

3 February 2026

*To the Independent Shareholders and Optionholders*

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFERS BY  
SOMERLEY CAPITAL LIMITED AND EDDID CAPITAL LIMITED  
FOR AND ON BEHALF OF HILL VALLEY INVESTMENT CO LTD  
TO ACQUIRE ALL THE ISSUED SHARES OF  
GRACE WINE HOLDINGS LIMITED (OTHER THOSE SHARES  
ALREADY OWNED AND/OR AGREED TO BE ACQUIRED BY  
HILL VALLEY INVESTMENT CO LTD) AND TO CANCEL  
ALL THE OUTSTANDING SHARE OPTIONS OF  
GRACE WINE HOLDINGS LIMITED**

**INTRODUCTION**

Reference is made to the Joint Announcement in relation to, among others, the Sale and Purchase Agreement and the Offers.

As disclosed in the Joint Announcement, on 10 December 2025, the Offeror as purchaser entered into the Sale and Purchase Agreement with the Vendors, pursuant to which the Offeror conditionally agreed to acquire an aggregate of 589,480,000 Shares (equivalent to approximately 73.63% of the total issued share capital of the Company as at the Latest Practicable Date) for an aggregate consideration of HK\$73,629,777, equivalent to approximately HK\$0.12491 per Sale Share.

Completion took place on 12 December 2025. Pursuant to the terms of the Sale and Purchase Agreement, the Offeror conditionally agreed to:

- (i) acquire 411,350,000 Shares (representing approximately 51.38% of the total issued share capital of the Company as at the Latest Practicable Date) from the First Vendor at the cash consideration of HK\$51,380,215;
- (ii) acquire 173,180,000 Shares (representing approximately 21.63% of the total issued share capital of the Company as at the date of Latest Practicable Date) from the Second Vendor at the cash consideration of HK\$21,631,276; and
- (iii) acquire 4,950,000 Shares (representing approximately 0.62% of the total issued share capital of the Company as at the Latest Practicable Date) from the Third Vendor at the cash consideration of HK\$618,286.

Pursuant to the Sale and Purchase Agreement, 30% of the Consideration (the “**First Instalment Consideration**”) were paid by the Offeror to the Vendors on the Completion Date and the balances, being 70% of the Consideration (the “**Second Instalment Consideration**”), shall be payable by the Offeror to the Vendors on the date falling on nine months after the Completion Date (which is subject to further extension of not more than three months if requested by the Offeror). On 12 December 2025, the First Instalment Consideration was paid by the Offeror to the Vendors.

On 10 December 2025, the Offeror executed the Share Charges in favour of the First Vendor in respect of 287,945,000 Shares, the Second Vendor in respect of 121,226,000 Shares and the Third Vendor in respect of 3,465,000 Shares as continuing security for payment of the secured obligations of the Offeror with respect to the deferred payment of the Second Instalment Consideration. The Offeror undertakes that the Charged Shares shall represent no less than 51% of the total issued shares of the Company at all times.

On 15 December 2025, the Offeror, Mr. Yang and the First Vendor entered into a deed of undertaking, pursuant to which both the Offeror and Mr. Yang undertake to the First Vendor that they would not sell, transfer, dispose of or encumber any of the Charged Shares without the prior written consent of the First Vendor.

Immediately before Completion, save for the Sale Shares owned by the Vendors and the 8,000,000 Share Options held by Ms. Judy Chan, the Offeror, Mr. Yang and the parties acting in concert with them did not own, control or have direction over any Shares or any outstanding options, derivatives, warrants or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company which are convertible and exchangeable into Shares. Upon Completion, the Offeror and the parties acting in concert with it are interested in 589,480,000 Shares in aggregate, representing approximately 73.63% of the total issued share capital of the Company as at the Latest Practicable Date. Pursuant to Rule 26.1 and Rule 13.5 of the Takeovers Code, the Offeror is required to make mandatory unconditional cash offers to acquire

(i) the Offer Shares (being all issued Shares other than those already owned and/or agreed to be acquired by the Offeror) and (ii) to cancel all the outstanding Share Options.

As at the Latest Practicable Date, the Company has (i) 800,600,000 Shares in issue; and (ii) 12,400,000 outstanding Share Options conferring rights to subscribe for 12,400,000 new Shares with an exercise price of HK\$0.170 to HK\$0.186 per Share Option, all of which have been granted pursuant to the Share Option Scheme. Save for the Share Options mentioned above, the Company does not have any outstanding options, derivatives, warrants or securities which are convertible or exchangeable into the Shares or which confer rights to require the issue of Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into the Shares or which confer rights to require the issue of Shares. The Company has no intention to grant any new share options under Share Option Scheme during the Offer Period.

This letter forms part of this Composite Document and sets out, among others, the principal terms of the Offers, the information on the Offeror and the intentions of the Offeror in relation to the Company. Further details of the Offers and the procedures for accepting the Offers are set out in Appendix I to this Composite Document and in the accompanying Forms of Acceptance and the additional information set out in the appendices to, and which forms part of, this Composite Document.

Your attention is also drawn to information contained in the letter from the Board, the letter from the Independent Board Committee, the letter from the Independent Financial Adviser and the appendices set out in this Composite Document. You are advised to read and consider all the information contained in this Composite Document before reaching a decision as to whether or not to accept the Offers.

