THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Winto Group (Holdings) Limited (the "**Company**"), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or the transfer was effected for transmission to the purchaser or transferee.

Winto Group (Holdings) Limited
惠陶集團(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8238)

MAJOR TRANSACTION AND NOTICE OF EXTRAORDINARY GENERAL MEETING

Financial adviser to the Company

Gram Capital Limited
嘉林資本有限公司

Capitalised terms used in this cover page shall have the same meanings as those defined in this circular.

A letter from the Board of the Company is set out from pages 5 to 19 of this circular. A notice convening the EGM to be held at Jasmine Room, 3/F., Best Western Plus Hotel Hong Kong, 308 Des Voeux Road West, Hong Kong on Friday, 21 July 2017 at 10:00 a.m. or any adjournment is set out from pages 50 to 51 of this circular. A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM in person, you are requested to complete and return the accompanying form of proxy to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, 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. Completion and return of the proxy form shall not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so desire.

This circular will remain on the "Latest Company Announcements" page of the GEM website at http://www.hkgem.com for at least 7 days from the date of its publication and on the website of the Company at http://www.wintogroup.hk/.

6 July 2017

GEM has been positioned as a market designed to accommodate 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. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the main board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

CONTENTS

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

"Announcement"	the announcement of the Company dated 5 June 2017 in relation to the Disposal
"associate(s)"	has the meaning ascribed thereto under the GEM Listing Rules
"Blue Sky"	Beijing Gas Blue Sky Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are primary listed on the main board of the Stock Exchange and secondary listed on Singapore Exchange Limited and is the sole shareholder of Goldlink Capital
"Blue Sky Shares"	ordinary share(s) in the issued and unissued capital of Blue Sky
"Board"	the board of Directors
"Business Day(s)"	a day on which commercial banks are open for business in Hong Kong (excluding Saturdays, Sundays, public holidays and any weekday on which Typhoon Signal No. 8 or higher is hoisted or a black rain storm warning is given in Hong Kong at any time during 9:00 a.m. to 5:00 p.m.)
"BVI"	the British Virgin Islands
"Company"	Winto Group (Holdings) Limited, a company incorporated in Cayman Islands with limited liability, the issued Shares of which are listed on GEM (stock code: 8238)
"Completion"	completion of the Disposal
"Completion Date"	the third Business Day after the date of fulfillment of the conditions precedent as set out in the Disposal Agreement
"Consideration"	the consideration for the Disposal in the amount of HK$36,000,000
"Deed of Novation and Assignment"	the deed of novation and assignment entered into between the Company, the Purchaser and Goldlink Capital on 5 June 2017 in respect of the novation and assignment of certain rights and obligations of the Company under the Previous Acquisition Agreement and the Promissory Notes to the Purchaser
"Deep Rich"	Deep Rich Limited (裕深有限公司), a company incorporated in Hong Kong with limited liability
"Director(s)"	director(s) of the Company

"Disposal"	the disposal of the Sale Share pursuant to the Disposal Agreement
"Disposal Agreement"	the agreement dated 5 June 2017 entered into between the Company and the Purchaser in relation to the Disposal
"EGM"	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve the Disposal Agreement and the transactions contemplated thereunder
"GEM"	the Growth Enterprise Market of the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM
"Goldlink Capital"	Goldlink Capital Limited, a company incorporated in the BVI with limited liability
"Group"	the Company and its subsidiaries
"He Chuang"	寧夏中際合創能源有限公司 (Ning Xia Zhong Ji He Chuang Energy Company Limited*), a company incorporated in the PRC with limited liability
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Third Party(ies)"	third party(ies) and their ultimate beneficial owner(s) (if applicable) which are independent of the Company and its connected persons
"Ji Qi Mao"	寧夏集氣貓網絡科技有限公司 (Ning Xia Ji Qi Mao Network Technology Company Limited*), a company incorporated in the PRC with limited liability
"Latest Practicable Date"	3 July 2017, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
"Long-Stop Date"	31 July 2017, or such other date as may be agreed between the Purchaser and the Company in writing
"LNG"	liquefied natural gas
"MOU"	the memorandum of understanding dated 28 April 2017 entered into between the Company and the Purchaser in relation to the Disposal
"PRC"	the People's Republic of China

