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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 stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Sinofortune Financial Holdings Limited (the “Company”), you should at once hand this circular with the enclosed form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

This circular appears for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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**華億金控集團有限公司**  
**SINOFORTUNE FINANCIAL HOLDINGS LIMITED**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 08123)**

**MAJOR TRANSACTION  
IN RELATION TO THE DISPOSAL OF  
THE ENTIRE ISSUED SHARE CAPITAL IN  
SINOFORTUNE PROPERTY LIMITED**

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A notice convening the extraordinary general meeting of the Company (the “EGM”) to be held at 16/F., CMA Building, 64-66 Connaught Road Central, Hong Kong on Monday, 29 September 2025 at 10:00 a.m. is set out on pages 36 to 38 of this circular.

A form of proxy for the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company’s branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Accordingly, the completed proxy form must be returned to Computershare Hong Kong Investor Services Limited no later than 10:00 a.m. on Saturday, 27 September 2025. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

This circular will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) for at least 7 days from the date of its posting and on the Company’s website at [www.sinofortune.hk](http://www.sinofortune.hk).

12 September 2025

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## CHARACTERISTICS OF THE GEM

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

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board 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, the following terms and expressions shall have the following meanings unless the context otherwise requires:*

“Agent”	Nobleheart Ace Solutions Limited, a company incorporated under the laws of Hong Kong with limited liability;
“Agreements”	the Preliminary Agreement and the Formal Agreement;
“associate(s)”	has the meaning ascribed thereto in the GEM Listing Rules;
“Board”	the board of Directors of the Company;
“Business Day”	a day on which The Hongkong and Shanghai Banking Corporation Limited in Hong Kong are open for business (except a Saturday or Sunday) during their normal business hours;
“Buyer”	Best Properties Limited, a company incorporated under the laws of Hong Kong with limited liability;
“Buyer’s Transaction Costs”	all reasonable costs actually incurred by the Buyer in connection with the transaction contemplated by the Agreements including all professional fees payable to the Buyer’s solicitors, accountants and bankers with the upper limit capped at HK\$200,000;
“Company” or “Seller”	Sinofortune Financial Holdings Limited, a company duly incorporated in the Cayman Islands with limited liability, whose shares are listed and traded on GEM;
“Completion”	completion of the Disposal in accordance with the terms and conditions of the Agreements;
“Completion Date”	the date on which Completion shall take place;
“connected person(s)”	has the meaning ascribed thereto in the GEM Listing Rules;
“Consideration”	HK\$29,000,000, being the total consideration for the Sale Share and the Sale Loans;
“day”	calendar day;
“Director(s)”	the director(s) of the Company;

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## DEFINITIONS

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“Disposal”	the proposed disposal of the Sale Share and the Sale Loans;
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the Agreements and the transactions contemplated thereunder;
“Formal Agreement”	the conditional agreement dated 18 August 2025 entered into between the Company, the Target Company and the Buyer relating to the Disposal, the Leaseback Arrangement and the transactions contemplated thereunder;
“GEM”	GEM operated by the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third party(ies) independent of the Company and its connected persons in accordance with the GEM Listing Rules;
“Independent Valuer”	B.I. Appraisals Limited, a professional valuer and Independent Third Party engaged by the Company;
“Latest Practicable Date”	8 September 2025, being the latest practicable date before the printing of this circular for the purpose of ascertaining certain information contained herein;
“Lease Agreement”	the agreement to be entered into between the Company or a member of the Group as tenant and the Target Company as landlord for the Leaseback Arrangement;

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## DEFINITIONS

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“Leaseback Arrangement”	the proposed leasing back of the Property by the Group from the Target Company for a term of two years commencing from the Completion Date at the monthly rental of HK\$130,000;
“month”	calendar month;
“PRC”	the People’s Republic of China;
“Preliminary Agreement”	the conditional preliminary agreement dated 22 July 2025 entered into between the Company and the Buyer for the Disposal and the Leaseback Arrangement;
“Property”	16th Floor and Lavatory A and B of C.M.A Building, No. 64 Connaught Road Central and No. 133 Des Voeux Road Central, Hong Kong;
“Remaining Group”	the Company and its subsidiaries (excluding the Target Company) after Completion;
“Sale Loans”	all the intra-group loans owing by the Target Company to the Remaining Group as at the Completion Date;
“Sale Share”	one share in the Target Company, representing the entire issued share capital of the Target Company owned by the Company;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Target Company”	Sinofortune Property Limited, a company incorporated under the laws of Hong Kong with limited liability and a direct wholly-owned subsidiary of the Company; and
“%”	per cent.

*In the event of any inconsistency, the English text of this circular shall prevail over the Chinese text.*

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## LETTER FROM THE BOARD

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**華億金控集團有限公司**  
**SINOFORTUNE FINANCIAL HOLDINGS LIMITED**

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

**(Stock code: 08123)**

*Executive Directors:*

Mr. Wang Jiawei

*(Chairman and Chief Executive Officer)*

Ms. Lai Yuk Mui

*Independent Non-executive Directors:*

Professor Zhang Benzhen

Mr. Li Jianxing

Professor Chen Shu Wen

Mr. Lee Kwun Kwan

*Registered office:*

Cricket Square

Hutchins Drive,

P.O. Box 2681

Grand Cayman, KY1-1111

Cayman Islands

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

16th Floor

CMA Building

64-66 Connaught Road Central

Hong Kong

12 September 2025

*To the Shareholders*

Dear Sir or Madam,

**MAJOR TRANSACTION  
IN RELATION TO THE DISPOSAL OF  
THE ENTIRE ISSUED SHARE CAPITAL IN  
SINOFORTUNE PROPERTY LIMITED**

**INTRODUCTION**

Reference is made to the announcements of the Company dated 22 July 2025 and 18 August 2025 in relation to the Disposal. The purpose of this circular is to provide you with further information regarding the Disposal and to give notice of the EGM.

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## LETTER FROM THE BOARD

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### THE DISPOSAL

On 22 July 2025 (after trading hours), the Company and the Buyer entered into the Preliminary Agreement; and, on 18 August 2025 (after trading hours), the Company and the Buyer entered into the Formal Agreement to supplement the Preliminary Agreement. Pursuant to the Agreements, the Company and the Buyer have conditionally agreed on (i) the sale and purchase of the Sale Share and the Sale Loans at the Consideration and (ii) the Leaseback Arrangement.

### THE AGREEMENTS

The principal terms of the Agreements are as follows:

#### The Preliminary Agreement

Date: 22 July 2025

Parties: (i) the Company; and  
(ii) the Buyer.

#### The Formal Agreement

Date: 18 August 2025

Parties: (i) the Company;  
(ii) the Target Company; and  
(iii) the Buyer.

#### Assets to be disposed of

Pursuant to the Agreements, the Company has conditionally agreed to dispose of, and the Buyer has conditionally agreed to purchase the Sale Share and the Sale Loans representing the entire issued share capital in the Target Company and all the outstanding intra-group loans owing by the Target Company to other members of the Group respectively as at the Completion Date.

As at 30 June 2025, the unaudited amount of loans owing by the Target Company to the other members of the Group amount to approximately HK\$26,909,000. It is estimated that at the Completion Date, the amount of loans owing by the Target Company to other members of the Group will amount to approximately HK\$52,859,000 after the Company repays the existing mortgage loan over the Property in the aggregate principal sums of HK\$25,000,000 on behalf of the Target Company.



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## LETTER FROM THE BOARD

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### Consideration

The Consideration for the Sale Share and the Sale Loans are HK\$29,000,000, which will be satisfied by the Buyer to the Company by cash in the following manner:

- (i) an initial deposit in the sum of HK\$1,450,000 has been paid by the Buyer to the Company upon the signing of the Preliminary Agreement on 22 July 2025;
- (ii) a further deposit in the sum of HK\$1,450,000 has been paid by the Buyer to the Company upon the signing of the Formal Agreement on 18 August 2025; and
- (iii) the balance of the Consideration in the sum of HK\$26,100,000 will be paid by the Buyer to the Company at or before Completion.