Terms defined in this Composite Document have the same meanings in this letter unless the context otherwise requires.

## **THE OFFERS**

The Offers are made by Somerley Capital and Eddid Capital, on behalf of the Offeror and in compliance with the Takeovers Code on the following basis:

### **The Share Offer**

For each Offer Share ..... HK\$0.12491 in cash

The Share Offer Price of HK\$0.12491 is equal to the purchase price per Sale Share paid and payable by the Offeror pursuant to the Sale and Purchase Agreement.

The Share Offer is extended to all Shareholders other than the Offeror in accordance with the Takeovers Code. The Offer Shares to be acquired under the Share Offer will be fully paid and free from all encumbrances together with all rights attached thereto,



including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Share Offer is made (i.e. the date of this Composite Document).

As at the Latest Practicable Date, the Company has not declared any dividend which remains unpaid, and the Company has no intention to declare, make or pay any dividend or other distributions prior to the close of the Share Offer. If, after the date of the Joint Announcement, any dividend or other distribution is made or paid in respect of the Offer Shares, the Offeror will reduce the Share Offer Price by an amount equal to that of the dividend or other distribution pursuant to Note 11 to Rule 23.1 of the Takeovers Code.

### **The Option Offer**

For cancellation of each Share Option ..... HK\$0.0001 in cash

Pursuant to Rule 13 of the Takeovers Code, the Offeror makes an appropriate cash offer to the Optionholders for the cancellation of the Share Options. The Option Offer Price would normally be the see-through price which represents the amount by which the Share Offer Price per Offer Share exceeds the exercise price of each Share Option. Under the Option Offer, as the exercise price of all outstanding Share Options exceeds the Share Offer Price, the “see-through” price is negative and the Option Offer Price is at the nominal amount of HK\$0.0001 per Share Option.

The Option Offer is extended to all Optionholders (whether their respective Share Options are vested or not) in accordance with the Takeovers Code. Following acceptance of the Option Offer, the Share Options together with all rights attaching thereto will be entirely cancelled and renounced.

The Offers are unconditional in all respects and are not conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions.

### **The Share Offer Price**

The Share Offer Price of HK\$0.12491 is equal to the purchase price per Sale Share paid and payable by the Offeror under the Sale and Purchase Agreement and represents:

- (i) a discount of approximately 85.13% to the closing price of HK\$0.8400 per Share as quoted on the GEM of the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 52.86% to the closing price of HK\$0.2650 per Share as quoted on GEM of the Stock Exchange on 9 December 2025, being the Last Trading Day;

- (iii) a discount of approximately 46.85% to the average closing price of HK\$0.2350 per Share based on the daily closing prices as quoted on GEM of the Stock Exchange for the five (5) consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a discount of approximately 44.56% to the average closing price of approximately HK\$0.2253 per Share based on the daily closing prices as quoted on GEM of the Stock Exchange for the ten (10) consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a discount of approximately 15.47% to the average closing price of approximately HK\$0.1478 per Share based on the daily closing prices as quoted on GEM of the Stock Exchange for the thirty (30) consecutive trading days immediately prior to and including the Last Trading Day;
- (vi) a discount of approximately 59.86% to the audited consolidated net asset value attributable to the Shareholders of approximately HK\$0.3112 per Share as at 31 December 2024, calculated by dividing the Group's audited consolidated net assets attributable to the Shareholders of approximately RMB226,132,000 (equivalent to approximately HK\$249,129,624) as at 31 December 2024 by 800,600,000 Shares in issue as at the Latest Practicable Date;
- (vii) a premium of approximately 1.17% to the unaudited consolidated net asset value attributable to the Shareholders of approximately HK\$0.1235 per Share as at 30 June 2025, calculated by dividing the Group's unaudited consolidated net assets attributable to the Shareholders of approximately RMB89,721,000 (equivalent to approximately HK\$98,845,626) as at 30 June 2025 by 800,600,000 Shares in issue as at the Latest Practicable Date; and
- (viii) a discount of approximately 0.07% to the adjusted unaudited consolidated net asset value attributable to the Shareholders of approximately HK\$0.1250 per Share as at 30 June 2025, as set out in Appendix II to this Composite Document, which has taken into account the valuation of the properties of the Group as at 31 December 2025 as set out in Appendix III to this Composite Document.

### **Highest and lowest share prices of Shares**

The highest and lowest closing prices of the Shares as quoted on GEM of the Stock Exchange during the Relevant Period were HK\$0.970 per Share on 14 January 2026 and HK\$0.103 per Share on 22, 23 and 24 October 2025, respectively.

### **Total value of the Offers**

As at the Latest Practicable Date, the total number of issued shares of the Company is 800,600,000 Shares and the total number of outstanding Share Options is 12,400,000.



