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

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

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EDICO Holdings Limited

鉅京控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8450)

**MAJOR TRANSACTION
IN RELATION TO THE ENTERING INTO OF A TENANCY AGREEMENT**

All capitalised terms used in this circular have the meaning set out in the section headed “Definitions” of this circular. A letter from the Board is set out on page 3 of this circular.

Pursuant to Rule 19.44 of the GEM Listing Rules, in lieu of a resolution to be passed at a general meeting of the Company, written Shareholder’s approval for the Tenancy Agreement had been obtained from Achiever Choice, being a Controlling Shareholder holding 56% of the total number of the issued Shares as at the date of such Written Shareholders’ approval. No general meeting will be convened for approving the Tenancy Agreement and this circular is for information only.

This circular will remain on the “Latest Listed Company Information” page of the GEM website (www.hkgem.com) for at least 7 days from the date of publication and on the website of the Company (www.edico.com.hk).

* *For identification purpose only*

CHARACTERISTICS OF GEM

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

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

”Achiever Choice”	Achiever Choice Limited, a limited company incorporated in the British Virgin Islands, a former Controlling Shareholder holding 560,000,000 Shares in the Company (representing 56% of the total issued Shares of the Company), and the entire issued shares of which are wholly-owned by Mr. Chan
“Announcement”	the announcement of the Company dated 10 September 2024 in relation to the Tenancy Agreement
“associates”	has the meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors of the Company
“Company”	EDICO Holdings Limited, a limited company incorporated in the Cayman Islands whose shares are listed on GEM
“Controlling Shareholder(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	director(s) of the Company
“GEM”	the 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 People’s Republic of China
“Huge Alliance”	Huge Alliance Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company, being the tenant under the Tenancy Agreement
“Independent Third Party(ies)”	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, is not connected persons of the Company and are third parties independent of and not connected with the Company and its connected person(s)

DEFINITIONS

“Landlord”	Oripuma Investments Limited, a company incorporated in Hong Kong and the landlord of the Premises and an Independent Third Party
“Leasing Agent”	Harriman Leasing Limited, a company incorporated in Hong Kong with limited liability, which acts as the leasing agent for and on behalf of the Landlord and an Independent Third Party
“Latest Practicable Date”	21 October 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Mr. Chan”	Mr. Chan Tsang Tieh, an executive Director, the Chairman and one of the former Controlling Shareholders of the Group
“Premises”	the premises located at 8th Floor of Wheelock House, 20 Pedder Street, Central, Hong Kong
“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 capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenancy Agreement”	the tenancy agreement, together with the supplemental letter, dated 10 September 2024 entered into between Huge Alliance and the Leasing Agent acting on behalf the Landlord in respect of the tenancy of the Premises
“%”	per cent

LETTER FROM THE BOARD

EDICO Holdings Limited
鉅京控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8450)

Executive Directors:

Mr. Chan Tsang Tieh (*Chairman*)
Mrs. Donati Chan Yi Mei Amy
(*Chief Executive Officer*)

Registered Office:

Cricket Square, Hutchins Drive
PO Box 2681, Grand Cayman
KY1-1111, Cayman Islands

Independent Non-executive Directors:

Mr. Li Wai Ming
Mr. Wan Chun Wai Andrew
Ms. Chan Chiu Yee Natalie

*Head Office and Principal Place of
Business in Hong Kong:*

8/F., Wheelock House
20 Pedder Street, Central
Hong Kong

23 October 2024

To the Shareholders

Dear Sir or Madam,

**MAJOR TRANSACTION
IN RELATION TO THE ENTERING INTO OF A TENANCY AGREEMENT**

Reference is made to the Announcement in relation to the Tenancy Agreement.

The purpose of this circular is to provide you, among other things, further information in relation to the Tenancy Agreement.

TENANCY AGREEMENT

The Company entered into the Tenancy Agreement dated 10 September 2024 between Huge Alliance (a wholly-owned subsidiary of the Company) as tenant and the Leasing Agent, acting on behalf of the Landlord, (both being Independent Third Parties) in respect of the rental of the Premises for a term of two (2) years and 364 days commencing from 2 January 2025 to 31 December 2027 (both days inclusive).