"Previous Acquisition Agreement"	the sale and purchase agreement dated 24 June 2016 entered into between the Company and Goldlink Capital in respect of the acquisition of the entire issued share capital of the Target Company, which was completed on 28 June 2016
"Promissory Notes"	the promissory notes in the aggregate principal amount of HK$33,000,000 issued by the Company on 28 June 2016 in favour of Goldlink Capital in two separate tranches as partial settlement of the consideration under the Previous Acquisition Agreement
"Purchaser"	Luck Ocean Limited, a company incorporated in Hong Kong with limited liability
"Sale Share"	the one ordinary share of the Target Company, representing 100% of the issued share capital of the Target Company
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) in the issued and unissued capital of the Company
"Shareholder(s)"	the holder(s) of Shares
"Shenzhen Yushen"	深圳裕深能源發展有限公司 (Shenzhen Yu Shen Energy Development Company Limited*), a company incorporated in the PRC with limited liability
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"substantial shareholder(s)"	has the meaning ascribed thereto under the GEM Listing Rules
"Takeovers Code"	the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong
"Target Company"	Lasermoon Limited, a company incorporated in BVI with limited liability
"Target Group"	the Target Company and its subsidiaries
"Yu Bao"	深圳裕寶網絡有限公司 (Shenzhen Yu Bao Network Company Limited*), a company incorporated in the PRC with limited liability

"Yu Shen Bao"	深圳裕深寶科技有限公司 (Shenzhen Yu Shen Bao Technology Company Limited*), a company incorporated in the PRC with limited liability
"%" or "per cent."	percentage or per centum

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

If there is any inconsistency between the Chinese names of the PRC entities mentioned in this circular and their English translations, the Chinese names shall prevail.

* *For identification purposes only*

Winto Group (Holdings) Limited
惠陶集團(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8238)

Executive Directors:
Mr. Mak Wai Kit
Ms. Law Shiu Wai
Mr. Lan Zhi Cheng

Non-executive Director:
Mr. Liu Kwong Chi Nelson

Independent non-executive Directors:
Mr. Tsang Ho Ka Eugene
Ms. Wong Fei Tat
Mr. Pang Siu Yin

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

Head office and principal place of business:
Room 1001, 10/F
Grandmark
No. 10 Granville Road
Tsim Sha Tsui, Kowloon,
Hong Kong

6 July 2017

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION

INTRODUCTION

Reference is made to the Announcement regarding the Disposal.

On 5 June 2017 (after trading hours), the Company (as the vender) and the Purchaser entered into the Disposal Agreement, pursuant to which the Company has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire the Sale Share at the Consideration of HK$36 million.

This circular provides you with information regarding, amongst others, (i) further details of the Disposal Agreement and the transactions contemplated thereunder; (ii) the valuation report of the Target Group; and (iii) the notice of the EGM.

THE DISPOSAL

I. The Disposal Agreement

Set out below are the principal terms of the Disposal Agreement:

Date

5 June 2017

Parties involved

(i) the Company; and

(ii) the Purchaser

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (i) the Purchaser and its associates are Independent Third Parties and do not hold any Shares or other convertible securities in the Company as at the Latest Practicable Date; (ii) the Purchaser and its associates do not have any business, financial or other relationship with Goldlink Capital; and (iii) there was no previous transaction or business relationship among the Company, the Purchaser and/or its associates in the previous 12 months which would result in aggregation under Rule 19.22 of the GEM Listing Rules.

