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

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GOLDLION HOLDINGS LIMITED

金利來集團有限公司

(Incorporated in Hong Kong under the Hong Kong Companies Ordinance)

(Stock Code: 00533)

**POSSIBLE MAJOR TRANSACTION
ENTERING INTO OF THE INVESTMENT AGREEMENT**

A letter from the Board is set out on pages 3 to 10 of this circular.

The transaction being the subject matter of this circular has been approved by written shareholders' approval pursuant to the Listing Rules in lieu of general meeting of the Company and this circular is being despatched to the Shareholders for information only.

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DEFINITIONS

In this circular, unless the context requires otherwise, the following terms have the meanings as respectively ascribed below:

“Board”	the board of Directors of the Company
“Company”	Goldlion Holdings Limited (Stock Code: 00533), a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Goldlion Far East”	Goldlion (Far East) Limited (金利來(遠東)有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Guangzhou Committee”	the Guangzhou Airport Economic Zone Management Committee* (廣州空港經濟區管理委員會), a governmental organ of the Guangzhou Municipal People’s Government responsible for the overall planning of the development and construction of the Zone
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Investment Agreement”	the investment agreement dated 13 January 2022 entered into between Goldlion Far East and the Guangzhou Committee, pursuant to which Goldlion Far East has conditionally agreed to invest in the Project
“Latest Practicable Date”	16 February 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China which, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan

DEFINITIONS

“Project”	the proposed investment pursuant to the Investment Agreement by Goldlion Far East in the Project Company for the set-up of an international trade and consumption integrated headquarters in the Zone to achieve offline store and e-commerce business management and operation, centralized domestic products procurement, and the provision of regional headquarters settlement services and modern intelligent distribution services
“Project Company”	Guangzhou Goldlion E-commerce Company Limited* (廣州金利來電子商務有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Project Land”	a piece of modern logistics storage land with a total site area of approximately 66 mu (畝) located in the Zone
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollar, the lawful currency of the United States of America
“Zone”	Guangzhou Airport Economic Zone* (廣州空港經濟區), a national economic and demonstration zone located in the northern part of Guangzhou, the PRC
“%”	per cent

* For identification purpose only

LETTER FROM THE BOARD



GOLDLION HOLDINGS LIMITED

金利來集團有限公司

(Incorporated in Hong Kong under the Hong Kong Companies Ordinance)

(Stock Code: 00533)

Executive Directors:

Mr. Tsang Chi Ming, Ricky, *J.P.*
(Chairman and Chief Executive Officer)
Madam Wong Lei Kuan

Non-executive Director:

Mr. Ng Ming Wah, Charles

Independent Non-executive Directors:

Dr. Lau Yue Sun, *B.B.S.*
Mr. Li Ka Fai, David
Mr. Ngan On Tak

Registered office:

7th Floor
Goldlion Holdings Centre
13–15 Yuen Shun Circuit
Siu Lek Yuen
Shatin
New Territories
Hong Kong

21 February 2022

To the Shareholders

Dear Sir or Madam,

**POSSIBLE MAJOR TRANSACTION
ENTERING INTO OF THE INVESTMENT AGREEMENT**

INTRODUCTION

Reference is made to the announcement of the Company dated 13 January 2022 in relation to, among other things, the entering into of the Investment Agreement, pursuant to which Goldlion Far East, an indirect wholly-owned subsidiary of the Company, has conditionally agreed to invest in the Project through the Project Company, an indirect wholly-owned subsidiary of the Company, with an investment of no less than RMB330 million (equivalent to approximately HK\$402.6 million) after the land use rights over the Project Land has been obtained by the Project Company.

LETTER FROM THE BOARD

The Company has, pursuant to Rule 14.44 of the Listing Rules, obtained written Shareholders' approval of the Investment Agreement and the transactions contemplated thereunder in accordance with Rule 14.44 of the Listing Rules from Top Grade Holdings Limited, Silver Disk Limited and Keysonic Development Limited, a closely allied group of Shareholders holding a total of 613,034,750 issued ordinary shares of the Company (representing approximately 62.42% of its entire issued share capital as at the Latest Practicable Date). Accordingly, the written approval from Top Grade Holdings Limited, Silver Disk Limited and Keysonic Development Limited will be accepted in lieu of holding of a general meeting of the Company and no general meeting will be convened for the purpose of approving the Investment Agreement and the transactions contemplated thereunder pursuant to Rule 14.44 of the Listing Rules.