* *For identification purpose only*

LETTER FROM THE BOARD

The terms of the Tenancy Agreement are as follows:

- Date: 10 September 2024
- Parties: (1) Huge Alliance, the tenant and a wholly-owned subsidiary of the Company
- (2) the Leasing Agent as the leasing agent for the Landlord and acting on behalf of the Landlord
- Premises: 8th Floor of Wheelock House, 20 Pedder Street, Central, Hong Kong with gross floor area of around 10,260 square feet
- Term: From 2 January 2025 to 31 December 2027 (both days inclusive)
- Monthly rental: The monthly rental payable comprises:
- (1) monthly basic rent: HK\$487,350.00
- (2) monthly service fee: HK\$82,286.00
- Total aggregated value of consideration payment: approximately HK\$19.0 million in aggregate (including the total basic rent (i.e. HK\$487,350 × 33 months) and total service fee (HK\$82,286 × 36 months) but excluding the Government rates, and taking into account of the rent free period) during the term from 2 January 2025 to 31 December 2027 and Huge Alliance shall be responsible for the Government rates and the Landlord shall be responsible for the Government rent during the term
- The consideration is determined after arm's length negotiations between parties after taking into consideration the previous rental payment made by the Group and the open market rent of comparable properties in the vicinity of the Premises
- Rent free period: (1) From 2 January 2025 to 1 February 2025;
- (2) From 2 January 2026 to 1 February 2026; and
- (3) From 1 November 2026 to 30 November 2026.
- Deposits: HK\$1,792,158.00 (equivalent to 3 months' rent, service fee and government rates).

LETTER FROM THE BOARD

THE RIGHT-OF-USE ASSET

The value of the right-of-use asset recognised by the Company under the Tenancy Agreement amounted to approximately HK\$14.5 million, which is calculated with reference to the present value of the aggregated lease payments to be made under the Tenancy Agreement in accordance with HKFRS 16 *Leases*.

The present value of the aggregate lease payments is calculated based on the aggregated fixed payments of HK\$16 million (i.e. equivalent to approximate amount of total monthly rent of HK\$487,350 × 33 months) during the lease term that are not paid at the commencement date of the lease, discounted using a rate of 7.13% per annum. The adopted rate of interest was quoted by one of the banks of the Group for a term loan of HK\$16 million for 3 years and with a similar security.

The total aggregated value of consideration payment of approximately HK\$19.0 million includes both the total rental payment and service fee over the whole rental period under the Tenancy Agreement, while the value of right-of-use asset of approximately HK\$14.5 million represents the present value of the total rental payment (i.e. approximately HK\$16.0 million) only, as non-lease components are separated from lease component and are accounted for by applying other applicable standards. The difference of HK\$4.54 million between them is the total service fee over the lease term, i.e. HK\$2.96 million of service fee and the finance cost of HK\$1.58 million. The financial impacts and the accounting treatments over the lease term are set out as follows:

Statement of profit or loss and other comprehensive income:

Increase in finance costs: HK\$0.67 million
Increase in service fee incurred: HK\$0.741 million
Decrease in profit for the year: HK\$1.411 million

Statement of financial position:

Increase in lease liabilities: HK\$670
Increase in other payables/decrease in cash and bank balances: HK\$741

For the year ended 30 September 2026

Statement of profit or loss and other comprehensive income:

Increase in finance costs: HK\$0.6 million
Increase in service fee incurred: HK\$0.987 million
Decrease in profit for the year: HK\$1.587 million

Statement of financial position:

Increase in lease liabilities: HK\$0.6 million
Increase in other payables/decrease in cash and bank balances: HK\$0.987 million

LETTER FROM THE BOARD

For the year ended 30 September 2027

Statement of profit or loss and other comprehensive income:

Increase in finance costs: HK\$0.3 million
Increase in service fee incurred: HK\$0.987 million
Decrease in profit for the year HK\$1.287 million

Statement of financial position:

Increase in lease liabilities: HK\$0.3 million
Increase in other payables/decrease in cash and bank balances: HK\$0.987 million

For the year ended 30 September 2028

Statement of profit or loss and other comprehensive income:

Increase in finance costs: HK\$0.01 million
Increase in service fee incurred: HK\$0.247 million
Decrease in profit for the year: HK\$0.257 million

Statement of financial position:

Increase in lease liabilities: HK\$0.01 million
Increase in other payables/decrease in cash and bank balances: HK\$0.257 million

The lease payments included in the calculation comprise only the fixed payments that are not paid at the commencement date of the lease, as there is no lease incentives receivable nor variable lease payments or amounts expected to be payable by the Group under residual value guarantees. The lease also contains no purchase option and the Group does not expect to exercise any option to terminate the lease. Hence, the Board considered the aggregated lease payments are fair, which is then discounted at an interest rate offered by one of the Group's banks for a term loan with similar term and principal, and therefore the Board believed the present value of the aggregated lease payments is fair and reasonable.