Assuming no Share Options have been exercised prior to the close of the Offers, there are 800,600,000 issued Shares. Excluding 589,480,000 Shares, representing approximately 73.63% of the total issued share capital of the Company as at the Latest Practicable Date, held by the Offeror upon Completion, and assuming the Offers are accepted in full and on the basis that there is no change in the issued share capital of the Company up to the close of the Offers, (i) a total of 211,120,000 issued Shares (representing approximately 26.37% of the total issued share capital of the Company as at the Latest Practicable Date) are subject to the Share Offer and the value of the Share Offer is HK\$26,370,999.20; and (ii) the total consideration required to satisfy the cancellation of all the outstanding Share Options is HK\$1,240.00. Accordingly, on the basis of full acceptance of the Offers, the maximum cash consideration payable by the Offeror under the Offers is HK\$26,372,239.20.

Assuming all Share Options have been exercised prior to the close of the Offers, there are 813,000,000 issued Shares. Excluding 589,480,000 Shares held by the Offeror, and assuming the Share Offer is accepted in full and on the basis that there is no other change in the issued share capital of the Company up to the close of the Offers, (i) a total of 223,520,000 issued Shares (representing approximately 27.49% of the total issued share capital of the Company as at the Latest Practicable Date as enlarged by the exercise of the Share Options in full) are subject to the Share Offer and the value of the Share Offer is HK\$27,919,883.20; and (ii) the total consideration required to satisfy the cancellation of all the outstanding Share Options is nil. Accordingly, on the basis of full acceptance of the Offers, the maximum cash consideration payable by the Offeror under the Offers is HK\$27,919,883.20.

#### **Financial resources available to the Offeror**

The Offeror intends to finance and satisfy the consideration payable under the Offers by the loan facility provided by Eddid Securities and Futures Limited under the Facility Agreement. Pursuant to the Facility Agreement, (i) Shares representing approximately 22.09% of the total issued Shares acquired by the Offeror under the Sale and Purchase Agreement and the Offer Shares that may be acquired by the Offeror pursuant to the Offers have been or will be deposited into the Offeror's securities account maintained with Eddid Securities and Futures Limited, the lender under the Facility Agreement; (ii) the Offeror shall not withdraw any amounts or Shares from its securities account without the prior written consent of Eddid Securities and Futures Limited, the lender under the Facility Agreement; and (iii) the Shares deposited into such securities account will be treated as collateral under the Facility Agreement if any amount of the facility is utilised.

The Offeror confirms that the payment of interest on, repayment of or security for any liability (contingent or otherwise) in relation to the Facility Agreement does not depend to any significant extent on the business of the Group. Somerley Capital and Eddid Capital, being the joint financial advisers to the Offeror, are satisfied that sufficient financial resources are, and will remain, available to the Offeror to satisfy the consideration payable by the Offeror upon full acceptance of the Offers.

## PROCEDURES FOR ACCEPTANCE OF THE OFFERS

To accept the Offers, you should complete and sign the accompanying Form(s) of Acceptance in accordance with the instructions printed thereon, which form part of the terms and conditions of the Offers.

The duly completed and signed Form(s) of Acceptance, should be sent by post or by hand, together with the relevant share certificate(s) and/or transfer receipt(s) and/or relevant certificate(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof), to, in case of the Share Offer, the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, marked **“Grace Wine Holdings Limited – Share Offer”**, or in case of the Option Offer, to the Company at Unit 2304, 23/F Westlands Centre, 20 Westlands Road, Quarry Bay, Hong Kong **“Grace Wine Holdings Limited – Option Offer”**, on the envelope, as soon as possible and in any event no later than 4:00 p.m. on the Closing Date or such later time and/or date as the Offeror may determine and the Offeror and the Company may jointly announce, with the consent of the Executive, in accordance with the Takeovers Code.

No acknowledgment of receipt of any Form(s) of Acceptance, share certificate(s) and/or transfer receipt(s) and/or relevant certificate(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given.

Your attention is drawn to “Further terms and procedures for acceptance of the Offers” as set out in Appendix I to this Composite Document and the accompanying Form(s) of Acceptance.

### Effect of accepting the Offers

By accepting the Share Offer, the Independent Shareholders will sell their tendered Shares to the Offeror which shall be fully paid and free and clear of any lien and together with all rights attaching to them, including all rights to any dividend or other distribution declared, made or paid on or after the date on which the Share Offer is made, being the date of despatch of the Composite Document. As at the Latest Practicable Date, no outstanding dividend declared by the Company remains unpaid, and it is advised by the Board that the Company has no intention to make, declare or pay any future dividend or make other distributions until after the close of the Share Offer.

By accepting the Option Offer, the Optionholders will agree to the cancellation of their tendered Share Options and all rights attached thereto with effect from the date on which the Option Offer is made, being the date of despatch of the Composite Document.

Acceptances of the Offers will be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.



**Validity of Share Options upon close of the Offers**

Pursuant to the Share Option Scheme, in the event that a general offer is made to all Shareholders, excluding the Offeror and any persons associated with them, the Company shall endeavor to extend such offer to all grantees. Grantees (or their representatives) shall have the right to exercise their Share Options (not already exercised, whether vested or not vested) in full within 14 days following the date on which the Option Offer becomes unconditional (i.e. the date of this Composite Document).