The purpose of this circular is to provide you with, among other things, further information on the Investment Agreement and the transactions contemplated thereunder and other information as required under the Listing Rules.

THE INVESTMENT AGREEMENT

Set out below is a summary of the principal terms of the Investment Agreement:

Date:

13 January 2022

Parties:

- (1) Goldlion Far East; and
- (2) the Guangzhou Committee

As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Guangzhou Committee and its ultimate beneficial owner are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

The Subject Matter

Goldlion Far East, an indirect wholly-owned subsidiary of the Company, entered into the Investment Agreement with the Guangzhou Committee, pursuant to which (i) Goldlion Far East has conditionally agreed to invest in the Project through the Project Company, an indirect wholly-owned subsidiary of the Company, with an investment of no less than RMB330 million (equivalent to approximately HK\$402.6 million) after the land use rights over the Project Land has been obtained by the Project Company; and (ii) the Guangzhou Committee has conditionally agreed to assist Goldlion Far East to implement the Project.

Term

The Investment Agreement shall be valid for 20 years from the date of signing.

LETTER FROM THE BOARD

The Project

The Project is subject to the condition that the Project Company has obtained the land use rights over the Project Land successfully. The Project will involve the set-up of an international trade and consumption integrated headquarters in the Zone to achieve offline store and e-commerce business management and operation, centralized domestic products procurement, and the provision of regional headquarters settlement services and modern intelligent distribution services. As at the Latest Practicable Date, the Project Company has no commitment to carry out the Project, and there is no further information on the Project available to the Group. If and when any subsequent definitive agreements in relation to the Project are entered into by any member of the Group, the Company will re-comply with the applicable requirements under the Listing Rules if and as required under the Listing Rules.

The Project Land

Pursuant to the Investment Agreement, the Project Land is a piece of modern logistics storage land with a total site area of approximately 66 mu (畝) which shall be used for the Project. As at the Latest Practicable Date, the Project Company has no commitment to obtain and the Guangzhou Committee has no commitment to deliver the Project Land, and there is no constructive information on the Project Land (including its exact location, its exact site area, its purchase price or the expect date of sale) available to the Group. Further announcement on the details of the Project Land will be made by the Company as and where necessary and practicable.

Investment amount

Goldlion Far East has conditionally agreed to invest through the Project Company no less than RMB330 million (equivalent to approximately HK\$402.6 million) as the fixed assets of the international trade and consumption integrated headquarters at the Project Land upon obtaining the Project Land. Such investment amount is expected to be made up of (i) the cost in obtaining the land use rights of the Project Land in an estimated amount of approximately RMB75.9 million (estimated at a rate of RMB1.15 million per mu with reference to the recent listing price of land in the Zone and (ii) the cost of construction of plant and supporting facilities and the investment on new technology in an estimated amount of approximately RMB254.1 million (estimated with reference to the expected scale of the Project). The composition of the investment amount is an estimation only and may be subject to change and materialisation of the Project. The investment amount will be funded from the internal resources of the Group.

It is expected that the actual total amount of investment to be made by the Group in the Project shall not be significantly greater than RMB330 million (equivalent to approximately HK\$402.6 million). The Company will re-comply with the applicable requirements under the Listing Rules (for example, at the time if material increase in the amount of investment is incurred) with respect to different classification of the transaction under the Investment Agreement if and as required under the Listing Rules.

LETTER FROM THE BOARD

Undertakings by Goldlion Far East

Pursuant to the Investment Agreement, Goldlion Far East undertook to increase the registered capital of the Project Company to RMB165 million (equivalent to approximately HK\$201.3 million) in which Goldlion Far East shall inject US\$15 million (equivalent to approximately HK\$117 million) into the Project Company, amounting to 60% of the registered capital of the Project Company, before 20 December 2021 (the “**Capital Injection**”). The Capital Injection was completed on 13 December 2021.