REASON FOR AND THE BENEFITS OF ENTERING INTO THE TENANCY AGREEMENT

The Group principally engages in the business of providing 24-hour integrated printing services for customers in the financial and capital markets in Hong Kong. The Premises has been used as the Group's primary office premises since the commencement of its business in 2010. The term of the existing tenancy agreement of the Premises will expire on 1 January 2025.

The Directors are of the view that the entering into of the Tenancy Agreement (i) is necessary for continuing the operation and growth of the business of the Group; and (ii) would allow sufficient office space to facilitate the future expansion and growth of the Group's business and is therefore beneficial to the Group.

LETTER FROM THE BOARD

The existing monthly basic unit rental payable for the Premises is HK\$43.5 per square feet per month (based on gross floor area). Based on the information available from the market, the unit rent of comparable properties in the vicinity of the Premises ranges from approximately HK\$37.0 to HK\$85.0 per square feet per month (based on gross floor area). Since the unit rent of the Premises of HK\$43.5 per square feet per month (based on gross floor area) under the Tenancy Agreement falls within the said range, the Board is of the view that the unit rent of the Premises reflects the prevailing market conditions.

The following rental transactions were selected as comparable properties:

Ref No.	Date of Transaction	Building Name	Address	Floor	Monthly Rent (HK\$)	Gross Floor Area (sq.ft.)	Unit Rent (HK\$/sq.ft.)
1	30 July 2024	Li Po Chun Chambers	185–195 Des Voeux Road Central	11	436,500	9,551	45.70
2	12 January 2024	Bank of America Tower	12 Harcourt Road	30	650,000	13,880	46.83
3	24 May 2024	Wing On House	71 Des Voeux Road Central	14	582,000	15,946	36.50
4	25 April 2024	Shanghai Commercial Bank Tower	12 Queen’s Road Central	22–23	720,120	8,472	85.00
5	1 March 2024	Lippo Centre Tower One	89 Queensway	14	467,199	12,627	37.00
6	23 November 2023	Wing On House	71 Des Voeux Road Central	10	994,000	15,946	62.34

The basis of valuation has been on the market rent, which is defined as “the estimated amount for which a property would be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm’s-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion” according to the HKIS Valuation Standards 2020.

The comparables were selected based on the location, date of transaction and similarity of comparable compared to subject property.

The Board have adopted the comparison approach by reference to comparable market rents in assessing the market rents of the property. This approach rests on the wide acceptance of the market rents as the best indicator and pre-supposes that evidence of relevant rents in the marketplace can be extrapolated to similar properties, subject to allowances for variable factors.

LETTER FROM THE BOARD

The terms of the Tenancy Agreement (including the rental payment and service fee) were determined after arm's length negotiations between the parties and with reference to the previous rental payment made by the Group and the open market rent of comparable properties in the vicinity of the Premises. In addition, based on the valuation report prepared by an independent valuer appointed by the Company, the terms under the Tenancy Agreement are fair and reasonable, and the rents thereunder reflect the prevailing market rates for similar properties in similar locations.

The Directors, including the independent non-executive Directors, after taking into account the findings of the valuation report and the prevailing market conditions, considered that the transactions contemplated under the Tenancy Agreement (including the rental payment and service fee) were entered into in the ordinary and usual course of business of the Group, and the Tenancy Agreement was entered into on normal commercial terms after arm's length negotiations between the parties, and the terms of the transactions contemplated under the Tenancy Agreement were fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE PARTIES

Information of the Group

The Group principally engages in the business of providing 24-hour integrated printing services for customers mainly in the financial and capital markets in Hong Kong.