**Hong Kong stamp duty**

Seller's ad valorem stamp duty on acceptances of the Share Offer will be payable by the relevant Independent Shareholders at a rate of 0.1% of (i) the market value of the Offer Shares; or (ii) the consideration payable in respect of the relevant acceptances of the Share Offer by the Offeror, whichever is higher, and will be deducted from the cash amount payable by the Offeror to such Independent Shareholder on acceptance of the Share Offer (where the amount of stamp duty is a fraction of a dollar, the stamp duty will be rounded up to the nearest dollar).

The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the relevant Independent Shareholders who accept the Share Offer and pay the buyer's ad valorem stamp duty in connection with the acceptances of the Share Offer and the transfers of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

No stamp duty is payable in connection with the Option Offer.

**Payment**

Payment in cash in respect of the Offers will be made as soon as possible but in any event no later than seven (7) business days as defined in the Takeovers Code (each being a day on which the Stock Exchange is open for the transaction of business) after the date of receipt of a duly completed acceptance of the Offers.

No fractions of a cent will be payable and the amount of cash consideration payable to any person who accept the Offers will be rounded up to the nearest cent.

**Overseas Shareholders**

The Offeror is making the Offers available to all the Independent Shareholders and Optionholders, including those with registered addresses in a jurisdiction outside Hong Kong. The availability of the Offers to persons with a registered address in a jurisdiction outside Hong Kong may be affected by the laws of the relevant overseas jurisdictions. The making of the Offers to persons with registered addresses in jurisdictions outside Hong Kong may be prohibited or limited by the laws or regulations of the relevant jurisdictions. Such Independent Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice.



Persons who are residents, citizens or nationals outside Hong Kong should inform themselves about and observe, at their own responsibility, any applicable laws, regulations, requirements and restrictions in their own jurisdictions in connection with the acceptance of the Offers, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with the other necessary formalities and the payment of any issue, transfer or other taxes due in respect of such jurisdiction.

Based on the register of members of the Company, there were no Overseas Shareholders as at the Latest Practicable Date.

**Any acceptance by the Independent Shareholders and/or Optionholders with a registered address in a jurisdiction outside Hong Kong will be deemed to constitute a representation and warranty from such overseas Independent Shareholders and/or Optionholders to the Offeror that the local laws and requirements have been complied with and such acceptance shall be valid and binding in accordance with all applicable laws. Such overseas Independent Shareholders and Optionholders should consult their respective professional advisers if in doubt.**

#### **Taxation advice**

Independent Shareholders and Optionholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offers. None of the Offeror and/or the parties acting in concert with it, the Company, the financial advisers to the Offeror and (as the case may be) their respective ultimate beneficial owners, directors, officers, agents, advisers or associates or any other person involved in the Offers accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offers.

#### **INFORMATION ON THE OFFEROR AND MR. YANG**

The Offeror is a company incorporated in the British Virgin Islands with limited liability and is an investment holding company. As at the Latest Practicable Date, the Offeror is ultimately, beneficially and wholly-owned by Mr. Yang. Mr. Yang is the sole director of the Offeror.

Mr. Yang, aged 52, is the founder of 1919 Group Co., Ltd\* (壹玖壹玖集團有限公司) (the “1919 Group”) and the chairman and general manager of 1919 Wines & Spirits Platform Technology Co., Ltd\* (壹玖壹玖酒類平台科技股份有限公司). Headquartered in Chengdu, Sichuan Province, the 1919 Group is principally engaged in liquor retail and supply chain management services and provision of both online and offline instant liquor purchase services with delivery. It owns the 1919 Quick Drink APP, third-party e-commerce flagship stores and offline stores in the PRC. The 1919 Group was appointed as an executive member of the 8th Council of the China Alcohol Circulation Association\* (中國酒類流通協會第八屆理事會).

Mr. Yang was appointed as a member of the 16th Chengdu Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議第十六屆成都市委員會) and the Ambassador for Attracting Investment and Intelligence (武侯區建圈強鏈招商引智大使) in February 2023. Mr. Yang was accredited as Top 10 Leading Figures of Small and medium-sized Enterprises in the Western Region (十大西部中小企業領軍人物) in May 2023.

As at the Latest Practicable Date, Mr. Yang does not hold any directorship in any listed company in Hong Kong and is not a substantial shareholder (as defined in the GEM Listing Rules) of any listed company in Hong Kong.

### **INFORMATION ON THE GROUP**

As disclosed in the letter from the Board in this Composite Document, the Company was incorporated in the Cayman Islands with limited liability. The Shares are listed on GEM. The principal activity of the Company is investment holding. The Group is an award-winning, established wine maker based in Shanxi Province, the PRC. Since commencing operations in 1997, the Group has been committed to making quality, value for money wine, catering to a wide range of customer taste and pricing preferences. The Group's portfolio of wine products targets at various consumers, from executive clientele and corporate customers with higher spending power to the more price-conscious mass market. Financial information of the Group and general information of the Group are set out in the Appendix II and Appendix V to this Composite Document, respectively.