Goldlion Far East also undertook to ensure that the Project shall be completed within 5 years from the handover of the Project Land by the Guangzhou Committee, with (i) the aggregated annual total revenue and tax contributions of the Project Company and not more than three of its associated companies (in aggregate) be no less than RMB2 billion (equivalent to approximately HK\$2.44 billion) and RMB35 million (equivalent to approximately HK\$42.7 million) respectively; and (ii) the tax contributions of the Project Company upon obtaining the Project Land to the completion of the construction of the Project be no less than RMB14 million (equivalent to approximately HK\$17.08 million) for each complete tax year.

Goldlion Far East also conditionally agreed that the Project Company will not carry out the following actions within 20 years from the date of the Investment Agreement:

- (i) move out of the Zone;
- (ii) reduce its registered share capital;
- (iii) amend its taxation obligations and its obligations in relation to enterprises included in the list of PRC Government’s statistics authority within the Zone;
- (iv) transfer its share capital resulting in Goldlion Far East losing actual control over the Project Company; and
- (v) save for shareholding reform, public or non-public issuance of shares, transfer of assets and production capacity without the prior written consent from the Guangzhou Committee.

Save for events of force majeure, should the Project Company and three of its associated companies (in aggregate) fail to make 80% of the annual tax contributions in the amount of RMB35 million as agreed in the Investment Agreement upon completion of the Project, the Project Company will be required to pay compensation for breach of contract each year based on the agreed amount of tax contributions by making up for the shortfall between the actual annual tax contributions and RMB28 million (being 80% of the agreed annual tax contributions). Such threshold for obligation to pay compensation is determined after arm’s length negotiation with reference to the amount of tax paid by the Group’s apparel operation in the PRC and the government policy of the Guangzhou Municipal People’s Government in relation to the development and construction of the Zone. For the avoidance of doubt, if the Project Company and three of its associated companies make 80% or more of the agreed annual tax contributions upon completion of the Project, no compensation is required to be made by the Project Company.

LETTER FROM THE BOARD

Termination

The Investment Agreement shall lapse and be of no further effect if:

- (i) the Project Company fails to obtain the Project Land within 2 years from the date of the Investment Agreement;
- (ii) Goldlion Far East fails to make the Capital Injection into the Project Company before 20 December 2021; or
- (iii) the Project Company fails to complete the registration procedures in the Zone within 1 month from the date of the Investment Agreement.

As at the Latest Practicable Date, (i) Goldlion Far East has completed the Capital Injection into the Project Company, and (ii) the Project Company has completed the registration procedures in the Zone.

Basis of determining Goldlion Far East's undertakings

The aforesaid agreed amount of total revenue and tax contributions is determined after arm's length negotiation with reference to the amount of tax paid by the Group's apparel operation in the PRC, prevailing market practice and government policy of the Guangzhou Municipal People's Government in relation to the development and construction of the Zone. In particular, the annual tax contributions of RMB28 million is approximately 50% of the tax paid by a branch company of the Group's subsidiaries engaging in the apparel business in 2021.

It is one of the preferential policies of the Guangzhou Municipal People's Government to allow investors to include the financial results and contributions of companies associated with the investors when determining whether the relevant agreed targets are achieved. Goldlion Far East has the option to include the financial results and contributions of any three companies associated with the Project Company when determining whether the agreed targets under the Investment Agreement are achieved. It is preliminarily expected that a branch company of the Group's subsidiaries engaging in the apparel business will be counted as such associated companies.

REASONS FOR AND BENEFITS OF ENTERING INTO THE INVESTMENT AGREEMENT

The Group has been engaged in the distribution of apparel and accessories products in the PRC for years, from which significant returns have been generated. Efficient management of logistics and supply chain is essential to the success of the business. However, as the warehouse of the Group at Yuan Village, Guangzhou was no longer able to cope with the business needs particularly following the growth of the e-commerce sales, the Group had leased external logistics centre and transferred the Yuan Village property into an investment property in 2018. Due to the restrictions of the lease and supporting facilities, the Group has been proactively looking for a suitable site for the construction of a logistics centre and supply chain facilities so as to facilitate a modern, intelligent and digital logistics and distribution depot for business expansion and reduction of rental expenses for the existing logistics centre.