Information of Huge Alliance

Huge Alliance is a company incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of the Company. The principal business of Huge Alliance is to provide services derived from tenancy agreement of office premises to the Group.

Information of Landlord

The Landlord is a company incorporated in Hong Kong with limited liability and its principal business activity is property investment. The Landlord is the landlord of the Premises. It is an indirect wholly owned subsidiary of Wharf Real Estate Investment Company Limited (Stock Code: 1997) and an Independent Third Party.

Information of Leasing Agent

The Leasing Agent is a company incorporated in Hong Kong with limited liability. The Leasing Agent is principally engaged in leasing services. It is an indirect wholly-owned subsidiary of Wharf Real Estate Investment Company Limited (Stock Code: 1997) and an Independent Third Party.

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

LETTER FROM THE BOARD

EFFECTS OF THE TENANCY AGREEMENT ON THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND CONSOLIDATION STATEMENT OF FINANCIAL POSITION OF THE GROUP

In accordance with HKFRS 16 *Leases*, the value of the right-of-use asset recognised by the Group under the Tenancy Agreement amounted to approximately HK\$14.5 million which is calculated with reference to the present value of the aggregated lease payments to be made. The Group will depreciate the right-of-use assets over the estimated useful life of 36 months on a straight line-basis and a monthly depreciation amounting to approximately HK\$0.4 million will be charged to the consolidated statement of profit or loss. Lease liabilities amounting to approximately HK\$14.2 million is recognised by the Group in the consolidated statement of financial position and will decrease upon the settlement of lease payments to the landlord accordingly. There would be no change in net assets on the consolidated statement of financial position of the Group immediately after the entering into the Tenancy Agreement.

FINANCIAL AND BUSINESS PROSPECT OF THE GROUP

The Group principally engages in the business of providing 24-hour integrated printing services for customers mainly in the financial and capital markets in Hong Kong.

The short-term outlook for the Hong Kong economy remains under pressure. We are not expecting the market to rebound quickly and should remain on a downward trend, though the Company is never afraid of facing challenges. We will continue to venture beyond our comfort zones, embracing calculated risks and exploring new frontiers. Continuing to believe Hong Kong as a premier international financial center and that the demand for the premium financial printing services will resume in long term, the Company is always well positioned to capitalize the opportunities.

GEM LISTING RULES IMPLICATION

Pursuant to HKFRS 16 *Leases*, the Company if entering into lease transaction as lessee will recognise a right-of-use asset in its consolidated financial statements. Such transaction will be regarded as acquisition of capital asset for the purpose of the GEM Listing Rules.

As one or more than one of the applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the Tenancy Agreement based on the value of the right-of-use asset recognised by the Group is more than 25% but below 100%, the Tenancy Agreement constitutes a major transaction for the Company, and is therefore subject to the reporting, announcement and Shareholders' approval requirements pursuant to Chapter 19 of the GEM Listing Rules.

Under Rule 19.44 of the GEM Listing Rules, Shareholders' approval for a major transaction may be obtained by way of written Shareholders' approval in lieu of holding a general meeting if (a) no Shareholder is required to abstain from voting if the Company were to convene a general

LETTER FROM THE BOARD

meeting for the approval of the transaction; and (b) the written Shareholders' approval has been obtained from a Shareholder or a closely allied group of Shareholders who together hold more than 50% of the voting rights at that general meeting to approve the transaction.

The Directors confirm that, to the best of their knowledge, information and belief after having made all reasonable enquiries, each of the Landlord and the Leasing Agent is an Independent Third Party and therefore no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Tenancy Agreement. Achiever Choice, being a Controlling Shareholder, was beneficially interested in 560,000,000 Shares, representing 56% of the total number of issued Shares of the Company as at the date of the Tenancy Agreement, had given written approval to the Company to approve the Tenancy Agreement in lieu of a general meeting pursuant to Rule 19.44 of the GEM Listing Rules on the date of the Tenancy Agreement. Therefore, no general meeting of the Company for the approval of the Tenancy Agreement will be held. Achiever Choice has also confirmed that neither it nor any of its associates have any material interest in the Tenancy Agreement.

As disclosed in the joint announcement of the Company and Jantix Management Limited dated 15 October 2024, on 8 October 2024, Achiever Choice disposed 560,000,000 Shares (representing 56% of the entire issued Shares of the Company as at the date of such disposal) to Jantix Management Limited, which was an independent third party immediately prior to such disposal.

