audit report has been published.

**Directors’ Responsibility for the Unaudited Pro Forma Financial Information**

The directors of the Company 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 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

**Our Independence and Quality 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 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 or 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 of the Company 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 unaudited pro forma financial information included in a circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity 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 Disposal and the Acquisition at 30 June 2024 and 1 January 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 entity, 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 by the directors of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Company; 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.

**BDO Limited**  
*Certified Public Accountants*  
Hong Kong

24 December 2024

*The following is the text of letter and valuation report, prepared for the purpose of incorporation in this circular, received from Royson Valuation Advisory Limited, an independent property valuer, in connection with their valuation as at 30 September 2024 of the property interests held by the Group in the Commonwealth of Australia.*



Royson Valuation Advisory Limited  
Unit 1503, 15/F, The L. Plaza  
367–375 Queen’s Road Central  
Hong Kong

24 December 2024

The Board of Directors  
**M&L Holdings Group Limited**  
21st Floor, Empress Plaza  
17–19 Chatham Road South  
Tsim Sha Tsui  
Kowloon, Hong Kong

Dear Sirs and Madams,

Re: Valuation of an industrial complex located at 9 Efficient Drive, Truganina VIC 3029, the Commonwealth of Australia (the “**Disposal Property**”)

## INSTRUCTIONS

We refer to your instruction for us to value the property interests to be disposed by M&L Holdings Group Limited (the “**Company**”) or its subsidiaries (together referred as the “**Group**”) located in the Commonwealth of Australia (“**Australia**”). We confirm that we have carried out inspection, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the Disposal Property in existing state as at 30 September 2024 (the “**Valuation Date**”) for the purpose of incorporation into the circular (the “**Circular**”) issued by the Company on the date hereof.

This letter which forms part of our valuation report explains the basis and methodology of valuation, clarifying assumptions, valuation considerations, title investigations and limiting conditions of this valuation.

## BASIS OF VALUATION

The valuation is our opinion of the market value (“**Market Value**”) which is defined by the Hong Kong Institute of Surveyors as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion”.

**VALUATION METHODOLOGY(IES)**

In valuing the Disposal Property, we have adopted a combination of the market approach and cost approach in assessing the land portion of the property interests and the buildings and structures standing on the land, respectively.

For the land portion, we have adopted the market approach with reference to the recent sale transactions for the same or closely similar type of land parcels in proximity and within an appropriate time horizon.

For the building portion, we have adopted the cost approach. The approach provides an indication of value by calculating the current replacement or reproduction cost of an asset or building and making deductions for physical deterioration and all other relevant forms of obsolescence.

**VALUATION STANDARDS**

In valuing the property interest, we have complied with all the requirements contained in Chapter 8 of the GEM Listing Rules to the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited, the HKIS Valuation Standards 2020 Edition published by the Hong Kong Institute of Surveyors (HKIS), the RICS Valuation — Global Standards (Effective on 31 January 2022) published by the Royal Institution of Chartered Surveyors and the International Valuation Standards (Effective on 31 January 2022) published by the International Valuation Standards Council (IVSC).

**VALUATION ASSUMPTION**

Our valuation has been made on the assumption that the owner sells the Disposal Property in the market in its existing state without the benefit of deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangements which would serve to affect the value of the Disposal Property.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property interests valued nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interests are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values.

**TITLE INVESTIGATION**

In valuing the property interests located in Australia, we have caused land searches to be made at LANDATA regarding the title of the property interests. We have been provided by the Group with copies of certain extracts on title documents in relation to the property interests. However, we have not examined the original documents to verify ownership or to ascertain the existence of any amendments which may not appear on the copies handed to us.

**LIMITING CONDITIONS**

We have inspected the exteriors and where possible, the interiors of the Disposal Property. In the course of our inspections, we did not note any serious structural defects. However, no structural survey has been made and we are therefore unable to report whether the Disposal Property is free from rot, infestation or any other defects. No tests were carried out on any of the services. Moreover, we have not carried out investigations on site to determine the suitability of the ground conditions and the services etc., for any future development. Our valuation is prepared on the assumption that these aspects are satisfactory and no extraordinary expenses or delay will be incurred during the development period.