Subject matter

Pursuant to the Disposal Agreement, the Company has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire the Sale Share, representing the entire equity interest in the Target Company.

Upon Completion, the Target Company and its subsidiaries will cease to be subsidiaries of the Company and their respective financial results will no longer be consolidated into the financial results of the Group.

Consideration

The Consideration for the Disposal is HK$36 million and shall be satisfied by the Purchaser as follows:

(i) as to HK$3 million, within ten Business Days from the date of the Disposal Agreement as deposit (the "**Deposit**") and part payment of the Consideration in cash to be paid or caused to be paid by the Purchaser in immediately available funds by wire transfer to an account or accounts that have been designated by the Company at least three Business Days prior to the Purchaser making such payment; and

(ii) as to HK$33 million, on Completion Date by the Purchaser's assumption of the rights and obligations of the Company under the Promissory Notes in accordance with the terms and conditions of the Deed of Novation and Assignment.

As at the Latest Practicable Date, the Deposit of HK$3 million has been paid by the Purchaser to the Company.

The Consideration was arrived after arm's length negotiations between the Company and the Purchaser after taking into account the preliminary valuation of the Target Group of approximately HK$35 million as at 31 March 2017 prepared by Crowe Horwath (HK) Consulting Valuation Limited, an independent valuer based on income approach. The valuation of the Target Group was HK$35 million as at 31 March 2017. The Board considers that the assumptions made in the financial forecast and the assumptions made and parameters used by the valuer in the Valuation Report are fair and reasonable and factually supportable.

The valuation report on the Target Group (the "**Valuation Report**") is set out in Appendix II to this circular.

The Promissory Notes were issued by the Company to Goldlink Capital on 28 June 2016 to settle part of the consideration payable by the Company to Goldlink Capital upon completion of the acquisition of the entire issued share capital of the Target Company (the "**Previous Acquisition**") on 28 June 2016. By the execution of the Deed of Novation and Assignment, all rights and obligations under each of the Promissory Notes shall be assigned and novated to the Purchaser and the principal amount of each of the Promissory Notes payable by the Company to Goldlink Capital shall be reduced to zero.

Profit guarantee

Under the Deed of Novation and Assignment, the Company shall, with effect immediately after Completion, assign the rights of the Company under the Previous Acquisition Agreement to the Purchaser so as to extend the right to a profit guarantee given by Goldlink Capital in favour of the Company under the Previous Acquisition Agreement to the Purchaser.

Under the Previous Acquisition Agreement, Goldlink Capital guaranteed to the Company that the consolidated net profit after tax of the Target Group (based on its audited financial statements) for each of the two financial years ending 31 December 2017 and 31 December 2018 shall not be less than HK$3,500,000 for each respective year.

(i) in the event that the guaranteed profit has been met or satisfied, no compensation shall be paid by Goldlink Capital to the Company;

(ii) in the event that the Target Group records a consolidated profit but fails to meet the guaranteed profit (the shortfall being the difference between the guaranteed profit and the actual profit) in any of the two financial years ending 31 December 2017 and 31 December 2018, Goldlink Capital shall pay the Company a compensation in cash, within 30 days upon the Company serving a written notice to Goldlink Capital after the Company receiving the audited consolidated financial statement of the Target Group on or before 31 March 2018 and 31 March 2019 respectively, or such other dates as the parties to the Previous Acquisition Agreement may from time to time mutually agree in writing, of an amount equivalent to 2.5 times the shortfall for the corresponding year;

(iii) in the event of any excess between the guaranteed profit and actual profit earned by the Target Group in the financial year ending 31 December 2017, the amount in excess shall be carried forward as an additional amount of the actual profit earned by the Target Group in the following financial year and no compensation shall be paid by Goldlink Capital to the Company in the financial year ending 31 December 2017;