RECOMMENDATION

The Board (including the Independent non-executive Directors) considers that the entering into of the Tenancy Agreement, the terms of the Tenancy Agreement and the transaction contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Although a general meeting will not be convened by the Company to approve the Tenancy Agreement, if such a general meeting were to be convened by the Company, the Board would recommend the Shareholders vote in favour of the resolutions to approve the Tenancy Agreement.

GENERAL

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

Yours faithfully,
For and on behalf of the Board
EDICO Holdings Limited
Chan Tsang Tieh
Chairman and Executive Director

1. FINANCIAL SUMMARY OF THE GROUP

The Company is required to set out in this circular the financial information for the last three financial years with respect to the profits and losses, financial record and position, as a comparative table and the latest published audited statement of financial position together with the notes on the annual accounts for the last financial year for the Group.

The unaudited consolidated financial statements of the Group for the six months' period ended 31 March 2024 are set out in pages 3 to 15 of the interim report 2023/2024 of the Company which was published on 5 June 2024 on the website of the GEM at www.hkgem.hk and the website of the Company at www.edico.com.hk.

The audited consolidated financial statements of the Group for the year ended 30 September 2023 are set out in pages 59 to 103 of the annual report 2023 of the Company which was published on 28 December 2023 on the website of the GEM at www.hkgem.hk and the website of the Company at www.edico.com.hk.

The audited consolidated financial statements of the Group for the year ended 30 September 2022 are set out in pages 59 to 103 of the annual report 2022 of the Company which was published on 23 December 2022 on the website of the GEM at www.hkgem.hk and the website of the Company at www.edico.com.hk.

The audited consolidated financial statements of the Group for the year ended 30 September 2021 are set out in pages 59 to 103 of the annual report 2021 of the Company which was published on 11 February 2022 on the website of the GEM at www.hkgem.hk and the website of the Company at www.edico.com.hk.

2. STATEMENT OF INDEBTEDNESS**Borrowings**

As at the close of business on 31 August 2024, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, apart from intragroup liabilities, the Group did not have any debt securities issued and outstanding or agreed to be issued, bank borrowings or other similar indebtedness, mortgages or charges, guarantees or other material contingent liabilities.

Lease liabilities

As at 31 August 2024, the Group had current and non-current lease liabilities of approximately HK\$3.5 million.

3. WORKING CAPITAL

The Directors are of the opinion that, after taking into account the financial resources of the Group and considering the effect of the Tenancy Agreement of the Premises, the working capital available to the Group is sufficient for the Group's requirements for at least twelve months from the date of publication of this circular.

4. MATERIAL ADVERSE CHANGES

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 30 September 2023, being the date to which the latest published audited financial statements of the Company were made up.

The following is the text of a letter and valuation certificate, prepared for the purpose of incorporation in this circular received from Ravia Global Appraisal Advisory Limited, an independent valuer, in connection with its valuation as at 10 September 2024 of the property in Hong Kong.



17/F., 83 Wan Chai Road,
Wan Chai, Hong Kong.
T: (852) 2811 1876 F: (852) 3007 8501
W: www.raviagroup.com
E: general@raviagroup.com

23 October 2024

EDICO Holdings Limited

8/F., Wheelock House,
20 Pedder Street,
Central, Hong Kong

Dear Sirs/Madams,

Re: Rental Valuation of 8th Floor, Wheelock House, 20 Pedder Street, Central, Hong Kong,

In accordance with the instructions of EDICO Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) to value the property in Hong Kong, we confirm that we have carried out inspection, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market rent of the property as at 10 September 2024 (the “**Date of Valuation**”) for your public documentation purpose.

1. BASIS OF VALUATION

Our valuation of the property is our opinion of the market rent of the concerned property which we would define as intended to mean “the estimated amount for which a property would be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm’s-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion”.

2. VALUATION METHODOLOGY

We have adopted the comparison approach by reference to comparable market rent in assessing the market rent of the property. This approach rests on the wide acceptance of the market rent as the best indicator and pre-supposes the evidence of relevant rents in the market place can be extrapolated to similar properties, subject to allowances for variable factors.