We have not carried out detailed on-site measurement to verify the correctness of the areas in respect of the Disposal Property but have assumed that the areas shown on the documents handed to us are correct. All dimensions, measurements and areas are approximate.

We have relied to a considerable extent on information provided by the Group and accepted advices given to us on such matters, in particular, but not limited to tenure, planning approvals, statutory notices, easements, particulars of occupancy, size and floor areas and all other relevant matters in the identification of the Disposal Property.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. We have also been advised by the Group that no material fact has been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and we have no reason to suspect that any material information has been withheld.

This valuation is to be used only for the purpose stated herein, any use or reliance for any other purpose, by you or third parties, is invalid. No reference to our name or our valuation report in whole or in part, in any document you prepare and/or distribute to third parties may be made without written consent.



**REMARKS**

Unless otherwise stated, all money amounts stated are in Australian Dollars (**AUD**).

We enclose herewith the valuation report.

Yours faithfully,  
For and on behalf of  
**Royson Valuation Advisory Limited**

**Lawrence Chan Ka Wah**  
*MRICS, MHKIS, RPS(GP), MCIREA, MHIREA*  
*MHKIM, RICS Registered Valuer*  
Director

*Mr. Lawrence Chan Ka Wah is a member of the Royal Institution of Chartered Surveyors, a member of the Hong Kong Institute of Surveyors, Registered Professional Surveyors in the General Practice Section, a RICS Registered Valuer and a member of the China Institute of Real Estate Appraisers and Agents, who has over 20 years' experience in the valuation of properties in Hong Kong, Macau, the People's Republic of China and the Asia-Pacific Rim.*

## VALUATION REPORT

## Property interests to be disposed by the Group in Australia

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2024 AUD
An industrial complex located at 9 Efficient Drive, Truganina, VIC 3029, Australia	<p>The Disposal Property comprises a parcel of land together with a single storey buildings and structures completed in about 2017.</p> <p>The Disposal Property has a site area and total gross floor area of approximately 2,728 sq.m. and 1,757 sq.m. respectively.</p> <p>The Disposal Property is held in freehold basis.</p>	The Disposal Property is occupied by the Group for industrial and ancillary office uses as at the Valuation Date.	5,800,000

*Notes:*

1. According to LANDATA, the current registered owner of the Disposal Property is M&L Oceania Management Pty Ltd., registered vide No. AR041294E date 21 May 2018.
2. According to the Melton Planning Scheme, the land parcel of the Disposal Property situated is zoned for “Industrial 1 Zone (IN1Z) (Melton)”.
3. The Disposal Property is situated at 9 Efficient Drive in Melbourne City, buildings in the locality are industrial complex. Bus station is about 15-minute walking distance from the Disposal Property. Taxis and buses are accessible to the Disposal Property.
4. According to a tenancy agreement dated 15 April 2024 (the “**Tenancy Agreement**”) entered into between M&L Australia Engineering Pty Ltd. (the “**Lessor**”), a subsidiary of the Company, and Putzmeister Oceania Pty Ltd. (the “**Lessee**”), part of the Disposal Property was leased from the Lessor to the Lessee for a term commencing on 15 April 2024 and expired on 14 August 2024 at a monthly rental of AUD3,750 per month. According to the Company, the Tenancy Agreement was not renewed upon expiry and there is no other tenancy agreement for the lease of the Disposal Property as at the Valuation Date.
5. The Disposal Property does not have any encumbrances as at the Valuation Date.
6. The unit rate of the land of similar usage in the locality as at the Valuation Date is in the range of AUD1,190 per sq.m. to AUD1,290 per sq.m. and the unit rate of the building cost of similar type of building in the locality as at the Valuation Date is in the range of AUD1,510 per sq.m. to AUD1,590 per sq.m..