(iv) in the event that the Target Group has not earned any profit or recorded a loss in any of the two financial years ending 31 December 2017 and 31 December 2018, Goldlink Capital shall pay the Company a compensation in cash, within 30 days upon the Company serving a written notice to Goldlink Capital after the Company receiving the audited consolidated financial statement of the Target Group on or before 31 March 2018 and 31 March 2019 respectively, or such other dates as the parties to the Previous Acquisition Agreement may from time to time mutually agree in writing, of an amount of HK$8,750,000, equivalent to 2.5 times the respective guaranteed profit for the corresponding year;

(v) in the event that Goldlink Capital has to, but fails to, pay the Company compensation in cash pursuant to (ii) and (iv) as set out above, Goldlink Capital shall pay the Company an interest at a rate of 3% p.a. calculated with reference to such unpaid amount of compensation, until Goldlink Capital has repaid all the amount due.

Condition precedent

Completion is conditional upon the Company having obtained the approval of the Shareholders at an extraordinary general meeting of the Company for the transactions contemplated under the Disposal Agreement in accordance and compliance with the GEM Listing Rules.

If the above condition has not been satisfied on or before the Long-Stop Date, or such later date as the Company and the Purchaser may agree in writing, the Disposal Agreement shall automatically lapse and neither party shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches of the terms thereof. The above condition cannot be waived by any party to the Disposal Agreement.

As at the Latest Practicable Date, the above condition has not been fulfilled.

Completion

Upon compliance with or fulfilment of the condition set out in the sub-section headed "Conditions precedent" above, Completion shall take place on the Completion Date at the principal place of business of the Company in Hong Kong at 5:00 p.m., or such other time and place as the Company and the Purchaser may agree.

II. Deed of Novation and Assignment

Set out below are the principal terms of the Deed of Novation and Assignment:

Date

5 June 2017

Parties involved

(i) the Company;

(ii) the Purchaser; and

(iii) Goldlink Capital

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Goldlink Capital and their respective associates are Independent Third Parties, save and except for that as at the Latest Practicable Date, the Company holds 6,400,000 Blue Sky Shares, representing approximately 0.07% of the total issued share capital of Blue Sky.

Novation

With effect immediately after Completion, the Company shall novate to the Purchaser all obligations and liabilities of the Company under or in relation to each of the Promissory Notes (the "**PN Novation**").

Assumption of liabilities and obligations

With effect immediately after Completion, the Purchaser shall assume all obligations and liabilities of the Company under or in relation to each of the Promissory Notes. The Purchaser undertakes to perform all obligations and liabilities of the Company under or in relation to each of the Promissory Notes and discharge each of the amount payable under or in relation to each of the Promissory Notes.

Release of the Company

Goldlink Capital consents to the novation set forth in the sub-sections headed "Novation" and "Assumption of liabilities and obligations" above and absolutely and unconditionally releases and discharges the Company from all obligations, liabilities, claims and demands whatsoever, howsoever arising under or in relation to the Promissory Notes immediately after Completion.

Assignment

With effect immediately after Completion, the Company as legal and beneficial owner assigns to the Purchaser absolutely and the Purchaser agrees to take an assignment of all the Company's right, title and interest in each of the Promissory Notes and the Previous Acquisition Agreement together with the full benefit and advantage attaching thereto.

Notice

Goldlink Capital takes notice of and consents to the assignment set forth in the sub-section headed "Assignment" above.

III. The Promissory Notes

The principal terms of the Promissory Notes are summarised as follows:

Principal amount:	Initial Tranche:	HK$24,250,000
	Second Tranche:	HK$8,750,000
Date of issue:	28 June 2016	
Maturity date(s):	Initial Tranche:	The twenty-fourth (24th) month of the date of issue
	Second Tranche:	The thirty-sixth (36th) month of the date of issue
Interest:	Nil	