LETTER FROM THE BOARD

The Group is also planning to transfer all or part of its product distribution, procurement, product design, exhibition and other operating functions into the depot upon completion of the Project, which will be beneficial for improving its operational efficiency and will save the operating expenses of these functions.

Besides, the Project Land is located at the Airport Economic Zone of Guangzhou Baiyun International Airport, which is a transportation hub of the Guangdong-Hong Kong-Macao Greater Bay Area. The Project will enable the Group to increase its logistics efficiency and reduce its operating cost.

The Directors are of the view that the terms of the Investment Agreement are fair and reasonable and on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECTS OF THE INVESTMENT AGREEMENT

Based on the information available, the entering into of the Investment Agreement is not expected to have any significant impact on the earnings of the Group for the current financial year. The overall effects of the Project on the future earnings of the Group will depend on, amongst other matters, the rental and operating expenses to be reduced and the depreciation to be charged for the fixed assets of the Project upon it is in full operation.

After the Project Company having successfully obtained the land use rights over the Project Land and the Project having been carried out pursuant to the Investment Agreement, there will be a reduction in the Group's cash by RMB330 million and an increase in the Group's property, plant and equipment and right-of-use assets by the same amount. Hence, the Investment Agreement will have no effect on the Group's total assets, total liabilities and net assets overall. The calculations are only estimates provided for illustrative purposes and are subject to further review by the auditors of the Company.

LISTING RULES IMPLICATIONS

Since the Project is subject to the obtaining of the land use rights over the Project Land by the Project Company successfully, based on the preliminary calculations of the Company, as one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the entering into of the Investment Agreement exceeds 25% but are all less than 100%, the Project, if materializes, will constitute a major transaction of the Company and be subject to reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

LETTER FROM THE BOARD

If the Project Company obtains the land use rights over the Project Land successfully, Goldlion Far East will thereupon become unconditionally obliged to proceed with the Project and will not, at that time, be able to seek the approval of the Shareholders which is required under Chapter 14 of the Listing Rules. Accordingly, the Directors would like to seek the Shareholders' prior approval for authorization to be granted to the Directors in respect of the investment in the Project. If and when there is any development in relation to the Project, the Company will re-comply with the applicable requirements under the Listing Rules if and as required under the Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, none of the Shareholders has any material interest in the Investment Agreement and the transaction contemplated thereunder and hence, no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Investment Agreement and the transaction contemplated thereunder.

The Company has, pursuant to Rule 14.44 of the Listing Rules, obtained written approval of the Investment Agreement and the transactions contemplated thereunder from Top Grade Holdings Limited, Silver Disk Limited and Keysonic Development Limited, a closely allied group of Shareholders holding a total of 613,034,750 issued ordinary shares of the Company (representing approximately 62.42% of its entire issued share capital). As each of Silver Disk Limited and Keysonic Development Limited is a wholly-owned subsidiary of Top Grade Holdings Limited since the year 2008 and their respective shareholding in the Company has remained unchanged since the year 2008, Top Grade Holdings Limited, Silver Disk Limited and Keysonic Development Limited therefore constitute a closely allied group of Shareholders pursuant to Rule 14.45 of the Listing Rules. Set out below is the shareholding information of Top Grade Holdings Limited, Silver Disk Limited and Keysonic Development Limited as at the Latest Practicable Date:

Name	Number of Shares held as beneficial owner	Approximate percentage of shareholding
Top Grade Holdings Limited	407,418,750	41.48%
Silver Disk Limited	160,616,000	16.35%
Keysonic Development Limited	45,000,000	4.58%

Accordingly, the written approval from Top Grade Holdings Limited, Silver Disk Limited and Keysonic Development Limited will be accepted in lieu of holding of a general meeting of the Company and no general meeting will be convened for the purpose of approving the Investment Agreement and the transactions contemplated thereunder pursuant to Rule 14.44 of the Listing Rules.