The Consideration was arrived at between the Company and the Buyer after arm's length negotiations and was determined with reference to a preliminary valuation to Property of approximately HK\$29,000,000 as of 22 July 2025 prepared by the Independent Valuer.

As the intragroup loans owing by the Target Company to other members of the Group at Completion is estimated at approximately HK\$52,859,000, the consideration attributable to the Sale Share will be equivalent to its paid up amount of HK\$1.00 and the remaining balance of the Consideration in the amount of HK\$28,999,999 will be attributable to the consideration for the Sale Loan.

The abovementioned estimated sum of HK\$52,859,000 represents the total amount of the intragroup loans advanced by the Remaining Group to the Target Company at Completion which is comprised of (i) the acquisition cost of the Property of approximately HK\$40,327,000; (ii) interest accrued between January 2011 to January 2021 on the mortgage loan obtained by the Target Company from a licensed bank in Hong Kong (the “Bank”) for the acquisition of the Property of approximately HK\$3,057,000; (iii) interest accrued and to be accrued between October 2021 to Completion on the mortgage loan obtained by the Target Company from Sun Hung Kai Credit Limited (“SHK Credit”) for the purpose of providing working capital for the Group of approximately HK\$8,450,000; and (iv) other associated expenses incurred over the Property since 2011 of approximately HK\$1,025,000.

The Directors consider that the Consideration is fair and reasonable and are in the interest of the Company and the Shareholders as a whole.

### Conditions precedent

Completion is subject to the following conditions having been fulfilled (or waiver, if applicable):

- (i) the Buyer is satisfied with the Target Company's title to the Property and the results of the due diligence review on the affairs of the Target Company;

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## LETTER FROM THE BOARD

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- (ii) the Agreements and the transactions contemplated thereunder are being approved by the Shareholders at the EGM; and
- (iii) no material adverse change in the financial condition of the Target Company occurring on or before the Completion Date resulting from a material breach of any or all of the representations, undertakings and warranties of the Company under the Formal Agreement,

save and except to condition (ii) above, the Buyer may by written notice to the Company waive any conditions.

As at the date of this circular, none of the conditions above has been fulfilled or waived by the Buyer.

### **Proof of Target Company's title to the Property**

The Company shall show that the Target Company has a good title to the Property and the Company shall prove title in accordance with Sections 13 and 13A of the Conveyancing and Property Ordinance, Chapter 219 of the Laws of Hong Kong at its own expense.

### **Service fee**

The Company shall pay a service fee of HK\$580,000 (equivalent to 2% of the Consideration) to the Agent for broking the transactions between the Company and the Buyer under the Preliminary Agreement.

### **Stamp duty**

Stamp duty shall be paid by the Company and the Buyer of 50% each.

### **Tax indemnity**

The Company shall provide the Target Company and the Buyer with a tax indemnity on the tax liability incurred by the Target Company prior to the Completion Date.

### **Termination**

The Buyer shall have the right to terminate the Disposal and the Leaseback Arrangement under the Agreements if:

- (i) the Buyer is not satisfied with the Target Company's title to the Property;
- (ii) the Buyer is not satisfied with the result of the due diligence review on the affairs of the Target Company; or
- (iii) the Shareholders do not approve the Disposal and the Leaseback Arrangement (if so required under the GEM Listing Rules) at the EGM,

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## LETTER FROM THE BOARD

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and the Company shall thereby return all deposits paid to the Buyer without interest and pay the Buyer's Transaction Costs and neither party shall have any claim against the other.

### **Breach of Formal Agreement**

- (i) save and except as a result of the default of the Company, if the Buyer failed to complete the transaction agreed under the Agreements, such amount of deposits paid by the Buyer shall be forfeited to the Company absolutely as pre-assessed liquidated damages (and not penalty), the Agreements shall be terminated and the Company shall then be entitled at their absolute discretion to dispose of or otherwise deal with the Sale Share and the Sale Loans and the Company shall have no further right to claim damages against the Buyer for all damages, losses and costs suffered or incurred; and
- (ii) subject to the Buyer's right to bring an action and obtaining a decree for specific performance of the Agreements and other losses, if the Company failed to complete the transaction agreed under the Agreements, the Company shall immediately refund to the Buyer all the deposits paid by the Buyer together with a sum equivalent to the deposits paid by the Buyer as liquidated damages (and not penalty) and pay the Buyer's Transaction Costs.

### **Completion**

The date on which Completion shall take place shall be:

- (i) 7 October 2025 or any Business Day not later than 45 days after the approval by the Shareholders at the EGM, whichever is earlier; or
- (ii) such other date as the Company and the Buyer may otherwise agree in writing.

### **Leaseback Arrangement**

Upon Completion materializes, the Company or one of its subsidiaries shall enter into the Lease Agreement with the Target Company to lease back the Property. The principal terms of the Leaseback Arrangement are set out below:

- (i) Parties:
  - (a) the Target Company as landlord; and
  - (b) the Company or one of its subsidiaries as the tenant
- (ii) Term: two years commencing from the Completion Date
- (iii) Premises: the Property with existing fixtures and fittings

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## LETTER FROM THE BOARD

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- (iv) Rental: HK\$130,000 per month exclusive of all outgoings, including management fee, air-conditioning, rates and government rents, etc.
- (v) Security deposit: HK\$390,000, equivalent to three months' rental
- (vi) Usage: office

The terms of the Leaseback Arrangement were determined between the Company and the Buyer after arm's length negotiations with reference to a separate and independent preliminary valuation report prepared by the Independent Valuer in respect of the rental value of the Property in the existing state with market rent of HK\$130,000 per month on 22 July 2025, equivalent to, approximately to a monthly rental of HK\$40.56 per square feet for the Property at the gross floor area of approximately 3,205 square feet.

### INFORMATION ON THE BUYER AND THE AGENT

As advised by the Buyer, the Buyer is a company incorporated under the laws of Hong Kong with limited liability and is ultimately and beneficially owned by Chan Yui Kwan. As advised by the Buyer, it is principally engaged in the business of investment in real estate in Hong Kong. As further advised by the Buyer, the ultimate beneficial owner of the Buyer is the son of the ultimate beneficial owner of the Agent.

As advised by the Agent, the Agent is a company incorporated under the laws of Hong Kong with limited liability and is ultimately and beneficially owned by Cheung Chau Ping. As advised by the Agent, it is principally engaged in business consultancy.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Buyer and the Agent and their respective directors and ultimate beneficial owners are all Independent Third Parties.

### INFORMATION ON THE TARGET COMPANY

The Target Company is a private limited company incorporated under the laws of Hong Kong on 25 October 2010 with an issued and paid up capital of HK\$1.00 and a direct wholly-owned subsidiary of the Company. The Target Company is an asset holding company and does not carry on any business of its own, its only asset is the Property which had been acquired by the Target Company in January 2011 at the total cost of approximately HK\$40,327,000 made up of the price of the Property at HK\$38,460,000, stamp duty of approximately HK\$1,635,000 and other costs and expenses incurred in the transaction of approximately HK\$232,000 through a mortgage loan of approximately HK\$19,230,000 obtained from the Bank and an intragroup loan of approximately HK\$21,097,000 provided by the Company. The mortgage loan owed by the Target Company to the Bank was fully paid off in January 2021. The Property has been used and occupied as an office of the Group in Hong Kong largely for free. The Target Company has also provided a mortgage over the Property as collateral to 3 term loans obtained by it from SHK Credit for the purpose of providing general working capital for the Group.