7. We have identified and analysed various comparable sales evidence obtained from LANDATA, an online search service providing access to land title and property information in Victoria, Australia. The comparables selected were based on the following criteria, representing the exhaustive and representative samples for valuation purpose:
- Transacted in 2024;
  - located in Truganina or Laverton suburb; and
  - similar usage with the Disposal Property.

Details of the comparable properties are as follows.

	<b>Comparable 1</b>	<b>Comparable 2</b>	<b>Comparable 3</b>
Address	19 Bonview Circuit, Truganina 3029	56 Bonview Circuit, Truganina 3029	21 Network Drive, Truganina 3029
Site Area (sq.m.)	1,250	1,350	2,370
Usage	Development Site (Industrial)	Development Site (Industrial)	Development Site (Industrial)
Date of transaction	May 2024	Mar 2024	Feb 2024
Unit rate (AUD/sq.m.)	1,300	1,385	1,210
Adjustment Factors			
Time	Nil adjustment	Nil adjustment	Nil adjustment
Location	Nil adjustment	Nil adjustment	Nil adjustment
Size	Downward adjustment	Downward adjustment	Downward adjustment
Total Adjustment	-7.4%	-6.9%	-1.8%
Adjusted Unit Rate (AUD/sq.m.)	1,200	1,290	1,190

Adjustment Factors:

**Time:** Time adjustment reflects differences in market conditions between the Valuation Date and the dates of comparables. According to our site inspection with local real estate brokers, the industrial development site market condition is stable in the year. Therefore, no adjustment is made in this factor.

**Location:** Location is adjusted based on the surroundings and accessibility of the property and comparables. The Disposal Property enjoys similar accessibility as the comparables and therefore no adjustment is made in this factor.

**Size:** In general, the unit rate of a property with a small area is higher than that of a property with a larger area and vice versa. The Disposal Property occupies a larger site area than all the comparables and therefore a downward adjustment is assigned. For each comparable, a 0.5% adjustment is made for each 100 sq.m. variance in site areas between the comparable and the Disposal Property and therefore the adjustment varies among the comparables.

8. Our Mr. J Wilson, Senior Valuer, inspected the Disposal Property on 20 November 2024. The external condition of the Disposal Property is reasonable.

*The following is the text of letter and valuation report, prepared for the purpose of incorporation in this circular, received from Royson Valuation Advisory Limited, an independent property valuer, in connection with their valuation as at 30 September 2024 of the property interests to be acquired by the Group in the Commonwealth of Australia.*



Royson Valuation Advisory Limited  
Unit 1503, 15/F, The L. Plaza  
367–375 Queen’s Road Central  
Hong Kong

24 December 2024

The Board of Directors  
**M&L Holdings Group Limited**  
21st Floor, Empress Plaza  
17–19 Chatham Road South  
Tsim Sha Tsui  
Kowloon, Hong Kong

Dear Sirs and Madams,

Re: Valuation of an industrial complex located at 41 Triholm Avenue, Laverton, VIC 3028, the Commonwealth of Australia (the “**Target Property**”)

## INSTRUCTIONS

We refer to your instruction for us to value the property interests to be acquired by M&L Holdings Group Limited (the “**Company**”) or its subsidiaries (together referred as the “**Group**”) located in the Commonwealth of Australia (“**Australia**”). We confirm that we have carried out inspection, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the Target Property in existing state as at 30 September 2024 (the “**Valuation Date**”) for the purpose of incorporation into the circular (the “**Circular**”) issued by the Company on the date hereof.

This letter which forms part of our valuation report explains the basis and methodology of valuation, clarifying assumptions, valuation considerations, title investigations and limiting conditions of this valuation.

## BASIS OF VALUATION

The valuation is our opinion of the market value (“**Market Value**”) which is defined by the Hong Kong Institute of Surveyors as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion”.

**VALUATION METHODOLOGY(IES)**

In valuing the Target Property, we have adopted a combination of the market approach and cost approach in assessing the land portion of the property interests and the buildings and structures standing on the land, respectively.