There is no guarantee and/or assurance that the Project Company will eventually obtain the land use rights of the Project Land and therefore the Project 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.

LETTER FROM THE BOARD

INFORMATION ON THE PARTIES

The Group

The principal activities of the Group are distribution and manufacturing of garments, leather goods and accessories, licensing of brand name, and property investment and development.

Goldlion Far East

Goldlion Far East is an indirect wholly-owned subsidiary of the Company and is principally engaged in property investment and licensing of brand name.

Guangzhou Committee

The Guangzhou Committee is a governmental organ of the Guangzhou Municipal People's Government and is principally engaged for the overall planning of the development and construction of the Zone.

The Project Company

The Project Company is an indirect wholly-owned subsidiary of the Company and is principally engaged in e-commerce business.

RECOMMENDATIONS

Although no general meeting will be convened, the Board considers that the Investment Agreement was entered into on normal commercial terms and the terms of the Investment Agreement and the transactions contemplated thereunder are fair and reasonable and are in the best interests of the Company and the Shareholders as a whole. Accordingly, if a general meeting were convened for approving the Investment Agreement and the transactions contemplated thereunder, the Board would have recommended the Shareholders to vote in favour of the Investment Agreement.

ADDITIONAL INFORMATION

Your attention is drawn to the financial and general information as set out in the appendices to this circular.

On behalf of
Goldlion Holdings Limited
Mr. Tsang Chi Ming, Ricky
Chairman and Chief Executive Officer

1. FINANCIAL INFORMATION OF THE GROUP

The audited consolidated financial information of the Group for each of the three years ended 31 December 2018, 2019 and 2020 are disclosed in the following annual reports of the Company for the years ended 31 December 2018, 2019, 2020, respectively, and details of the unaudited consolidated interim financial information of the Group for the six months ended 30 June 2021 are disclosed in the following interim report of the Company for the six months ended 30 June 2021, which have been published and are available on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.goldlion.com):

- the annual report 2018 of the Company for the year ended 31 December 2018 which was published on 10 April 2019, from pages 75 to 143 (<https://www1.hkexnews.hk/listedco/listconews/sehk/2019/0410/ltn20190410236.pdf>);
- the annual report 2019 of the Company for the year ended 31 December 2019 which was published on 9 April 2020, from pages 76 to 141 (<https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0409/2020040900396.pdf>);
- the annual report 2020 of the Company for the year ended 31 December 2020 which was published on 12 April 2021, please refer to pages 72 to 139 (<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0412/2021041200267.pdf>); and
- the interim report of the Company for the six months ended 30 June 2021 which was published on 26 August 2021, from pages 8 to 28 (<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0826/2021082600451.pdf>).

2. INDEBTEDNESS STATEMENT

As at the close of business on 31 December 2021, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Group, as a lessee, has outstanding unpaid contractual lease payments for the remainder of the relevant lease terms amounting to approximately HK\$25 million, which are neither secured nor guaranteed.

The Group has provided guarantees to banks for certain purchasers of the property units in our development project “Goldlion Garden” in Meixian to secure repayment obligations of such purchasers. As at 31 December 2021, the maximum amount of guarantees provided by the Group to the relevant banks for the mortgage arrangements of our purchasers amounted to HK\$79 million. The guarantees were to be discharged upon the earlier of: (i) issuance of the real estate ownership certificate to the property purchasers; and (ii) the satisfaction of mortgage loans by the property purchasers.

Save as aforesaid, the Group did not have any debt securities, any outstanding loan capital, any borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptance (other than normal trade bills and payables) or other similar

indebtedness, debentures, mortgages, charges, loans, acceptance credits, hire purchase commitments or other material contingent liabilities as at the close of business on 31 December 2021.

3. MATERIAL ADVERSE CHANGE

At the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2020, being the date to which the latest published audited consolidated financial statements of the Company were made up.

4. WORKING CAPITAL

As at the Latest Practicable Date, the Directors are of the opinion that, after taking into account the existing cash and bank balances and other internal resources, the Group has and will have sufficient working capital for its present requirements and to satisfy its requirements for at least the next 12 months from the date of publication of this circular.