## LETTER FROM THE BOARD

Set out below are details of the 3 term loans obtained by the Target Company from SHK Credit which are secured by the mortgage over the Property:

Date	Lender	Borrower	Loan Amount (HK\$)	Interest Rate	Interest Payment	Maturity Date	Outstanding Principal (HK\$)
25/10/2024	SHK Credit	Target Company	10,000,000	5.375% per annum ("p.a.") above the best lending rate quoted by Standard Chartered Bank (the "SCB"), currently at 5.875% p.a., totaling 11.25% p.a.	monthly	24/10/2025	5,000,000
25/10/2024	SHK Credit	Target Company	15,000,000	5.875% p.a. above the best lending rate quoted by the SCB, currently at 5.875% p.a., totaling 11.75% p.a.	monthly	24/10/2025	15,000,000
25/10/2024	SHK Credit	Target Company	5,000,000	6.375% p.a. above the best lending rate quoted by the SCB, currently at 5.875% p.a., totaling 12.25% p.a.	monthly	24/10/2025	5,000,000

The Target Company first obtained a 24 months fixed term loan of HK\$10,000,000 and a revolving loan of HK\$15,000,000 from SHK Credit in October 2021. The said revolving loan of HK\$15,000,000 was converted into a 12 months fixed term loan in October 2022. In October 2023, the 2 loans of HK\$10,000,000 and HK\$15,000,000 were further extended for 12 months and an additional 12 months fixed loan of HK\$5,000,000 was obtained by the Target Company from SHK Credit. All 3 loans were extended for a further 12 months in October 2024, while partial repayment of the HK\$10,000,000 loan in the respective sums of HK\$2,000,000, HK\$1,500,000 and HK\$1,500,000 were being made by the Target Company to SHK Credit in December 2024, January 2025 and February 2025, leaving an outstanding principal of this loan at HK\$5,000,000. All 3 loans obtained from SHK Credit have been utilized as general working capital of the Group.

SHK Credit is a 92% owned subsidiary of Sun Hung Kai & Co. Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 86). To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, SHK Credit and its ultimate controlling shareholders are both Independent Third Parties.

### Financial information of the Target Company

Set out below is the financial information of the Target Company based on the audited financial statements of the Target Company for the years ended 31 December 2022, 2023 and 2024:

	For the year ended 31 December 2022 HK\$'000	For the year ended 31 December 2023 HK\$'000	For the year ended 31 December 2024 HK\$'000
Revenue	–	240	120
Loss before taxation	(2,808)	(3,922)	(4,918)
Loss after taxation	(2,627)	(3,741)	(4,736)
Total assets	31,180	22,055	19,795
Total liabilities	(57,191)	(51,806)	(54,282)
Net liabilities	(26,011)	(29,751)	(34,487)

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## LETTER FROM THE BOARD

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The revenue recognized by the Target Company for the years ended 31 December 2023 and 2024 represented the rental income charged by the Target Company on the former subsidiaries of the Company (which was disposed the Company on 9 July 2024) that were licensed to carried out regulated activities under the SFO as specially requested and directed by Securities and Future Commission for occupying part of the Property.

Set out below is the financial information of the Target Company based on the unaudited financial statements of the Target Company for the period of six months ended 30 June 2025:

**For the six  
months ended  
30 June 2025**  
*HK\$'000*

Revenue	–
Loss before taxation	(2,266)
Loss after taxation	(2,176)
Total assets	17,228
Total liabilities	(53,891)
Net liabilities	(36,663)

As at 30 June 2025, (i) the major assets of the Target Company were made up of (a) the book value of the Property of approximately HK\$17,072,000, (b) cash at bank and in hand of approximately HK\$141,000 and (c) deposit paid relating to the Property of approximately HK\$15,000; whereas, (ii) the liability components of the Target Company were made up of (a) mortgage loan of HK\$25,000,000, (b) amount due to the Remaining Group of approximately HK\$26,909,000, (c) deferred tax liabilities of approximately HK\$1,928,000 and (d) accrued expenses of HK\$54,000.

The abovementioned liability of approximately HK\$26,909,000 owing by the Target Company to the Remaining Group was made up of the net sum of (i) the intragroup loan provided by the Company to the Target Company for the acquisition of the Property in January 2011 of HK\$21,098,000, (ii) repayment of the principal of the mortgage loan owing by the Target Company to the Bank of HK\$19,230,000 and the interest incurred thereon from January 2011 to January 2021 in the aggregate sum of HK\$3,057,000, (iii) interest over the loan owed by the Target Company to SHK Credit of approximately HK\$7,500,000, (iv) other outgoings of the Property incurred since January 2011, and setting off that with the outstanding principal of the SHK Credit loans of HK\$25,000,000 that was utilized by the Company as the general working capital of the Group.

Without revenue of its own, the Company has been responsible for the repayment of the principal of the mortgage loan owed by the Target Company to SCB and the interest accrued thereon as well as the payments of accrued interest over those loans owing to SHK Credit and other outgoings of the Property on behalf of the Target Company by intragroup loans. As a result, the Target Company has been recognizing net losses and net liabilities.

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## LETTER FROM THE BOARD

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Immediately following Completion, the Company will cease to hold any interest in the Target Company, and the Target Company shall cease to be a subsidiary of the Company and the financial results of the Target Company will not be consolidated into the financial statements of the Group.

As at 30 June 2025, the Property was recorded at a book value of approximately HK\$17,072,000 in the Group's unaudited condensed consolidated financial statements. This amount represents the historical cost of the Property, net of accumulated depreciation. As at 22 July 2025, a valuation was conducted by the Independent Valuer and assessed the market value of the Property of HK\$29,000,000. This reflects an increase of approximately HK\$11,928,000 or approximately 69.9% over the book value of the Property.

### INFORMATION ON THE PROPERTY

The Property is an office premises and has a gross floor area of approximately 3,205 square feet. The Property has been occupied by the Group prior to the Disposal. The net book values of Property as at 31 December 2024 (audited) and 30 June 2025 (unaudited) were approximately HK\$17,879,000 and HK\$17,072,000 respectively.

### INFORMATION OF THE GROUP

The Company is an investment holding company. The Group is principally engaged in (i) trading of motor vehicles, provision of agency services and accessories sourcing in the PRC (excluding Hong Kong); and (ii) trading of listed securities in Hong Kong.

### FINANCIAL IMPACT OF THE DISPOSAL ON THE GROUP

Immediately following the Completion, the Group will cease to hold any interest in the Target Company, and the Target Company shall cease to be a subsidiary of the Company and the financial results of the Target Company will not be consolidated into the financial statements of the Group.

It is estimated that an unaudited gain of approximately HK\$12,675,000 will arise from the Disposal. Such estimated unaudited gain is calculated with reference to (i) the consideration for the Disposal of HK\$29,000,000; (ii) the unaudited net asset value of the Group's interest in the Target Company of approximately HK\$15,246,000 as at 30 June 2025 (excluding mortgage loan and Sale Loans of HK\$25,000,000 and HK\$26,909,000 respectively); and (iii) all relevant expenses and taxes incidental to the Disposal of approximately HK\$1,079,000. Shareholders shall note that the above estimation is for information purpose only, the actual amount of gain will be subject to final audit by the auditors of the Company.

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## LETTER FROM THE BOARD

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Following the Completion, the Group expects to recognise a right-of-use assets and lease liabilities on the Leaseback Arrangement of approximately HK\$2,941,000 and HK\$2,941,000 (being the present value of the aggregate lease payments to be made under the Leaseback Arrangement determined by an incremental borrowing rate of approximately 5.75%) respectively.

The aforesaid estimation is for illustrative purpose only and does not purport to represent how the financial position of the Group will be after Completion, which is subject to review and confirmation by the Company's auditors.

### **REASONS FOR AND BENEFITS OF THE DISPOSAL AND INTENDED USE OF THE DISPOSAL PROCEEDS**

The Board has been assessing the development of the business environment and commercial property market in Hong Kong and reviewing the Group's options over the Property. The Directors are of the view that the Disposal would benefit the Group by realising its investment in the Property to address the downward trend and uncertainty of the commercial property market in Hong Kong and improving the liquidity and overall financial position of the Group while the Leaseback Arrangement will allow the Group to continue to occupy the Property without having to incur effort and costs to looking for alternative office premises for relocating the Group and to reinstate the Property to bareshell condition at the end of the Lease Agreement. Furthermore, the monthly rental under the Leaseback Arrangement will be lower than the current monthly interest payment on the mortgage of the Property. After the Disposal, the proceeds will be applied toward the outstanding mortgage balance and thus can reduce the associated monthly financial obligation which then can improve the cash flow, maintain operational use of the Property and enhance financial flexibility.