### **INTENTION OF THE OFFEROR IN RELATION TO THE GROUP**

It is the intention of the Offeror to continue the Group's existing principal business following close of the Offers. The Offeror will conduct a detailed review of the existing principal business operations and financial position of the Group. Based on the review results, the Offeror will formulate business strategies for the Group's future development, and may explore other business opportunities from time to time and consider whether any acquisition or disposal of assets, fund-raising activity or business restructuring plan should be pursued with a view to achieving business diversification and/or long-term business growth of the Group. Notwithstanding the above, as at the Latest Practicable Date, the Offeror has no specific proposal for any acquisition or disposal of assets, fund-raising activity or business restructuring in relation to the Group and has not entered into any specific agreement or arrangement with the Group in connection therewith. In the event that any suitable opportunity for such corporate actions arises, further announcement(s) will be made by the Company in accordance with the GEM Listing Rules and the Takeovers Code as and when appropriate.

Save as set out above and the potential changes to the members of the Board as described below, as at the Latest Practicable Date, the Offeror had no intention to (i) discontinue the employment of any employees of the Group; or (ii) dispose of or re-deploy the fixed assets of the Company other than those in its ordinary and usual course of business.



### **Proposed changes to the composition of the Board**

As at the Latest Practicable Date, the Board consists of six Directors, comprising one executive Director, namely Ms. Judy Chan, two non-executive Directors, namely Mr. Chow Christer Ho and Dr. Cheung Chai Hong and three independent non-executive Directors, namely Mr. James Douglas Richard Field, Mr. Chan Tsz King Vincent and Mr. Kong Chi Hang Maurice.

Pursuant to the Sale and Purchase Agreement, following the Completion, the Offeror shall procure that during the period from the date of Completion and ending on the date on which the Consideration is settled in full, (i) Ms. Judy Chan and/or her designated persons remain as the executive Director and a director of the relevant subsidiaries which she serve as a director as at the date of the Sale and Purchase Agreement and (ii) Dr. Cheung Chai Hong remains the non-executive Director.

Save and except for Ms. Judy Chan and Dr. Cheung Chai Hong, all other existing Directors will resign with effect from after the publication of the closing announcement on the Closing Date (being the earliest date as permitted under the Takeovers Code).

The Offeror intends to nominate Mr. Liu Yunqiang, Ms. Xiong Xia and Mr. Zhao Mingjun as executive Directors, Mr. Zhao Guodong as a non-executive Director and Mr. Leung Ming Shu, Dr. Wang Renrong and Dr. Xu Yan as independent non-executive Directors with effect from after the Composite Document is posted (being the earliest date as permitted under the Takeovers Code). None of the above proposed Directors was a Shareholder or otherwise held any interest in the Shares as at the Latest Practicable Date. Further announcement(s) and/or disclosure(s) will be made upon any changes to the composition to the Board in accordance with the requirements of the GEM Listing Rules and the Takeovers Code as and when appropriate.

As an executive Director and the Chief Executive Officer of the Company since the listing of the Company in 2018, Ms. Judy Chan has been primarily responsible for the Group's overall operation. Given that the Offeror intends to continue the Group's existing principal business following the close of the Offer, the Offeror would like to enlist the services of Ms. Judy Chan and take advantage of her rich industry knowledge and familiarity with the Group's operations to ensure a smooth transition and stability in operation as control over the Company changes hands, with a view to achieving continuous development and growth in the business of the Group. Save for being the sole shareholder of the First Vendor, who will receive deferred payment of part of the Consideration from the Offeror subsequent to Completion, being treated as providing financing or financial assistance to Offeror in connection with the acquisition of the Sale Shares, Ms. Judy Chan and the parties acting in concert with her have no relationship with the Offeror, its ultimate beneficial owners and the parties acting in concert with any of them.

The biographical information of the proposed Directors nominated by the Offeror is set out below:

*Proposed executive Directors*

*Mr. Liu Yunqiang (劉運強) (“Mr. Liu”)*

Mr. Liu, aged 58, has over 26 years of experience in financial management, retail operations, and corporate comprehensive management.

Mr. Liu joined 1919 Wines & Spirits Platform Technology Co., Ltd. (“1919”, together with its subsidiaries, “1919 Group”) in October 2017, serving in various senior management positions. 1919 is an online wine and spirits retail platform company that was listed on the National Equities Exchange and Quotations (stock code: 830993) in the PRC from August 2014 to April 2023. Mr. Liu also served as a director of 1919 from April 2020 to December 2021. Following his resignation in December 2024, Mr. Liu rejoined 1919 in August 2025 and currently serves as general manager of South China regional division.

Prior to his tenure at 1919, Mr. Liu worked at Guangzhou Zhengda Makro (Jiajing) Co., Ltd.\* (廣州正大萬客隆(佳景)有限公司) (currently known as “Guangzhou Lotus Supermarket Chain Store Co., Ltd.” (廣州易初蓮花連鎖超市有限公司)), from July 1999 to March 2007. He subsequently worked at Suning.com Group Co., Ltd. (蘇寧易購集團有限公司) from April 2007 to September 2017.

Mr. Liu obtained a Degree of Bachelor of Economics in Accounting from Jinan University in Guangzhou in June 1990 and a Master of Business Administration from Murdoch University in Australia in March 2000.

Save as disclosed above, Mr. Liu (i) has not served as director in any public companies the securities of which are listed on any securities market in Hong Kong, the PRC or overseas in the past three years; (ii) does not hold any other positions in the Company or any of its subsidiaries; and (iii) does not have any relationship with any Director, senior management, substantial shareholder or controlling shareholder (as respectively defined under the GEM Listing Rules) of the Company. As at the Latest Practicable Date, Mr. Liu did not hold any interest in the Shares within the meaning of Part XV of the SFO.