5. FINANCIAL AND TRADING PROSPECT OF THE GROUP

In China Mainland, with the implementation of various COVID-19 preventive and control measures and the availability of vaccines, economic activities in the Mainland gradually returned to normal. However, intermittent outbreaks of the pandemic have caused volatility and uncertainty in the retailing market. To take advantage of the normalized economic activities that ensued, the Group will develop its apparel business in China Mainland mainly by enhancing product quality and streamlining sales channels. Compared against a relatively low base pushed down by COVID-19 during the corresponding season last year, the order amount achieved at the sales fair for the 2022 spring and summer collections held in early August registered an increase but is still below our expectations. It is expected that the orders will be delivered during the first half of 2022.

In Singapore, the Group's operating loss that has persisted for some time has begun to come under control in 2021. In light of the locally unpredictable ebb and flow of the pandemic, the Group will continue to keep its operating scale under control so as to improve operation.

As regards property investment, which is still under pressure, efforts will be made to boost the occupancy of our investment properties and to enhance their leasing potential. In respect of the development project "Goldlion Garden" in Meixian, the Group will continue with its construction and presale and will adjust as and when necessary.

Looking forward, property market downturn and the persistent COVID-19 pandemic will continue to be large drags on the Mainland's economic growth. However, the general view is that these negative factors will be checked and under control in 2022. With a stable business establishment, it is expected that there would not be significant fluctuation in the Group's business performance in 2022.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Interests and short positions of directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and any associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) 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 the Directors and chief executives of the Company were taken or deemed to have pursuant to Divisions 7 and 8 of Part XV of the SFO), or (ii) entered in the register required to be kept under Section 352 of the SFO or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) adopted by the Company were as follows:

Long positions in the Shares

Name of Director	Capacity	Nature of interest	Number of Shares held	Approximate percentage of total issued Shares as at the Latest Practicable Date
				<i>(Note 1)</i>
Tsang Chi Ming,	Beneficial owner	Long position	1,404,000	0.14%
Ricky	Beneficiary of a trust <i>(Note 2)</i>	Long position	613,034,750	62.42%
Wong Lei Kuan	Beneficial owner	Long position	1,210,000	0.12%
	Beneficiary of a trust <i>(Note 2)</i>	Long position	613,034,750	62.42%

Notes:

- The percentage was calculated based on 982,114,035 Shares in issue as at the Latest Practicable Date.

2. Hin Chi Family Management Limited as trustee of the Tsang Hin Chi (2007) Family Settlement, held all of the issued share capital of Top Grade Holdings Limited (“**Top Grade**”). Top Grade was interested in 613,034,750 shares in the Company including 160,616,000 shares held by Silver Disk Limited, a wholly-owned subsidiary of Top Grade. Mr. Tsang Chi Ming, Ricky and Madam Wong Lei Kuan are discretionary beneficiaries of the said trust and both of them are deemed to be interested in such shares Top Grade was interested in.

Other than those interests and short positions disclosed above, (a) the Directors and the chief executive of the Company also hold shares of certain subsidiaries in trust for the Company solely for the purpose of ensuring that the relevant subsidiary has more than one member; (b) 500,000 non-voting deferred shares of Goldlion Far East were held as to 1 share by Mr. Tsang Chi Ming, Ricky, 49,999 shares by Madam Wong Lei Kuan and 450,000 shares by Hin Chi Family Management Limited (as trustee of The Tsang Hin Chi (2007) Family Settlement). Mr. Tsang Chi Ming, Ricky and Madam Wong Lei Kuan are discretionary beneficiaries of the said trust and both of them are deemed to be interested in such 450,000 shares held by Hin Chi Family Management Limited. Non-voting deferred shares of Goldlion (Far East) Limited do not entitle the holders to receive notice of or to attend vote at its general meeting, and to participate in the distribution of its profit.