For the land portion, we have adopted the market approach with reference to the recent sale transactions for the same or closely similar type of land parcels in proximity and within an appropriate time horizon.

For the building portion, we have adopted the cost approach. The approach provides an indication of value by calculating the current replacement or reproduction cost of an asset or building and making deductions for physical deterioration and all other relevant forms of obsolescence.

**VALUATION STANDARDS**

In valuing the property interests, we have complied with all the requirements contained in Chapter 8 of the GEM Listing Rules to the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited, the HKIS Valuation Standards 2020 Edition published by the Hong Kong Institute of Surveyors (HKIS), the RICS Valuation — Global Standards (Effective on 31 January 2022) published by the Royal Institution of Chartered Surveyors and the International Valuation Standards (Effective on 31 January 2022) published by the International Valuation Standards Council (IVSC).

**VALUATION ASSUMPTION**

Our valuation has been made on the assumption that the owner sells the Target Property in the market in its existing state without the benefit of deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangements which would serve to affect the values of the Target Property.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property interests valued nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interests are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values.

**TITLE INVESTIGATION**

In valuing the property interests located in Australia, we have caused land searches to be made at LANDATA regarding the title of the property interests. We have been provided by the Group with copies of certain extracts on title documents in relation to the property interests. However, we have not examined the original documents to verify ownership or to ascertain the existence of any amendments which may not appear on the copies handed to us.

**LIMITING CONDITIONS**

We have inspected the exteriors and where possible, the interiors of the Target Property. In the course of our inspections, we did not note any serious structural defects. However, no structural survey has been made and we are therefore unable to report whether the Target Property is free from rot, infestation or any other defects. No tests were carried out on any of the services. Moreover, we have not carried out investigations on site to determine the suitability of the ground conditions and the services etc., for any future development. Our valuation is prepared on the assumption that these aspects are satisfactory and no extraordinary expenses or delay will be incurred during the development period.

We have not carried out detailed on-site measurement to verify the correctness of the areas in respect of the Target Property but have assumed that the areas shown on the documents handed to us are correct. All dimensions, measurements and areas are approximate.

We have relied to a considerable extent on information provided by the Group and accepted advices given to us on such matters, in particular, but not limited to tenure, planning approvals, statutory notices, easements, particulars of occupancy, size and floor areas and all other relevant matters in the identification of the Target Property.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. We have also been advised by the Group that no material fact has been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and we have no reason to suspect that any material information has been withheld.

This valuation is to be used only for the purpose stated herein, any use or reliance for any other purpose, by you or third parties, is invalid. No reference to our name or our valuation report in whole or in part, in any document you prepare and/or distribute to third parties may be made without written consent.

**REMARKS**

Unless otherwise stated, all money amounts stated are in Australian Dollars (**AUD**).

We enclose herewith the valuation report.

Yours faithfully,  
For and on behalf of  
**Royson Valuation Advisory Limited**

**Lawrence Chan Ka Wah**  
*MRICS, MHKIS, RPS(GP), MCIREA, MHIREA*  
*MHKIM, RICS Registered Valuer*  
Director

*Mr. Lawrence Chan Ka Wah is a member of the Royal Institution of Chartered Surveyors, a member of the Hong Kong Institute of Surveyors, Registered Professional Surveyors in the General Practice Section, a RICS Registered Valuer and a member of the China Institute of Real Estate Appraisers and Agents, who has over 20 years' experience in the valuation of properties in Hong Kong, Macau, the People's Republic of China and the Asia-Pacific Rim.*

## VALUATION REPORT

## Property interests to be acquired by the Group in Australia

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2024 <i>AUD</i>
An industrial complex located at 41 Triholm Avenue, Laverton, VIC 3028, Australia	<p>The Target Property comprises a parcel of land together with a single storey buildings and structures completed in about 2001.</p> <p>The Target Property has a site area and total gross floor area of approximately 1,177 sq.m. and 891 sq.m. respectively.</p> <p>The Target Property is held in freehold basis.</p>	The Target Property is occupied by the registered owner for industrial and ancillary office uses as at the Valuation Date.	2,800,000