The Directors consider the terms and conditions of the Agreements relating to the Disposal and the Leaseback Arrangement are on normal commercial terms, fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

The net proceeds from the Disposal, after deducting the expenses directly attributable thereto, including commission to the Agent, legal, accounting and valuation costs and expenses, etc. of approximately HK\$1,050,000 and the stamp duty payable of approximately HK\$29,000, will amount to approximately HK\$27,921,000. The Group intends to use the net proceeds in the following manner:

- (i) HK\$25,750,000 to repay the principal of the loan and accrued interest thereon secured by the mortgage over the Property at Completion; and
- (ii) the remaining balance of approximately HK\$2,171,000 for the general working capital of the Group in the next 3 months.



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## LETTER FROM THE BOARD

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### GEM LISTING RULES IMPLICATIONS

As the one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the Disposal are more than 25% but less than 75%, the Disposal constitutes a major disposal transaction of the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the reporting, announcement, circular and Shareholders' approval requirements under the GEM Listing Rules.

Pursuant to HKFRS 16, the Leaseback Arrangement and the entering into the Lease Agreement as tenant will require the Group to recognize the Property as the right-of-use assets and lease liabilities on its consolidated statement of financial position, thus the Leaseback Arrangement and the transactions contemplated thereunder will be regarded as an acquisition of assets by the Group under the GEM Listing Rules. As all the applicable percentage ratio(s) (as defined under the GEM Listing Rules) in respect of the Leaseback Arrangement calculated based on the value of the right-of-use assets recognized by the Group pursuant to HKFRS 16 are below 5%, the Leaseback Arrangement and the transactions contemplated thereunder do not constitute a notifiable transaction on the part of the Company under Chapter 19 of the GEM Listing Rules.

None of the Directors has material interest in the Agreements and the transactions contemplated thereunder, hence no Director is required to abstain from voting on the relevant resolution(s) of the Board approving the Agreements and the respective transactions contemplated thereunder.

### GENERAL

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Agreements and the transactions contemplated thereunder.

To the best of knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder has an interest in the Disposal and/or the Leaseback Arrangement which is materially different from the other Shareholders. Therefore, no Shareholder will be required to abstain from voting at the EGM to approve the Agreements and the transactions contemplated thereunder.

A notice convening the EGM is set out on pages 36 to 38 of this circular. All resolutions proposed at the EGM will be voted on by poll. Whether or not you intend to attend the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time scheduled for the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending or voting in person at the EGM or any adjourned meeting thereof should you so wish.

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## LETTER FROM THE BOARD

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### RECOMMENDATION

The Directors consider that the Disposal and the Leaseback Arrangement are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of the relevant resolutions to be proposed at the EGM to approve the Agreements and the transactions contemplated thereunder.

### FURTHER INFORMATION

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

Yours faithfully  
By order of the Board  
**Sinofortune Financial Holdings Limited**  
**Wang Jiawei**  
*Chairman*

**1. FINANCIAL SUMMARY**

The financial information of the Group for the three years ended 31 December 2022, 2023 and 2024 and the six months ended 30 Jun 2025 are disclosed in the following documents which have been published on the websites of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)) and the Company ([www.sinofortune.hk](http://www.sinofortune.hk)), respectively:

- (i) the audited consolidated financial statements of the Group for the year ended 31 December 2022 is disclosed in the annual report of the Company for the year ended 31 December 2022 published on 31 March 2023, from pages 101 to 227:

[www1.hkexnews.hk/listedco/listconews/gem/2023/0331/2023033101755.pdf](http://www1.hkexnews.hk/listedco/listconews/gem/2023/0331/2023033101755.pdf)

- (ii) the audited consolidated financial statements of the Group for the year ended 31 December 2023 is disclosed in the annual report of the Company for the year ended 31 December 2023 published on 29 April 2024, from pages 105 to 235:

[www1.hkexnews.hk/listedco/listconews/gem/2024/0429/2024042901454.pdf](http://www1.hkexnews.hk/listedco/listconews/gem/2024/0429/2024042901454.pdf)

- (iii) the audited consolidated financial statements of the Group for the year ended 31 December 2024 is disclosed in the annual report of the Company for the year ended 31 December 2024 published on 23 April 2025, from pages 106 to 239:

[www1.hkexnews.hk/listedco/listconews/gem/2025/0423/2025042301641.pdf](http://www1.hkexnews.hk/listedco/listconews/gem/2025/0423/2025042301641.pdf)

- (iv) the unaudited financial information of the Group for the six-month period ended 30 June 2025 is disclosed in the 2025 interim results announcement of the Company for the six months ended 30 June 2025 published on 29 August 2025, from pages 3 to 21.

[www1.hkexnews.hk/listedco/listconews/gem/2025/0829/2025082902592.pdf](http://www1.hkexnews.hk/listedco/listconews/gem/2025/0829/2025082902592.pdf)

**2. INDEBTEDNESS**

As at the close of business on 31 July 2025, being the latest practicable date for the purpose of this indebtedness statement prior to the publication of the Circular, the Group had the following outstanding indebtedness:

**(a) Bank loans and overdrafts, debt securities and other borrowings**

- (i) Secured other borrowings with the aggregate balance of HK\$25,000,000 as at 31 July 2025, which carries interest at range from 10.875% to 11.875% per annum, and are secured by (a) mortgages over the Group's leasehold land and buildings situated in Hong Kong and (b) corporate guarantees executed by the Company.

- (ii) Amount due to a director with the aggregate balance of HK\$5,000,000 as at 31 July 2025, which are non-interest bearing, unsecured, unguaranteed, and repayable on demand.

**(b) Lease payables**

- (i) The Group had outstanding payments for these lease payables amounted to an aggregate of HK\$124,000 as at 31 July 2025, which are unsecured and unguaranteed.

Save as disclosed above and apart from intra-group liabilities, the Group did not have any bank loans, bank overdrafts and liabilities under acceptance (other than normal trade bills) or other similar indebtedness, debenture or other loan capital, mortgages, charges, finance lease or hire purchase commitments, guarantees or other material contingent liabilities at the close of business on 31 July 2025.

**3. WORKING CAPITAL**

The Directors, after due and careful enquiry, are of the opinion that in the absence of unforeseeable circumstances, taking into account the estimated net proceeds from the Disposal and the financial resources available to the Group, including cash and cash equivalents on hand, cash flows from operating activities, the Group will have sufficient working capital for its present requirements for at least the next twelve (12) months following the date of this circular. The Group has obtained the relevant confirmation from its auditors as required under Rule 19.66(13) of the GEM Listing Rules.

**4. MATERIAL ADVERSE CHANGE**

As disclosed in the Company's 2025 interim results announcement dated 29 August 2025, the Group experienced a significant decline in sales due to underperformance in its business segment of trading of motor vehicle and provision of agency service and accessories sourcing in the PRC which was primarily driven by an intense price war in the PRC market and recorded revenue of approximately HK\$4,500,000 for the six months ended 30 June 2025, compares with the revenue of approximately HK\$20,340,000 for the same period in 2024. The Group estimated that the demand for petrol vehicles, which the Group is currently focusing exclusively on, is expected to shrink further in 2025.

Save for the Disposal and as disclosed above, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2024, being the date to which the latest published audited financial statements of the Group were made up.

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

The Company is an investment holding company. The Group is principally engaged in (i) trading of motor vehicles, provision of agency services and accessories sourcing in the PRC (excluding Hong Kong); and (ii) trading of listed securities in Hong Kong.