Save as disclosed above, none of the Directors and chief executives of the Company had, as at the Latest Practicable Date, any interests or short positions in any shares and underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) 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 the Directors and chief executives of the Company were taken or deemed to have pursuant to Divisions 7 and 8 of Part XV of the SFO), or (ii) entered in the register required to be kept by the Company under Section 352 of the SFO, or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code.

(b) Interests and short positions of the substantial Shareholders in the Shares, underlying Shares of the Company

As at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, the interests and short positions of the Shareholders (other than Directors or chief executives of the Company) who had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were entered in the register required to be kept by the Company pursuant to Section 336 of the SFO, were as follows:

Name of Shareholder	Capacity of Shareholder	Number of Shares/ underlying Shares		Approximate percentage of total issued Shares as at the Latest Practicable Date (Note 1)
		Long position	Short position	
Hin Chi Family Management Limited (Note 2)	Interest of controlled corporation	613,034,750	—	62.42%
Top Grade Holdings Limited (Note 2)	Beneficial owner and interest of controlled corporation	613,034,750	—	62.42%
Silver Disk Limited (Note 2)	Beneficial owner	160,616,000	—	16.35%
Tsang Hin Chi Charities (Management) Limited (Note 3)	Beneficial owner	53,880,750	—	5.49%
FMR LLC	Beneficial owner	63,108,250	—	6.43%

Notes:

1. The percentage was calculated based on 982,114,035 Shares in issue as at the Latest Practicable Date.
2. Hin Chi Family Management Limited as trustee of the Tsang Hin Chi (2007) Family Settlement, held all of the issued share capital of Top Grade. Top Grade was interested in 613,034,750 shares in the Company including 160,616,000 shares held by Silver Disk Limited, a wholly owned subsidiary of Top Grade.
3. Tsang Hin Chi Charities (Management) Limited as trustee of The Tsang Hin Chi Charitable Foundation (a charitable trust granted tax exemption under section 88 of the Inland Revenue Ordinance, which is jointly controlled by Mr. Tsang Chi Ming, Ricky and Madam Wong Lei Kuan) held 53,880,750 shares in the Company.

Saved as disclosed above and to the best knowledge of the Directors and the chief executive of the Company, as at the Latest Practicable Date, no other person (other than a Director or chief executive of the Company) had, or was deemed or taken to have, any interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance.

As at the Latest Practicable Date, no Director or proposed Director is a director or employee of a company which has an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. DIRECTORS' COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors or his or her respective close associates was considered to have an interest in a business which competes or was likely to compete, either directly or indirectly, with the business of the Group which would be required to be disclosed under the Listing Rules.

4. DIRECTORS' INTEREST IN CONTRACTS AND ASSETS OF THE GROUP

The Group paid professional fees of HK\$320,000 to Equitas Capital Limited in 2020 in the ordinary course of its business. Mr. Ng Ming Wah, Charles, a non-executive Director of the Company, is the managing director and the principal shareholder of Equitas Capital Limited.

Saved as disclosed above, as at the Latest Practicable Date,

- (a) none of the Directors was materially interested in any contract or arrangement subsisting and which was significant in relation to the business of the Group; and
- (b) none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2020, being the date to which the latest published audited consolidated financial statements of the Company were made up.

5. MATERIAL CONTRACTS

There are no material contracts (being contracts entered outside the ordinary course of business carried on or intended to be carried on by the members of the Group) having been entered into by any member of the Group within the two years preceding the Latest Practicable Date.

6. MATERIAL LITIGATION

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

7. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered, or proposed to enter, into a service contract with any member of the Group which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

8. GENERAL

- (a) The registered office of the Company is at 7th floor, Goldlion Holdings Centre, 13–15 Yuen Shun Circuit, Siu Lek Yuen, Shatin, New Territories, Hong Kong.
- (b) The secretary of the Company is Mr. Kam Yiu Kwok, who is a fellow member of each of the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales.
- (c) The share registrar of the Company is Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.
- (d) The English text of this circular shall prevail over the Chinese text in the case of inconsistency.

9. DOCUMENTS ON DISPLAY

Copy of the Investment Agreement will be available on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.goldlion.com) from the date of this circular up to and including the date which is 14 days from the date of this circular.