*Ms. Xiong Xia (熊霞) (“Ms. Xiong”)*

Ms. Xiong, aged 44, has over 17 years of experience in the liquor industry in the PRC.

Ms. Xiong joined 1919 in March 2008 and has since held various senior management positions within 1919 Group. She has served as a director of 1919 since July 2022 and is currently the chief executive officer of 1919.



Ms. Xiong attended (i) the Advanced Executive Seminar on Retail and E-commerce (零售與電子商務高級總裁研修班) from July 2013 to November 2014 at School of Continuing Education of Tsinghua University and (ii) the Tsinghua-Alibaba New Commerce School Program (清華－阿里新商業學堂項目) from July 2019 to March 2021 at the School of Economics and Management of Tsinghua University. She was awarded the title of “2021–2022 Most Contributory Female Leader of China’s Wine & Spirits Industry”\* (2021–2022年度中國酒業最具貢獻力女性領導者) by the Women Entrepreneurs Branch of the China Non-staple Food Circulation Association\* (中國副食流通協會女企業家分會) and The Graceful Collective\* (芳樽薈) in February 2023, and was awarded “Outstanding Manager in the Liquor Retail Chain Industry for 2021–2023”\* (2021–2023年度酒類零售連鎖行業優秀經理人) by the China National Association for Liquor and Spirits Circulation in May 2024.

Save as disclosed above, Ms. Xiong (i) has not served as director in any public companies the securities of which are listed on any securities market in Hong Kong, the PRC or overseas in the past three years; (ii) does not hold any other positions in the Company or any of its subsidiaries; and (iii) does not have any relationship with any Director, senior management, substantial shareholder or controlling shareholder (as respectively defined under the GEM Listing Rules) of the Company. As at the Latest Practicable Date, Ms. Xiong did not hold any interest in the Shares within the meaning of Part XV of the SFO.

*Mr. Zhao Mingjun (趙明君)*

Mr. Zhao Mingjun, aged 53, has over 16 years of experience in liquor industry in the PRC.

Mr. Zhao Mingjun joined 1919 in October 2016 and has since held various senior management positions within 1919 Group. Mr. Zhao Mingjun currently serves as the general manager of Northern China, Northern-west regional divisions and is responsible for the Qingxiang Baijiu business. From August 2011 to July 2014, Mr. Zhao Mingjun served as general manager of Inner Mongolia Aochun Winery Co., Ltd.\* (內蒙古奧淳酒業有限責任公司), where he was responsible for overall operations and management. From March 2009 to August 2011, Mr. Zhao Mingjun served as the national sales management director at Heilongjiang Shuangcheng Suntory Liquor Co., Ltd.\* (黑龍江省雙城市三得利酒業有限責任公司) (currently known as “Heilongjiang Longjiang Jiayuan Liquor Industry Co., Ltd.”\* (黑龍江省龍江家園酒業有限公司)). From September 1995 to March 2009, Mr. Zhao Mingjun worked in Inner Mongolia Yili Industrial Group.

Mr. Zhao Mingjun completed the full curriculum in Mathematics Education and Computer Applications in the Department of Mathematics at Baotou Teachers College\* (包頭師範專科學校) (currently known as “Baotou Normal College, Inner Mongolia University of Science & Technology” (內蒙古科技大學包頭師範學院)) in July 1995. Mr. Zhao Mingjun obtained an Executive Master of Business Administration from Inner Mongolia University in March 2013.

Save as disclosed above, Mr. Zhao Mingjun (i) has not served as director in any public companies the securities of which are listed on any securities market in Hong Kong, the PRC or overseas in the past three years; (ii) does not hold any other positions in the Company or any of its subsidiaries; and (iii) does not have any relationship with any Director, senior management, substantial shareholder or controlling shareholder (as respectively defined under the GEM Listing Rules) of the Company. As at the Latest Practicable Date, Mr. Zhao Mingjun did not hold any interest in the Shares within the meaning of Part XV of the SFO.

#### *Non-executive Director*

##### *Mr. Zhao Guodong (趙國東)*

Mr. Zhao Guodong, aged 49, has over 20 years of experience in corporate financial management, integrated operations and strategy execution.

Mr. Zhao Guodong joined 1919 in 2018 and has since held several senior management positions, including chief financial officer, executive general manager, and chief executive officer. Mr. Zhao Guodong is currently serving as a director since April 2020. Prior to joining 1919, Mr. Zhao Guodong served in Jiuhe Co., Ltd. (九禾股份有限公司) from April 2004 to April 2014, and served as deputy general manager and chief financial officer in Tibet Qinyuan Industrial Co., Ltd.\* (西藏沁園實業有限公司) from April 2014 to April 2018.

Mr. Zhao Guodong obtained a bachelor's degree in Management in Accounting from Lanzhou Railway Institute in July 2000. He obtained the Certified Public Accountant qualification in April 2009 and the legal profession qualification in March 2018.