In the course of our assessment, we have analyzed rental evidence of relevant developments in the vicinity. As we are unable to verify the tenancies of these comparable properties, we have assumed that they have been let subject to the usual terms and conditions unless otherwise stated.

Appropriate adjustments have been made to account for the differences between the property and the comparables in terms of age, time, location, floor level and other relevant factors.

3. TITLE INVESTIGATION

We have carried out land search at the Land Registry. However, we have not scrutinized all the original documents to verify ownership or to ascertain the existence of any lease amendments which may not appear on the copies handed to us.

4. VALUATION ASSUMPTIONS

Our rental valuations have been made on the assumption that the lessor is entitled to let the property.

In the course of our rental valuations, we have assumed that the interior of the property is being kept in reasonable and decorative conditions commensurate with the building ages and it will be let for a normal term for 2 or 3 years exclusive of management fee, tax and etc., unless otherwise stated.

5. SOURCE OF INFORMATION

We have no reason to doubt the truth and accuracy of the information provided to us. We have also been advised that no material facts have been omitted from the information supplied. 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.

In the course of our valuations, we have relied to a very considerable extent on the information provided by the Group and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenure, identification of property, particulars of occupation, floor areas, age of buildings and all other relevant matters which can affect the market rent of the property. All documents have been used for reference only.

6. VALUATION CONSIDERATION

We have inspected the exterior and, where possible, the interior of certain property. No structural survey has been made in respect of the property. However, in the course of our inspection, we did not note any serious defects. We are not, however, able to report that the property is free from rot, infestation or any other structural defects. No tests were carried out on any of the building services.

Dimension, measurements and areas included in the valuation report attached are based on information provided to us and are therefore only approximations. We have not been able to carry out detailed on-site measurements to verify the site and floor areas of the property and we have assumed that the areas shown on the documents handed to us are correct. We were also advised by the Group that no material facts have been omitted from the information provided.

In preparing our opinion, we have complied with the HKIS Valuation Standards (2020 Edition) published by The Hong Kong Institute of Surveyors.

7. REMARKS

In accordance with our standard practice, we must state that this report is for the use only of the party to whom it is addressed and no responsibility is accepted to any third party for the whole or any part of its contents and neither the whole, nor any part of this report may be included in any published documents or statement nor published in any way without our prior written approval of the form and context in which it may appear.

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

Our Valuation Certificate is attached herewith.

Yours faithfully,
For and on behalf of

RAVIA GLOBAL APPRAISAL ADVISORY LIMITED

Dr. Alan Lee

PhD(BA) MFin BCom(Property)
MHKIS RPS(GP) AAPI CPV CPV(Business)
Director

Nancy Chan

Bsc (Hons) Surveying
MHKIS MRICS RPS(GP) MCIREA
Associate Director

Note:

Dr. Alan Lee is a Registered Professional Surveyor (General Practice), a member of Hong Kong Institute of Surveyors, and an Associate of Australian Property Institute. He has over 20 years' valuation experience in Hong Kong, Macau, the PRC, the Asia Pacific Region, and European and American countries.

Ms. Nancy Chan is a Registered Professional Surveyor (General Practice), a member of Hong Kong Institute of Surveyors and a member of Royal Institute of Surveyors. She has over 14 years' valuation experience in Hong Kong, Macau, the PRC, the Asia Pacific Region.

VALUATION CERTIFICATE

Property	Description and Tenure	Particulars of Occupancy	Market Rent in Existing State as at 10 September 2024
8th Floor, Wheelock House, No. 20 Pedder Street, Central, Hong Kong	Wheelock House is a 25-storey commercial building, completed in 1984.	As advised by the Group, the property is under a tenancy for a term of 2 years and 364 days commencing on 2 January 2025 and expiring on 21 December 2027 at a monthly rental of HK\$487,350 (Effective Rent: HK\$445,959) with rent free period of 92 days from 2 January 2025 to 1 February 2025, 2 January 2026 to 1 February 2026 and 1 November 2026 to 30 November 2026 exclusive of management fee, air-conditioning charges, rates, Government rent and other outgoings.	HK\$474,168 exclusive of Government rent, rates, management fee and other outgoings.
300/11,022th equal and undivided shares of and in Sections A, C and the Remaining Portion of Marine Lot No. 99, Sections A, B and the Remaining Portion of Marine Lot No. 200	The property comprises the whole floor on the 8th Floor of the development with a gross floor area of approximately 10,260 sq.ft.. Marine Lot No. 99 and Marine Lot No. 100 are held under various Government Leases for a term of 999 years all commencing on 16 November 1855.		