**Trading of motor vehicles and provision of agency services**

This segment recorded revenue of approximately HK\$4.50 million for the six months ended 30 June 2025 under review compared with the revenue of approximately HK\$20.34 million for the corresponding period last year, representing a decrease of revenue of approximately 77.8% and recorded an unaudited profit for the six months ended 30 June 2025 of approximately HK\$7.03 million compared with an unaudited loss of approximately HK\$12.98 million for the corresponding period last year. The profit was arrived at after taking into account reversal of impairment loss on advance payments for purchase of trading motor vehicles amounted to approximately HK\$18.64 million for the six months ended 30 June 2025 (as of 30 June 2025, the Group recovered approximately RMB17.38 million (equivalent to approximately HK\$18.64 million) from terminated purchase agreements and utilised deposits).

As of the Latest Practicable Date, the Group's business segment on trading the motor vehicles in China was focused exclusively on petrol-powered vehicles. The Group estimated that the demand for petrol vehicles is expected to shrink further in 2025, as a result of more intensified competition in models and pricing are being expected in 2025.

The main reason for this is the rapid growth of China's domestic electric and hybrid vehicle industry. Local brands such as BYD, Nio, and XPeng are producing high-quality new energy vehicles (NEVs) that are not only affordable but also packed with advanced technology and smart features. These cars are attracting more and more customers, reducing the demand for traditional petrol-powered imports. Another major factor is the aggressive pricing strategies adopted by these domestic manufacturers. They have started a "price war" which continuously lowering costs to gain market share. As a result, even official dealerships of foreign brands are reducing their prices to stay competitive. When official channels become more affordable, it diminishes our ability to attract price-sensitive customers and undermines the advantages of being parallel importer that could offer lower prices than authorized dealers.

Consumer preferences are also shifting dramatically. Buyers in China, especially younger ones, now prioritize innovation, sustainability, and digital connectivity in vehicles. Features like autonomous driving assistance, interactive infotainment systems, and over-the-air software updates are becoming standard expectations. Domestic automakers are often more responsive to these trends than traditional petrol car manufacturers. This change in taste is reducing the appeal of imported petrol vehicles and challenging our ability to meet market demands.

In summary, the rise of local electric vehicle brands, intense price competition, and evolving consumer preferences are all contributing to a tougher market environment. As demand for petrol vehicles continues to shrink, we expect 2025 to bring even greater competition, affecting our sales, profitability, and overall prospects. Looking ahead, the Group will try its best endeavour to improve the business performance by adapting to these market changes and will likely to consider diversifying its portfolio to include more NEVs to accommodate the market trend.

**Trading of listed securities in Hong Kong**

For this segment, the Group had not recorded any gain nor loss for the six months ended 30 June 2025, compared to an unrealised gain of approximately HK\$24,000 and a realised loss of approximately HK\$77,000 for the corresponding period ended 30 June 2024. As at 30 June 2025, the Group did not hold any listed securities in Hong Kong, all listed securities in Hong Kong previously held by the Group had been sold through the Hong Kong stock market in November 2024.

The management of the Company remains committed to exploring prospective investment opportunities in listed securities, with the objective of capturing potential growth.

*The following is the text of a letter and valuation certificate prepared for the purpose of incorporation in this circular received from B.I. Appraisals Limited, an independent property valuer, in connection with its opinion of market value of the Property as at 22 July 2025.*



## B. I. Appraisals Limited 保柏國際評估有限公司

Registered Professional Surveyors, Valuers & Property Consultants

Units 01-04, 21st Floor, The Broadway  
No. 54-62 Lockhart Road, Wanchai, Hong Kong  
Tel: (852) 2127 7762 Fax: (852) 2137 9876  
Email: info@biappraisals.com  
Website: www.biappraisals.com

12 September 2025

### Sinofortune Financial Holdings Limited

16th Floor, CMA Building  
64-66 Connaught Road Central  
Central  
Hong Kong

### For the Attention of the Directors

Dear Sirs/Madams,

**Re: 16th Floor & Lavatory A & B, C.M.A. Building, No. 64 Connaught Road Central and No. 133 Des Voeux Road Central, Hong Kong**

In accordance with the instructions from Sinofortune Financial Holdings Limited (hereinafter referred to as the “**Company**”) for us to value the captioned property (hereinafter referred to as the “**Property**”), we confirm that we have carried out inspection, conducted land searches at the Land Registry, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the value of the Property as at 22 July 2025 (hereinafter referred to as the “**Date of Valuation**”).

It is our understanding that this valuation document is to be used by the Company for internal reference purpose in relation to the proposed disposal of the Property (hereinafter referred to as the “**Disposal**”). We further acknowledge that our report is to be incorporated in a circular to be issued by the Company in relation to the Disposal.

This letter, forming part of our valuation report, identifies the property being valued, explains the basis and methodology of our valuation, and lists out the assumptions and title investigation which we have made in the course of our valuation, as well as the limiting conditions.

**BASIS OF VALUATION**

Our valuation of the Property is our opinion of its market value which we would define as intended to mean “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”.

Our valuation has been carried out in accordance with The HKIS Valuation Standards 2024 issued by The Hong Kong Institute of Surveyors and under generally accepted valuation procedures and practices, which are in compliance with the requirements set out in Chapter 8 of the GEM Listing Rules governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited.

**VALUATION METHODOLOGY**

In valuing the Property, which is held and occupied by the Company, we have adopted the direct comparison method assuming the sale of the Property in its existing state by making reference to market evidence of comparable properties as available in the relevant market subject to appropriate adjustments made to reflect such differences including but not limited to location, building age, size and other relevant factors between the Property and the comparable properties.

The direct comparison method is universally considered to provide the most reliable indication of value for property with a known market. We have adopted this method in line with the market practice.

**VALUATION ASSUMPTIONS**

Our valuation has been made on the assumption that the Property is sold on the open market without the benefit of a deferred terms contract, leaseback, joint venture, management agreement or any similar arrangement that would serve to affect its value. In addition, no account has been taken of any option or right of pre-emption concerning or effecting a sale of the Property and no forced sale situation in any manner is assumed in our valuation.

We have assumed that the Property has been constructed, occupied and used in full compliance with, and without contravention of, all ordinances, except only where otherwise stated. We have further assumed that all consents, approvals, required licences, permits, certificates, and authorizations have been obtained, except only where otherwise stated, for the use of the Property upon which our valuation is based.

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



**TITLE INVESTIGATION**

We have caused searches to be made at the Land Registry. However, we have not scrutinized the original documents to ascertain ownership or to verify any amendments that may not appear on the copies handed to us. All documents and leases have been used for reference only.

**LIMITING CONDITIONS**

We have inspected the exteriors and, where possible, the interior of the Property on 22 July 2025. In the course of our inspection, we did not note any serious defects. However, no structural survey has been made nor have any tests been carried out on any of the building services provided in the Property. We are, therefore, not able to report that the Property is free from rot, infestation or any other structural defects.

We have not conducted any on-site measurement to verify the correctness of the floor areas of the Property but have assumed that the floor areas shown on the documents furnished to us are correct. Dimensions, measurements and areas included in the valuation report attached are based on information contained in the documents provided to us by the Company and are therefore approximations only.

We have relied to a considerable extent on the information provided by the Company and accepted advice given to us on such matters as planning approvals, statutory notices, easements, tenure, particulars of occupancy, floor areas and all other relevant matters in the identification of the Property.

We have had no reason to doubt the truth and accuracy of the information provided by the Company and/or obtained from relevant government authorities. We were also advised by the Company that no material facts have been omitted from the information provided. We consider that we have been provided with sufficient information to reach an informed view, and have no reason to suspect that any material information has been withheld.

Our valuation reflects facts and conditions existing at the Date of Valuation. Subsequent events have not been considered and we are not required to update our report for such events and conditions.

This report and each part of it is prepared and intended for the exclusive use of the Company for the specific purpose hereinbefore stated. In accepting this report, the Company expressly agrees not to use or rely upon this report or any part of it for any other purpose without obtaining our prior written consent. No liability whatsoever will be accepted to any third party for the whole or any part of its contents.