Save as disclosed above, Mr. Zhao Guodong (i) has not served as director in any public companies the securities of which are listed on any securities market in Hong Kong, the PRC or overseas in the past three years; (ii) does not hold any other positions in the Company or any of its subsidiaries; and (iii) does not have any relationship with any Director, senior management, substantial shareholder or controlling shareholder (as respectively defined under the GEM Listing Rules) of the Company. As at the Latest Practicable Date, Mr. Zhao Guodong did not hold any interest in the Shares within the meaning of Part XV of the SFO.



*Independent non-executive Directors*

*Mr. Leung Ming Shu (梁銘樞) ("Mr. Leung")*

Mr. Leung, aged 50, has over 28 years of experience in the areas of corporate finance and accounting.

Mr. Leung is the founder of the Harmony Capital Management Company Limited and has served as the founding director since June 2017. Mr. Leung joined 58.com Group in April 2021 and is currently the chief financial officer and the corporate venture fund managing partner. Mr. Leung has been serving as an independent non-executive director of (i) Sun.King Technology Group Limited, a listed company on the Stock Exchange (stock code: 580), since March 2017; (ii) Renrui Human Resources Technology Holdings Limited, a listed company on the Stock Exchange (stock code: 6919), since November 2019; (iii) Cabbeen Fashion Limited, a listed company on the Stock Exchange (stock code: 2030), since February 2013; (iv) Infinities Technology International (Cayman) Holding Limited, a listed company on the Stock Exchange (stock code: 1961), since May 2022; and (v) non-executive director of GOGOX HOLDINGS LIMITED, a listed company on the Stock Exchange (stock code: 2246), since July 2021. Prior to that, Mr. Leung served as an independent non-executive director at Comtec Solar Systems Group Limited, a listed company on the Stock Exchange (stock code: 712), from June 2008 to February 2021; Shengli Oil & Gas Pipe Holdings Limited, a listed company on the Stock Exchange (stock code: 1080), from January 2011 to April 2013; and Gala Technology Holding Limited, a listed company on the Stock Exchange (stock code: 2458), from December 2022 to June 2025.

Mr. Leung obtained his Bachelor of Arts Degree in Accountancy from the City University of Hong Kong with First Class Honours in June 1998 and a Master's Degree in Accountancy from the Chinese University of Hong Kong in November 2001. He is a fellow member of the Association of Chartered Certified Accountants since March 2007 and a fellow member of The Hong Kong Institute of Certified Public Accountants since June 2010.

Save as disclosed above, Mr. Leung (i) has not served as director in any public companies the securities of which are listed on any securities market in Hong Kong, the PRC or overseas in the past three years; (ii) does not hold any other positions in the Company or any of its subsidiaries; and (iii) does not have any relationship with any Director, senior management, substantial shareholder or controlling shareholder (as respectively defined under the GEM Listing Rules) of the Company. As at the Latest Practicable Date, Mr. Leung did not hold any interest in the Shares within the meaning of Part XV of the SFO.

*Dr. Wang Renrong (王仁榮) (“Dr. Wang”)*

Dr. Wang, aged 58, has over 28 years of experience in the fast-moving consumer goods industry and has extensive experience in legal, corporate affairs, investment and mergers and acquisitions.

Dr. Wang is an independent non-executive director of Helens International Holdings Company Limited, a company listed on the Stock Exchange (stock code: 6536) and the Singapore Stock Exchange (stock code: HLS). He was appointed as the chairman of Beijing Zhongjiu Huicui Exhibition Co., Ltd.\* (北京中酒薈萃展覽有限公司) in August 2021. Prior to his resignation in February 2021, Dr. Wang was the chairman of Anheuser-Busch InBev (China) Co., Ltd. (百威投資(中國)有限公司) from February 2019 to December 2020 and was the executive director and general counsel of Budweiser APAC Brewing Company Limited, a company listed on the Stock Exchange (stock code: 1876), from May 2019 to May 2020. Dr. Wang served as a director of Guangzhou Zhujiang Brewery Co., Ltd. (廣州珠江啤酒股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002461) from June 2009 to June 2020. Between March 2001 and October 2003, Dr. Wang worked in Colgate-Palmolive (China) Co., Ltd (高露潔棕欖(中國)有限公司). From August 2000 to March 2001, he worked in Swire Guangdong Coca-Cola Limited (廣東太古可口可樂有限公司). From July 1997 to July 2000, he worked in Avon Products (China) Co., Ltd. (雅芳(中國)有限公司).

Dr. Wang obtained a bachelor’s degree in Philosophy from Nanjing University (南京大學) in the PRC in July 1989 and a master’s degree in Law from KU Leuven in Belgium in July 2008. He also obtained a PhD in Law from Fudan University (復旦大學) in the PRC in June 2012. He obtained the legal profession qualification in September 1995.

Save as disclosed above, Dr. Wang (i) has not served as director in any public companies the securities of which are listed on any securities market in Hong Kong, the PRC or overseas in the past three years; (ii) does not hold any other positions in the Company or any of its subsidiaries; and (iii) does not have any relationship with any Director, senior management, substantial shareholder or controlling shareholder (as respectively defined under the GEM Listing Rules) of the Company. As at the Latest Practicable Date, Dr. Wang did not hold any interest in the Shares within the meaning of Part XV of the SFO.