*Notes:*

1. According to LANDATA, the current registered owner of the Target Property is West Crane Properties No 2 Pty Ltd., registered vide No. AJ507052F date 22 February 2012.
2. According to the Wyndham Planning Scheme, the land parcel of the Target Property situated is zoned for “Industrial 3 Zone (IN3Z)”.
3. The Target Property is situated at 41 Triholm Avenue in Melbourne City, buildings in the locality are industrial complex. Metro Aircraft station is about 5-minute walking distance from the Target Property. Metro, taxis and buses are accessible to the Target Property.
4. The Target Property is subject to a mortgage in favour of Australia and New Zealand Banking Group Limited dated 7 August 2019. According to the sale and purchase agreement of the Target Property dated 29 November 2024 entered into between West Crane Properties No 2 Pty Ltd. and M&L Oceania Management Pty Ltd., the subject mortgage shall be discharged upon completion of the acquisition. M&L Oceania Management Pty Ltd. is an indirect wholly-owned subsidiary of the Company.
5. The unit rate of the land of similar usage in the locality as at the Valuation Date is in the range of AUD1,520 per sq.m. to AUD1,670 per sq.m. and the unit rate of the building cost of similar type of building in the locality as at the Valuation Date is in the range of AUD1,510 per sq.m. to AUD1,590 per sq.m..
6. We have identified and analysed various comparable sales evidence obtained from LANDATA, an online search service providing access to land title and property information in Victoria, Australia. The comparables selected were based on the following criteria, representing the exhaustive and representative samples for valuation purpose:
  - a. Transacted in 2024;



- b. located in Truganina or Laverton suburb; and
- c. similar usage with the Target Property.

Details of the comparable properties are as follows.

	<b>Comparable 1</b>	<b>Comparable 2</b>	<b>Comparable 3</b>
Address	19 Bonview Circuit, Truganina 3029	56 Bonview Circuit, Truganina 3029	21 Network Drive, Truganina 3029
Site Area (sq.m.)	1,250	1,350	2,370
Usage	Development Site (Industrial)	Development Site (Industrial)	Development Site (Industrial)
Date of transaction	May 2024	Mar 2024	Feb 2024
Unit rate (AUD/sq.m.)	1,300	1,385	1,210
Adjustment Factors			
Time	Nil adjustment	Nil adjustment	Nil adjustment
Location	Upward adjustment	Upward adjustment	Upward adjustment
Size	Upward adjustment	Upward adjustment	Upward adjustment
Total Adjustment	20.4%	20.9%	26.0%
Adjusted Unit Rate (AUD/sq.m.)	1,570	1,670	1,520

Adjustment Factors:

**Time:** Time adjustment reflects differences in market conditions between the Valuation Date and the dates of comparables. According to our site inspection with local real estate brokers, the industrial development site market condition is stable in the year. Therefore, no adjustment is made in this factor.

**Location:** Location is adjusted based on the surroundings and accessibility of the property and comparables. The Target Property enjoys more favorable accessibility as the comparables and therefore an upward adjustment is assigned. The same adjustment is applied to all comparables as the comparables are situated in the same area.

**Size:** In general, the unit rate of a property with a small area is higher than that of a property with a larger area and vice versa. The Target Property occupies a smaller site area than all the comparables and therefore an upward adjustment is assigned. For each comparable, a 0.5% adjustment is made for each 100 sq.m. variance in site areas between the comparable and the Target Property and therefore the adjustment varies among the comparables.

7. Our Mr. J Wilson, Senior Valuer, inspected the Target Property on 14 November 2024. The external condition of the Target Property is reasonable.