**CURRENCY**

Unless otherwise stated, all monetary amounts stated in our valuation report are in Hong Kong dollars (HK\$).

**CONFIRMATION OF INDEPENDENCE**

We hereby confirm that we have neither present nor prospective interests in the Property, its owner, the Company or the value reported herein.

Our valuation report is attached herewith.

Yours faithfully,

For and on behalf of

**B.I. APPRAISALS LIMITED**

**William C. K. Sham**

*MRICS, MHKIS, R.P.S. (GP), MCIREA*

Registered Business Valuer

China Real Estate Appraiser

*Executive Director*

*Notes:*

- (1) Mr. William C. K. Sham is a qualified valuer on the approved List of Property Valuers for Undertaking Valuation for Incorporation or Reference in Listing Particulars and Circulars and Valuations in Connection with Takeovers and Mergers published by the Hong Kong Institute of Surveyors. Mr. Sham has over 40 years' experience in the valuation of properties in Hong Kong and has over 25 years' experience in the valuation of properties in the PRC and the Asia Pacific region.
- (2) Inspection of the Property was conducted on 22 July 2025 by Mr. William C. K. Sham and Mr. Daniel P. H. Chan, Manager, who has more than 15 years' experience in the inspection and valuation of properties in Hong Kong.

## VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 22 July 2025
<p>16th Floor &amp; Lavatory A &amp; B, C.M.A. Building, No. 64 Connaught Road Central and No. 133 Des Voeux Road Central, Hong Kong</p> <p>5/142nd undivided parts or shares of and in Inland Lot No. 2203 and Marine Lot Nos. 324, 391 and 392 (the “Lots”)</p>	<p>CMA Building, completed in around 1983, is a 26-storey commercial/office building with a commercial podium on Ground Floor, located on the southern side of Connaught Road Central near its junction with Gilman Street within Sheung Wan District on Hong Kong Island.</p> <p>The Property comprises a commercial unit and 2 lavatories on the 16th floor of the subject building.</p> <p>The saleable area of the Property is approximately 2,370 sq.ft. (220.18 sq.m.).</p> <p>Marine Lot No. 324 is held from the Government under a Government Lease for a term of 999 years from 30 June 1903.</p> <p>Inland Lot Nos. 2203 and Marine Lot Nos. 391 and 392 are held from the Government under the respective Government Leases for terms of 999 years from 17 July 1903.</p> <p>The total Government Rent payable for the Lots is HK\$106 per annum.</p>	<p>The Property is owner-occupied for office use.</p>	<p>HK\$29,000,000</p>

*Notes:*

- 1) The registered owner of the Property is Sinofortune Property Limited, via a Certificate of Change of Name dated 12 June 2017, registered vide Memorial No. 21111101320072.
- 2) The Property is subject to a Mortgage in favour of Sun Hung Kai Credit Limited dated 27 October 2021, registered vide Memorial No. 21111101320094.
- 3) The Property falls within an area currently zoned as “Commercial” on the Approved Sai Ying Pun & Sheung Wan Outline Zoning Plan No. S/H3/34 gazetted on 13 November 2020.
- 4) The subject building is located at the eastern fringe of Sheung Wan District, bordering the core business area of Central District, where developments are predominantly of medium to high-rise office buildings mostly built in the period from 1960 to 1990, intermingled with some modern Grade A office complexes. It is easily accessible with about 5 minutes’ walk from MTR Sheung Wan Station or Hong Kong Station. Rental and sale transaction of office premises of the subject building is relatively inactive when comparing with other office buildings in the neighbourhood.

**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 Group. 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, there are no other matters the omission of which would make any statement herein or this circular misleading.

**2. DIRECTORS' AND CHIEF EXECUTIVE'S INTEREST**

As at the Latest Practicable Date, the interests and short positions of each of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which 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 have taken or deemed to have taken under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Name of Director	Nature of interest	Number of Shares or underlying Shares	Approximate percentage of interest
Wang Jiawei	Beneficial owner	2,123,395,935	27.40%
Lai Yuk Mui	Beneficial owner	2,780,127	0.04%

Save as disclosed in this circular, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interest and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they have taken or deemed to have taken under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

**3. SUBSTANTIAL SHAREHOLDERS' INTERESTS**

As at the Latest Practicable Date, the Directors or chief executives of the Company are not aware of any persons (not being a Director or a chief executive of the Company) who had, or were deemed to have, interests or short positions in the shares, debentures or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

As at the Latest Practicable Date, the Directors or chief executives of the Company are not aware, the Company had not been notified of any other interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

**4. DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group or any associated company of the Company (excluding contracts expiring or determinable within one year without payment of compensation, other than statutory compensation).

**5. COMPETING INTEREST**

As at the Latest Practicable Date, none of the Directors, controlling Shareholders or their respective associates was interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group as required to be disclosed pursuant to the GEM Listing Rules.

## 6. LITIGATION

As disclosed in annual report of the Company for the financial year ended 31 December 2024, the parties of the arbitration case, 深圳華億教育投資諮詢有限公司 (Transliterated as Shenzhen Sinofortune Education Investment Consultancy Co., Ltd) (“**Sinofortune Education**”) and the five defendants of the arbitration case (collectively, “**Five Defendants**”), including Yang Shunhong, Liu Zulin, Yang Rui, Zhai Qingguo and 民勤量子新能源有限公司 (transliterated as Minqin Quantum New Energy Co. Ltd.) (“**Minqin Quantum**”) entered into an arbitration settlement agreement in September 2020 (“**Arbitration Settlement Agreement**”) and applied to Shenzhen Court of International Arbitration (also known as South China International Economic and Trade Arbitration Commission) (“**SCIA**”) for adjudication according to Arbitration Settlement Agreement. On 30 December 2020, SCIA made an adjudicated judgement in favour of Sinofortune Education in terms of the Arbitration Settlement Agreement (“**Judgement**”). The PRC legal advisor of the Company formed an opinion that the Arbitration Settlement Agreement is legal and valid and the Judgement is legally binding with all parties with effect from the date of issuance. As a result of Minqin Quantum’s failure to repay the refundable earnest money of RMB20,000,000 to Sinofortune Education on or before 31 December 2020 as adjudicated under the Judgement, Sinofortune Education applied to Intermediate People’s Court of Wuwei City, Gansu Province, China (“**Wuwei Court**”) in January 2021 for compulsory execution against the Five Defendants for not fulfilling the obligations of the Judgement.

As at 31 December 2021, the Wuwei Court had frozen the 100% equity interest of Minqin Quantum as well as the equity shares of Yang Shunhong, Yang Rui and Zhai Qingguo in other companies. During the execution process, the properties, machine and photovoltaic power generation equipment in the factory and bank accounts which under the name of Minqin Quantum were waiting to be seized in accordance with the law, therefore they cannot be handled due to the seizure.

Sinofortune Education has applied to the Wuwei Court for an inquiry and evaluation of auction procedures for the 100% equity interest of Minqin Quantum. Yang Shunhong had requested for more time to look for a purchaser for the equity interest of Minqin Quantum in order to pay off the outstanding amounts owe to Sinofortune Education, however, he was unable to find purchaser with firm and clear intention.

In February 2022, the PRC legal advisor of the Company has received an execution objection application from the Wuwei Court stating that Minqin Quantum, Yang Shunhong and Yang Rui have jointly proposed an enforcement objection and have requested to withdraw or terminate the execution, but was then rejected by the Wuwei Court.

Yang Shunhong had communicated with Sinofortune Education and the PRC legal advisor many times to request for an extension of time to look for a purchaser for the equity interest of Minqin Quantum in order to pay off the outstanding amounts owe to Sinofortune Education. The PRC legal advisor had suspended the application to Higher People's Court of Gansu, China several times for execution supervision, however, he was unable to find purchaser with firm and clear intention.