*Dr. Xu Yan (徐岩) (“Dr. Xu”)*

Dr. Xu, aged 63, is an academic and industry expert with over 23 years of experience in fermentation engineering, bioengineering, and beverage industry development.

Dr. Xu served as a professor at Jiangnan University in August 2002 and was appointed as the vice president of Jiangnan University since November 2010. Dr. Xu is currently serving as an independent director of (i) CIMC Liquid Process Technology Co., Ltd. (中集安瑞醇科技股份有限公司), a company listed on the National Equities Exchange and



Quotations (stock code: 872914) since October 2022; (ii) Anhui Kouzi Distillery Co., Ltd. (安徽口子酒業股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 603589) since May 2023; and (iii) Yantai Changyu Pioneer Wine Company Limited (煙台張裕葡萄酒股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 603589) since April 2025. Dr. Xu served as an independent director of Wayzim Technology Co., Ltd (中科微至科技股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 688211) from May 2023 to April 2025.

Dr. Xu obtained a PhD in Fermentation Engineering from Wuxi University of Light Industry (無錫輕工大學) (currently known as “Jiangnan University” (江南大學)) in January 1998. In December 2013, Dr. Xu received the National Technology Invention Second Prize for “New Technology and Application of Solid-State Fermentation Baijiu Production Based on Flavor Orientation”\* (基於風味導向的固態發酵白酒生產新技術及應用). Dr. Xu is elected fellow in the Agricultural & Food Chemistry Division of the American Chemical Society in 2019. In December 2018, Xu Yan, as one of the co-inventors, was awarded the China Patent Silver Prize by the National Intellectual Property Administration, the PRC.

Save as disclosed above, Dr. Xu (i) has not served as director in any public companies the securities of which are listed on any securities market in Hong Kong, the PRC or overseas in the past three years; (ii) does not hold any other positions in the Company or any of its subsidiaries; and (iii) does not have any relationship with any Director, senior management, substantial shareholder or controlling shareholder (as respectively defined under the GEM Listing Rules) of the Company. As at the Latest Practicable Date, Dr. Xu did not hold any interest in the Shares within the meaning of Part XV of the SFO.

#### **Public float and maintaining the listing status of the Company**

The Stock Exchange has stated that:

- (a) if, at the close of the Offers, the Stock Exchange believes that:
  - (i) a false market exists or may exist in the trading of the Shares; or
  - (ii) an orderly market does not exist or may not exist;it will consider exercising its discretion to suspend dealings in the Shares; and
- (b) if, at the close of the Offers, the Company has a Significant Public Float Shortfall (as defined in Rule 17.37F of the GEM Listing Rules), then:
  - (i) the Stock Exchange will add a designated marker to the stock name of the Shares; and

- (ii) the Stock Exchange will cancel the listing of the Shares if the Company fails to re-comply with Rule 17.37B of the GEM Listing Rules for a continuous period of 12 months from the commencement of the Significant Public Float Shortfall.

The Offeror intends the Company to remain listed on the Stock Exchange. The sole director of the Offeror and the new Directors to be appointed to the Board have jointly and severally undertaken to the Stock Exchange that if, at the close of the Offers, the Company fails to comply with the requirement of Rule 17.37B of the GEM Listing Rules, they will take appropriate steps to ensure the Company's compliance with Rule 17.37B of the GEM Listing Rules at the earliest possible moment.

### **Compulsory Acquisition**

The Offeror does not intend to exercise any right which may be available to it to compulsorily acquire any outstanding Offer Shares not acquired pursuant to the Share Offer after the close of the Offers.

### **GENERAL**

All documents, communications, notices, Form(s) of Acceptance, Share certificate(s), relevant certificate(s) transfer receipt(s), other document(s) of title and remittances in respect of cash consideration payable for the Offer Shares and the Share Options tendered under the Offers will be sent to the accepting Shareholders or accepting Optionholders by ordinary post at such Shareholder's or Optionholder's own risk. These documents and remittances will be sent to them at their respective addresses as they appear in the registers of the Company as at the Latest Practicable Date, or in the case of joint Shareholders, to the Shareholder whose name appears first in the said register of members, unless otherwise specified in the accompanying Form(s) of Acceptance completed, returned and received by the Registrar. None of the Offeror, parties acting in concert with it (including the Vendors), the Company, Somerley Capital, Eddid Capital, the Independent Financial Adviser, the Registrar, the company secretary of the Company and any of their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Offers will be responsible for any loss in postage or delay in transmission of such documents and remittances or any other liabilities that may arise as a result thereof.





#### ADDITIONAL INFORMATION

Your attention is drawn to the additional information regarding the Offers set out in the appendices to this Composite Document and the accompanying Form(s) of Acceptance, which form part of this Composite Document. In addition, your attention is also drawn to the "Letter from the Board", the "Letter from the Independent Board Committee" and the "Letter from the Independent Financial Adviser" contained in this Composite Document and to consult your professional advisers, before deciding whether or not to accept the Offers.

Yours faithfully,

For and on behalf of  
**Somerley Capital Limited**



**M. N. Sabine**  
*Chairman*

For and on behalf of  
**Eddid Capital Limited**



**Thomas Yu**  
*Managing Director*