## 1. RESPONSIBILITY STATEMENT

This circular, 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 circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

## 2. DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executives of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (a) 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 (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange or (d) to be disclosed under the Takeovers Code, were as follows:

### Long positions in the Shares

Name of Directors	Capacity/ Nature of interest	Number of Shares	Approximate percentage of issued share capital of the Company
Mr. Ng Lai Ming <sup>(note 2)</sup>	Interest in a controlled corporation <sup>(note 1)</sup>	364,095,000	60.68%
Mr. Ng Lai Tong	Beneficial owner	29,025,000	4.84%
Mr. Ng Lai Po	Beneficial owner	4,500,000	0.75%

#### Notes:

- (1) The 364,095,000 shares are owned by JAT United Company Limited ("JAT United"), which is wholly owned by Mr. Ng Lai Ming. Mr. Ng Lai Ming is deemed to be interested in all the shares held by JAT United under the SFO.
- (2) Mr. Ng Lai Ming is the brother of Mr. Ng Lai Tong and Mr. Ng Lai Po.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be

notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required to be entered in the register referred to therein pursuant to section 352 of the SFO; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules; or (iv) which were required to be disclosed under the Takeovers Code.

### 3. SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

As at the Latest Practicable Date, so far as the Directors are aware, the interests or short positions owned by the following parties (other than the Directors or chief executives of the Company) in the Shares or underlying shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register of the Company required to be kept under section 336 of the SFO were as follows:

#### Long positions in the Shares

Name of Shareholder	Capacity/ Nature of interest	Number of Shares	Approximate percentage of issued share capital of the Company
JAT United <sup>(note 1)</sup>	Beneficial owner	364,095,000	60.68%
Ms. Law So Lin <sup>(note 2)</sup>	Interest of spouse	364,095,000	60.68%

Notes:

- (1) JAT United is wholly owned by Mr. Ng Lai Ming. Mr. Ng Lai Ming is deemed to be interested in all the shares held by JAT United under the SFO.
- (2) Ms. Law So Lin is the spouse of Mr. Ng Lai Ming, therefore she is deemed to be interested in all the shares in which Mr. Ng Lai Ming is interested in under the SFO.

### 4. ARRANGEMENTS AND MATTERS CONCERNING DIRECTORS AND MEMBERS

As at the Latest Practicable Date, there were no transactions, arrangements and contracts of significance in relation to the Group's business to which the Company or its subsidiaries was a party and in which a Director of the Company or his or her connected entities had a material interest, whether directly or indirectly.

As at the Latest Practicable Date, none of the Directors had any direct or indirect interests in any assets which have since 31 December 2023 (being the date to which the latest published audited financial statements of the Group were made up) been acquired or disposed of by or leased to any member of the Group, or was proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors or their respective close associates had any interest in a business which competed or might compete with the business of the Company.

## 5. LITIGATION

As at the Latest Practicable Date, no member of the Group was involved in any litigation or claims of material importance nor was any litigation or claims of material importance known to the Directors to be pending or threatened against any member of the Group.

## 6. MATERIAL ADVERSE CHANGE

As of the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2023, being the date to which the latest published audited financial statements of the Group were made up.

## 7. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had a service contract with the Company which was not determinable by the Company within one year without payment of compensation, other than statutory compensation.

## 8. MATERIAL CONTRACTS

No member of the Group has entered into any contracts, not being contracts entered into in the ordinary course of business, within the two years immediately preceding the date of this circular and are or may be material.

## 9. EXPERT AND CONSENT

The following expert has been named in this circular or has given opinion or advice which are contained in this circular.

<b>Name</b>	<b>Qualification</b>
BDO Limited	Certified Public Accountants
Royson Valuation Advisory Limited	Independent valuer

As at the Latest Practicable Date, the above expert:

- (a) has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and/or report (as the case may be) and references to its names, in the form and context in which they respectively appear;

- (b) did not have any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any shares, convertible securities, warrants, options or derivatives, which carry voting rights in any member of the Group; or
- (c) did not have any interest, either directly or indirectly, in any assets which have been, since the date to which the latest published audited financial statements of the Company were made up (i.e. 31 December 2023), acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group.