In December 2022, 民勤聚升光伏產業有限公司 (transliterated as Minqin Jusheng Photovoltaic Industry Company Limited) which is wholly owned by Yang Rui had actively transferred RMB1,000,000 to Sinofortune Education for repayment of Minqin Quantum's liability on its behalf. Sinofortune Education received payments of RMB400,000 and RMB600,000 in May and June 2023 respectively from the Wuwei Court recouped through execution.

Yang Shunhong had communicated with Sinofortune Education and the PRC legal advisor many times to request for an extension of time to look for a purchaser for the equity interest of Minqin Quantum in order to pay off the outstanding amounts owe to Sinofortune Education. In addition, Yang Shunhong has told that the other previous enforcements of Minqin Quantum were nearing completion and subsequent income after deducting operating costs could be used to repay to Sinofortune Education.

Apart from failing to repay the refundable earnest money of RMB20,000,000 to Sinofortune Education on or before 31 December 2020 as mentioned above, Minqin Quantum has also failed to pay penalty and other compensation fee, arbitration fee and interest on behalf of the Five Defendants to Sinofortune Education before 31 December 2024 in the approximate sum of RMB55,670,000 (after deducting a total of RMB2,000,000 repayment mentioned above) as adjudicated under the Judgement.

The PRC legal advisor of the Company formed an opinion that since the Five Defendants did not fulfil the obligations under the Judgement, Sinofortune Education has the right to apply to the People's Court for compulsory execution for the sale of 100% equity interest of Minqin Quantum and has priority to be compensated from the sale proceed generated therefrom.

Sinofortune Education is still in the process of taking steps to execute the Judgement against the Five Defendants.

So far as the Company is aware and save as disclosed above, as at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and there is no litigation or claim of material importance known to the Directors pending or threatened by or against any member of the Group.



**7. DIRECTORS' INTERESTS IN CONTRACTS AND ASSETS**

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group, which was subsisting and was significant in relation to the business of the Group.

None of the Directors had any direct or indirect interest in any assets which had been acquired or disposed of by or leased to any member of the Group or proposed to be so acquired, disposed of by or leased to any member of the Group since 31 December 2024, being the date to which the latest published audited accounts of the Company were made up, and up to the Latest Practicable Date.

**8. AUDIT COMMITTEE**

The Company has established an audit committee (“**Audit Committee**”) with specific written terms of reference. As at 31 December 2024, the Audit Committee consisted of three independent non-executive Directors, Mr. Li Jianxing, Professor Zhang Benzhen and Professor Chen Shu Wen. Mr. Li Jianxing, being an independent non-executive Director, is the chairman of the Committee. The Audit Committee’s role and function includes making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor; review and monitor the external auditors’ independence and objectivity and the effectiveness of the audit process in accordance with applicable standards; develop and implement policy on the engagement of an external auditor to supply non-audit services; monitor the integrity of financial statements, annual report, half-yearly report and accounts of the Company, and review significant financial reporting judgments contained in them; review the Company’s financial controls, internal control and risk management systems; and review the Group’s financial and accounting policies, procedures and practices.

Further details of the members of the Audit Committee are as follows:

**(a) Mr. Li Jianxing (“Mr. Li”)**

Mr. Li, aged 67, has been an independent non-executive Director, a member of audit committee, nomination committee and remuneration committee of the Company since 28 March 2011. He was also appointed as chairman of audit committee of the Company with effect from 22 September 2015. Mr. Li graduated from Shanghai Maritime University with a Bachelor Degree in accounting. He also received a Master Degree in Business Administration from Canisius College of Buffalo. Mr. Li has over 30-year experience working in the field of accounting and corporate finance and has substantial experience in management in various listed companies, investment business, investor relations and project management. He was the senior manager of both the investment department and finance department of China Everbright Holdings Co., Ltd from April 1998 to June 2000. He served as the Chief Finance Officer for Intermost Corporation from June 2000 to 2003. From April 2003 to May 2004, he was a General Manager of Investor Relations in China Resources Power Holdings Co., Ltd. He was a director of Concord Investment Holdings Limited from 2004 to 2012. Mr. Li was an independent non-executive director of Farnova Group Holdings Limited (Hong Kong Stock Exchange Stock Code: 08153) from March 2021 to September 2022.

**(b) Professor Zhang Benzheng (“Professor Zhang”)**

Professor Zhang, aged 85, has been an independent non-executive Director of the Company since 30 September 2008 and he was appointed as a chairman of nomination committee and a member of audit committee of the Company in 2008. He was also appointed as a member and chairman of remuneration committee of the Company in 2008 and 2011 respectively. Professor Zhang graduated with a Bachelor Degree from the Faculty of Engineering Physics of the Tsinghua University in 1965. He was a visiting scholar in the Brookhaven National Laboratory of USA and the Stuttgart University of Germany. He was the vice director of the Tsinghua University R&D department and the general manager of Tsinghua University Science and Technology Corporation. During the period from 1999 to 2002, he held various senior positions in two companies listed on the Shenzhen Stock Exchange, namely Tsinghua Unisplendour Limited and Tsinghua Unisplendour Guhan Group Corporation. He was the chairman and legal representative of Tsinghua Unisplendour Guhan Group Corporation and president of Tsinghua Unisplendour Limited before he left these companies in 2002. He then joined Tsinghua Unisplendour (Group) Corporation in 2002 and was its president until 2004. Professor Zhang was the general vice president and secretary of the Beijing Non Governmental Science & Technology Entrepreneurs Association. With his remarkable business leadership as well as exploratory initiatives, Professor Zhang had made tremendous contribution to the companies he worked for. He has not only gained compliments from the society at large, but has also won a series of honors. In 1997, Professor Zhang received the national prize of “The Third Term Science and

Technology Light Award for Outstanding Scientific and Technological Entrepreneur”. In 2000, he won the “Hong Kong Bauhinia Cup Outstanding Entrepreneur Award” and the “Entrepreneurial Talent” award issued by the Beijing Non-Governmental Science and Technology Entrepreneurs Association. In 2002, he was selected as the first lot of “Zhongguan Village Outstanding Entrepreneurs”. Professor Zhang is currently the Chief Consultant of 容匯未來(北京)科技產業發展有限公司 (transliterated as Ronghui Future (Beijing) Technology Development Co., Ltd.).

**(c) Professor Chen Shu Wen (“Professor Chen”)**

Professor Chen, aged 70, has been an independent non-executive Director, a member of audit committee, nomination committee and remuneration committee of the Company since 23 September 2011. Professor Chen graduated from 東北財經大學 (Dongbei University of Finance and Economics) with a Bachelor Degree in Economics and obtained a Master Degree and a PhD in Economics from 吉林大學 (Jilin University). He was a practising solicitor at 遼寧天合律師事務所 (Liaoning Tianhe Law Firm). Professor Chen has substantial management and leadership experience serving in the PRC government. He commenced his career as the deputy county chief of the Benxi Manchu Autonomous County, Liaoning Province, PRC, in 1992 and became the vice director general (副主任) of 本溪市經濟體制改革委員會 (Benxi City Commission for Restructuring the Economic Systems) from 1995. He was the director (主任) of 本溪市對外經濟貿易合作委員會 (Benxi Foreign Trade & Economic Cooperation Committee) from 1998 until 2001. From 2001 to 2009, Professor Chen was the professor and the tutor for doctorate students at 大連理工大學管理學院 (Faculty of Management and Economics of Dalian University of Technology). From 2010 to 2014, he was the dean at 大連理工大學公共管理與法學學院 (School of Public Administration and Law of Dalian University of Technology). From 2010 to 2020, Professor Chen was the professor and the tutor for doctorate students at 大連理工大學公共管理與法學學院 (School of Public Administration and Law of Dalian University of Technology). Professor Chen is currently an independent non-executive director of Weiqiao Textile Company Limited (delisted on Hong Kong Stock Exchange on 19 March 2024 with stock code: 02698).