Notes:

1. The registered owner of the property is Oripuma Investments Limited vide Memorial No. 16082901330023 dated 1 August 2016.
2. The property is subject to the following material encumbrances:
 - a. Development Agreement in favour of Walker Realty Limited "Developer" vide Memorial No. UB1703202 dated 18 May 1979;
 - b. Deed of Variation of Crown Lease (M.L. 100 S.A, S.B & R.P) vide Memorial No. UB2597200 dated 24 May 1984;
 - c. Deed of Variation of Crown Lease (M.L. 99 S.A, S.B & R.P) vide Memorial No. UB2597201 dated 24 May 1984;
 - d. Occupation Permit No.H75/84 (MTR) vide Memorial No. UB2612647 dated 29 June 1984;
 - e. Deed of Mutual Covenant with Plans vide Memorial No. UB2628821 dated 3 August 1984; and
 - f. Supplemental Deed with Plan in favour of Oakmont Estates Limited (Previously Regd. By M.N 2639415) vide Memorial No. UB4860733 dated 8 August 1984.
3. The inspection was performed by Nancy Chan, with 14-year valuation experience, in October 2024.

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 aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

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

As at the Latest Practicable Date, and so far as the Directors are aware, none of the Directors or chief executives and their respective associates had any interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange under Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they are taken or deemed to have under such provisions of the SFO) or as recorded in the register of the Company required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

(b) Interests and short positions of substantial shareholders and other persons in the shares and underlying shares of the Company

As at the Latest Practicable Date, the following persons/entities (other than the Directors or chief executive of the Company) had or were deemed to have interests or short positions in the shares, the underlying shares and debentures of the Company which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under Section 336 of the SFO, or who were directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of the Company or any other member of the Group:

Name of substantial shareholders	Capacity/Nature of interests	Number of Shares held	Percentage of shareholding (Note 3)
Jantix Management Limited (Note)	Beneficial owner	560,000,000	56.0%
Yuen Sin Yee Claudia	Beneficial owner	192,200,000	19.2%

Note: Jantix Management Limited is the beneficial owner of 560,000,000 Shares, representing 56% of the Company's issued share capital. Jantix Management Limited is wholly owned by Mr. Lui Yu Kin.

Save as disclosed above, as at the Latest Practicable Date, the Directors are not aware of any other persons who had or were deemed to have an interest or a short position in the shares or the underlying shares of the Company which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under Section 336 of the SFO, or who were directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other member of the Group.

3. DIRECTORS' AND CONTROLLING SHAREHOLDER'S INTEREST IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors, controlling shareholders of the Company and their respective close associates (as defined under the GEM Listing Rules), was interested in any business which competes or is likely to compete either directly or indirectly with the business of the Group (as would be required to be disclosed under the GEM Listing Rules if each of them were a controlling shareholder).

4. LITIGATION

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

5. SERVICE CONTRACTS OF DIRECTORS

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

6. DIRECTORS' INTERESTS IN ASSETS AND CONTRACTS OF THE GROUP

As at the Latest Practicable Date, none of the Directors or expert 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 were proposed to be acquired or disposed of by or leased to any member of the Group since 30 September 2023, being the date to which the latest published audited consolidated financial statements of the Company were made up.

No Director was materially interested in any contract or arrangement subsisting at the Latest Practicable Date which was significant in relation to the business of the Group taken as a whole.

7. MATERIAL CONTRACTS

No contracts outside the ordinary course of business carried on by the Group had been entered into by the Group within the two years immediately preceding the date of this circular and up to the Latest Practicable Date which are or may be material.

8. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinion or advice contained in this circular:

Name	Qualification
Ravia Global Appraisal Advisory Limited	Independent property valuer

As at the Latest Practicable Date, the above expert:

- (a) had given and had not withdrawn its written consent to the issue of this circular with the inclusion of its letter or opinions or advice and references to its name, in the form and context in which they appear;
- (b) did not have any shareholding, directly or indirectly, in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and
- (c) did not have 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 were proposed to be acquired or disposed of by or leased to any member of the Group since 30 September 2023, being the date to which the latest published audited consolidated financial statements of the Company were made up.