## 10. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.mleng.com](http://www.mleng.com)) for a period of 14 days from the date of this circular:

- (a) the Agreements;
- (b) the assurance report on the unaudited pro forma financial information of the Group issued by BDO Limited, the text of which is set out in Appendix III to this circular;
- (c) the valuation report of the Disposal prepared by Royson Valuation Advisory Limited, the text of which is set out in Appendix IV to this circular;
- (d) the valuation report of the Acquisition prepared by Royson Valuation Advisory Limited, the text of which is set out in Appendix V to this circular; and
- (e) the written consent referred to in the paragraph headed “EXPERT AND CONSENT” in this Appendix.

## 11. MISCELLANEOUS

- (a) The company secretary of the Company is Mr. Lee Baldwins an external service provider and a member of the Hong Kong Institute of Certified Public Accountants.
- (b) The registered office of the Company is, Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman, KY1-1108, Cayman Islands.
- (c) The Cayman Islands principal share registrar and transfer office of the Company is Ocorian Trust (Cayman) Limited, Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman, KY1-1108, Cayman Islands.
- (d) The Hong Kong branch share registrar of the Company is Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (e) In the event of any inconsistency, the English text of this circular shall prevail over the Chinese text.

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## NOTICE OF EGM

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### M&L HOLDINGS GROUP LIMITED

明樑控股集團有限公司

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

**(Stock code: 8152)**

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting of M&L Holdings Group Limited (the “**Company**” and the “**EGM**”, respectively) will be held at Room 302, 3/F, First Commercial Building, 33–35 Leighton Road, Causeway Bay, Hong Kong on Thursday, 16 January 2025 at 11:00 a.m. for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolutions, which will be proposed as ordinary resolutions of the Company.

Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the circular of the Company dated 24 December 2024.

#### ORDINARY RESOLUTIONS

1. “**THAT** the Disposal Agreement and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and any one director of the Company be and is hereby generally and unconditionally authorised to do all such acts and things, to sign and execute all such documents for and on behalf of the Company as they may consider necessary, appropriate, desirable or expedient to give effect to or in connection with this resolution.”
2. “**THAT** the Acquisition Agreement and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and any one director of the Company be and is hereby generally and unconditionally authorised to do all such acts and things, to sign and execute all such documents for and on behalf of the Company as they may consider necessary, appropriate, desirable or expedient to give effect to or in connection with this resolution.”

By order of the Board  
**M&L Holdings Group Limited**  
**Ng Lai Ming**  
*Chairman, Chief Executive Officer and  
Executive Director*

Hong Kong, 24 December 2024

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## NOTICE OF EGM

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*Head office and principal place  
of business in Hong Kong:*  
21st Floor, Empress Plaza  
17–19 Chatham Road South  
Tsimshatsui, Kowloon  
Hong Kong

*Registered office:*  
Windward 3  
Regatta Office Park  
P.O. Box 1350  
Grand Cayman, KY1-1108  
Cayman Islands

*Notes:*

- a. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands). The results of the poll will be published on the websites of The Stock Exchange of Hong Kong Limited and of the Company in accordance with the GEM Listing Rules.
- b. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.

In the case of joint holders of a share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto; but if more than one of such joint holders are present at the meeting, whether in person or by proxy, the vote of the senior who tenders a vote shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

- c. A form of proxy for use at the meeting is being despatched together with this notice. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be delivered to Tricor Investor Services Limited, the office of the Company's Hong Kong branch share registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
- d. The register of members of the Company will be closed from Monday, 13 January 2025 to Thursday, 16 January 2025 (both days inclusive), during which period no transfer of shares will be registered, for purpose of determining the right to attend and vote at the EGM. All transfer of the Company's shares together with the relevant share certificates must be lodged with Tricor Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong no later than 4:30 p.m. on Friday, 10 January 2025 in order for the holders of the shares to qualify to attend and vote at the EGM or any adjournment thereof.

As at the date of this notice, the executive Directors are Mr. Ng Lai Ming, Mr. Ng Lai Tong and Mr. Ng Lai Po and the independent non-executive Directors are Mr. Tai Wai Kwok, Ir Lo Kok Keung, Mr. Lau Chi Leung and Ms. Luk Pui Yin Grace.