## 9. MATERIAL CONTRACTS

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

- (a) the Formal Agreement;
- (b) the Preliminary Agreement;
- (c) the conditional sale and purchase agreement dated 9 July 2024 entered into between the Company and Xiang Ying, Lan Shili, Shan Chuanlong and Li Chao in respect of the disposal of the 611,700 issued and fully paid up shares in Sinofortune Financial Holdings (BVI) Limited by the Company to Xiang Ying, Lan Shili, Shan Chuanlong and Li Chao at the consideration of HK\$4,000,000 plus the net asset value of HK\$8,250,000;
- (d) the memorandum of understanding dated 27 February 2024 entered into between the proposed purchasers and the Company in relation to the proposed disposal of the 100% equity interest in Sinofortune Financial Holdings (BVI) Limited, a wholly-owned subsidiary of the Company from the Company to the proposed purchasers at the proposed consideration of HK\$15,520,000; and
- (e) the sale and purchase agreement dated 17 November 2023 entered into between 深圳華億生物科技集團有限公司, a direct wholly-owned subsidiary of the Company and the limited partner of 成都藍葆震企業管理中心, a limited partnership (“**Limited Partnership**”) as vendor and the 成都藍葆坤企業管理中心, being the general partner (“**General Partner**”) of the Limited Partnership as purchaser in respect of the disposal by 深圳華億生物科技集團有限公司 of its 25% equity interest in the Limited Partnership to the General Partner at the consideration of RMB15,000,000.

## 10. EXPERT AND CONSENT

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

Name	Qualification
B.I. Appraisals 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 2024), 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.

## **11. GENERAL**

- (a) The compliance officer of the Company is Ms. Lai Yuk Mui. Ms. Lai received her Bachelor of Arts Degree in Financial Services from Edinburgh Napier University in Scotland, United Kingdom.
- (b) The company secretary of the Company is Ms. Woo Man Yi. She is an associate member of both The Chartered Governance Institution in the United Kingdom and The Hong Kong Chartered Governance Institute.
- (c) The registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.
- (d) The head office and principal place of business of the Company in Hong Kong is situated at 16th Floor, CMA Building, 64-66 Connaught Road Central, Hong Kong.
- (e) The branch share registrar and transfer office of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (f) The principal share registrar and transfer office of the Company in Cayman Islands is Suntera (Cayman) Limited, at Suite 3204, Unit 2A, Block 3, Building D, P.O. Box 1586, Gardenia Court, Camana Bay, Grand Cayman, KY1-1100, Cayman Islands.
- (g) The English text of this circular shall prevail over their respective Chinese text for the purpose of interpretation.

**12. 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.sinofortune.hk](http://www.sinofortune.hk)) for a period of 14 days from the date of this circular up to and including the date of the EGM:

- (a) the material contracts referred to in the paragraph headed “Material Contracts” in this Appendix;
- (b) the valuation report on the Property prepared by the Independent Valuer as set out in Appendix II to this circular;
- (c) the written consent referred to in the paragraph headed “EXPERT AND CONSENT” in this Appendix; and
- (d) this circular.

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## NOTICE OF THE EGM

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華億金控集團有限公司  
**SINOFORTUNE FINANCIAL HOLDINGS LIMITED**  
*(Incorporated in the Cayman Islands with limited liability)*  
(Stock code: 08123)

### NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of Sinofortune Financial Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) will be held at 16/F., CMA Building, 64-66 Connaught Road Central, Hong Kong on Monday, 29 September 2025 at 10:00 a.m. for the purpose of considering and, if thought fit, passing the following resolution as an ordinary resolution of the Company:

#### ORDINARY RESOLUTION

“THAT

- (a) the conditional preliminary agreement dated 22 July 2025 (the “**Preliminary Agreement**”) entered into between the Company as seller and Best Properties Limited as buyer (the “**Buyer**”) and the conditional formal agreement dated 18 August 2025 (the “**Formal Agreement**”, together with the Preliminary Agreement, the “**Agreements**”) entered into between the Company, Sinofortune Property Limited (the “**Target Company**”) and the Buyer, relating to, among other matters, the sale and purchase of one ordinary share in the Target Company, representing the entire issued share capital of the Target Company, and all the intra-group loans owing by the Target Company to the Company and its subsidiaries as at the date of completion of the Agreements, for a total consideration of HK\$29,000,000 (the “**Disposal**”) and the leaseback of 16th Floor and Lavatory A and B of C.M.A Building, No. 64 Connaught Road Central and No. 133 Des Voeux Road Central, Hong Kong by the Group from the Target Company for a term of two years from commencing from the date of completion of the Disposal at the monthly rental of HK\$130,000 (exclusive of management fee, rates, government rents and other outgoings) (the “**Leaseback Arrangement**”) (copies of the Preliminary Agreement marked “**A-1**” and the Formal Agreement marked “**A-2**” are produced to the EGM for identification purpose) and the transactions contemplated under the Disposal and the Leaseback Arrangement be and are hereby ratified, confirmed and approved;

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## NOTICE OF THE EGM

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- (b) any one or more of the directors of the Company (the “**Director**”) be and is/are hereby generally and unconditionally authorized to do all such acts and things, to sign and execute all such documents for and on behalf of the Company by hand, or in the case of execution of documents under seal, to do so jointly with any one of a second Director, a duly authorized representative of the Director or the secretary of the Company, and to take such steps as he may in his absolute discretion considers necessary, appropriate, desirable or expedient to give effect to or in connection with the Disposal, the Leaseback Arrangement and the transactions contemplated thereunder”

By order of the Board  
**Sinofortune Financial Holdings Limited**  
**Wang Jiawei**  
*Chairman*

Hong Kong, 12 September 2025

*Registered office:*

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

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

16th Floor  
CMA Building  
64-66 Connaught Road Central  
Hong Kong

*Notes:*

1. Any member of the Company entitled to attend and vote at the EGM is entitled to appoint one or, if he is the holder of two or more shares of the Company, more than one proxy to attend and vote instead of him. A proxy need not be a member of the Company.
2. In the case of joint holders of Shares, 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 EGM, personally or by proxy, that one of the said persons so present whose name stands first in the register of members of the Company in respect of such Share shall alone be entitled to vote in respect thereof.
3. In order to be valid, the form of proxy must be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer or attorney or person authorised, and must be deposited with the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof) not less than 48 hours before the time fixed for holding of the EGM or any adjournment thereof.



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## NOTICE OF THE EGM

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4. For the purpose of determining members who are qualified for attending and voting at the EGM, the register of members of the Company will be closed from Wednesday, 24 September 2025 to Monday, 29 September 2025, both days inclusive, during which no transfer of Shares will be effected. In order to qualify for attending and voting at the EGM, all transfers of Shares, accompanied by the relevant share certificates, must be lodged with the Registrar at the address stated in note 3 above not later than 4:30 p.m. on Tuesday, 23 September 2025 for registration. The record date for the attending and voting at the meeting is Monday, 29 September 2025.
5. Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the above EGM or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. A form of proxy for use at the EGM is attached herewith.
7. According to Rule 17.47(4) of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited, voting on the proposed resolution set out in this notice will be taken by a poll.
8. If a typhoon signal number 8 or above, a black rainstorm warning signal and/or “extreme conditions” announced by the Government is/are in force in Hong Kong at 8:00 a.m. on Monday, 29 September 2025, the above meeting will not be held on that day but will be automatically postponed and, by virtue of this notice, be held at the same time and place on Thursday, 2 October 2025 instead.

Members may call the Company’s hotline at (852) 22979900 or visit the Company’s website at [www.sinofortune.hk](http://www.sinofortune.hk) for details of the postponement and alternative meeting arrangements.

The above meeting will be held as scheduled when an amber or a red rainstorm warning signal is in force. Members should carefully consider the risk of physical attendance at the above meeting under bad weather conditions and if they should choose to do so, they are advised to exercise due care and caution.

*As of the date of this notice, the executive Directors are Mr. Wang Jiawei and Ms. Lai Yuk Mui, the independent non-executive Directors are Professor Zhang Benzhen, Mr. Li Jianxing, Professor Chen Shu Wen and Mr. Lee Kwun Kwan.*