9. GENERAL

- (a) The company secretary of the Company is Ms. Cheng Kwai Yee who is a member of the Hong Kong Institute of Certified Public Accountants.
- (b) The compliance officer of the Company is Mrs. Donati Chan Yi Mei Amy, who is the chief executive officer and the executive Director of the Company.
- (c) The registered office of the Company in Cayman Islands is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The head office and the principal place of business of the Company in Hong Kong is at 8/F., Wheelock House, 20 Pedder Street, Central, Hong Kong.
- (d) The principal share registrar and transfer office of the Company in Cayman Islands is Conyers Trust Company (Cayman) Limited at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The branch share registrar and transfer office of the Company in Hong Kong is Union Registrars Limited, Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road North Point, Hong Kong.

- (e) The audit committee of the Company was established on 16 January 2018 with written terms of reference in accordance with Rule 5.28 of the GEM Listing Rules and in compliance with paragraph C.3 of the Corporate Governance Code as set out in Appendix 15 to the GEM Listing Rules. The primary duties of the audit committee include, among others, to make recommendations to the Board on the appointment, re-appointment and removal of the external auditors, and handling any questions of their resignation or dismissal of that auditor reviewing the Group's financial statements and the annual, interim and quarterly financial reports, to review the Group's financial and accounting policies and practices and to review the Group's financial controls, and risk management and internal control system. The audit committee currently consists of three INEDs, namely Mr. Li Wai Ming (“**Mr. Li**”), Mr. Wan Chun Wai Andrew (“**Mr. Wan**”) and Ms. Chan Chiu Yee Natalie (“**Ms. Chan**”). The audit committee is chaired by Mr. Li.

Mr. Li, aged 54, was appointed as an independent non-executive Director (the “**INED**”) on 15 November 2017. Mr. Li has about 20 years of experience in the finance industry. From March 1997 to March 1999, Mr. Li worked in leading accounting firms. He held the position of senior finance manager in a company listed on the Stock Exchange before his retirement. Mr. Li also served as an independent non-executive director of China International Development Corporation Limited, a company listed on the Stock Exchange (stock code: 264) from September 2015 to December 2015. Mr. Li is a member of the Hong Kong Institute of Certified Public Accountants, a fellow of the Association of Chartered Certified Accountants in the United Kingdom (the “**UK**”), an associate member of The Chartered Governance Institute (formerly known as the Institute of Chartered Secretaries and Administrators) in the UK, a member of The Hong Kong Institute of Chartered Secretaries, and a certified tax adviser of the Taxation Institute of Hong Kong. Mr. Li obtained his master of professional accounting degree in November 2004 from the Hong Kong Polytechnic University.

Mr. Wan, aged 69, was appointed as an INED on 15 November 2017. Mr. Wan has over 20 years of experience in business administration and finance. Mr. Wan is now a School Manager of a kindergarten. Mr. Wan is a fellow member of the Association of Chartered Certified Accountants in the UK and a member of each of Certified General Accountants of Ontario, Canada, Chartered Professional Accountants, Canada and the Hong Kong Institute of Certified Public Accountants. Mr. Wan obtained his master of business administration degree from the University of South Australia in October 2009.

Ms. Chan, aged 38, was appointed as an INED on 15 November 2017. Ms. Chan has over 10 years of experience in the legal industry and is now working as a legal consultant, primarily responsible for providing legal advice. Ms. Chan was admitted a solicitor in Hong Kong in November 2013. Ms. Chan obtained her bachelor of science in corporate finance and accounting degree from Bentley University in the United States in May 2008 as well as her juris doctor degree in December 2010 and her postgraduate certificate in laws in July 2011, both from the Chinese University of Hong Kong.

- (f) Should there be any inconsistencies between the English text and the Chinese text of the circular, the English text of this circular shall prevail over the Chinese text.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.edico.com.hk) for a period of 14 days from the date of this Circular:

- (a) the Tenancy Agreement;
- (b) the valuation report prepared by Ravia Global Appraisal Advisory Limited, the text of which is set out in Appendix II to this circular; and
- (c) the written consent referred to in the section headed “Expert and Consent” of this appendix.