Transferability and Restrictions:	(i) Any transfer of the Promissory Notes shall be in respect of the whole or any part (in multiples of HK$500,000 except the remaining balance) of the respective principal amount of the Promissory Notes; and (ii) The Promissory Notes must not be transferred to any person, firm or company which is a connected person (as defined in the GEM Listing Rules) of the Company except in compliance with the applicable requirements under the GEM Listing Rules and the Takeovers Code.
Early Redemption:	The Company may redeem all or part of the Promissory Notes at any time prior to the respective maturity date at 100% of their face value respectively, by giving the holder of the Promissory Notes not less than seven (7) days' prior written notice specifying the amount and date of prepayment without any penalty, prepayment or other fees.
Application for listing:	No application will be made by the Company to the Stock Exchange for the listing of the Promissory Notes.

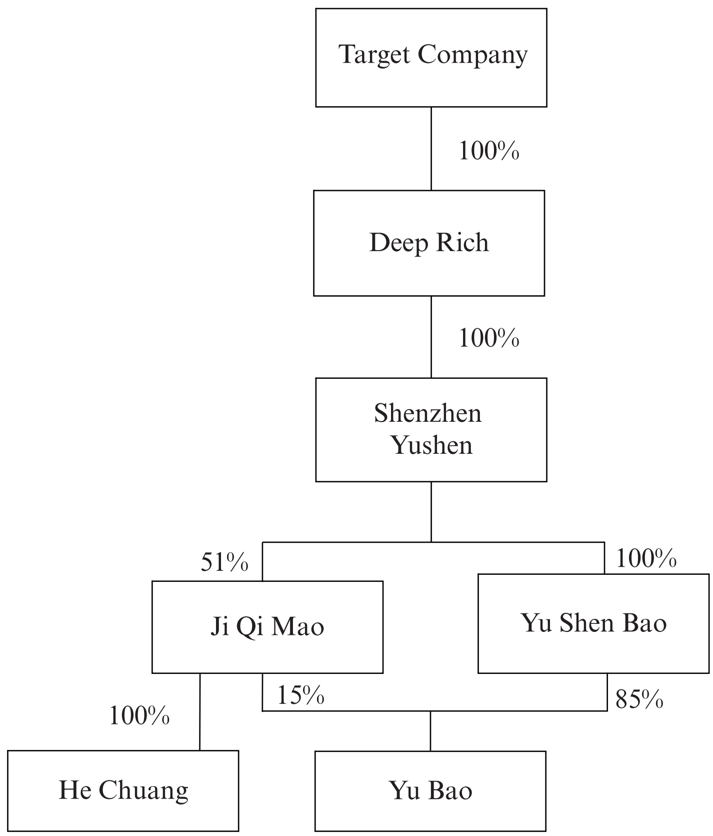
INFORMATION ON THE PURCHASER

The Purchaser is an investment holding company incorporated in Hong Kong with limited liability. The ultimate beneficial owner of the Purchaser is Ms. Gu Ying. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Ms. Gu Ying is a PRC citizen and an Independent Third Party.

INFORMATION ON THE TARGET GROUP

Shareholding structure of the Target Group

Set out below is the shareholding structure of the Target Group as at the Latest Practicable Date:



Target Company

The Target Company is a company incorporated in the BVI on 18 November 2015 with limited liability and principally engaged in investment holding. As at the Latest Practicable Date, the Target Company is a direct wholly-owned subsidiary of the Company.

Deep Rich

Deep Rich is a company incorporated in Hong Kong on 1 September 2015 with limited liability and principally engaged in investment holding. As at the Latest Practicable Date, Deep Rich is a direct wholly-owned subsidiary of the Target Company.

Shenzhen Yushen

Shenzhen Yushen is a company incorporated in the PRC on 9 December 2015 with limited liability and principally engaged in investment holding. As at the Latest Practicable Date, Shenzhen Yushen is a direct wholly-owned subsidiary of Deep Rich.

Yu Shen Bao

Yu Shen Bao is a company incorporated in the PRC on 14 June 2016 with limited liability and principally engaged in investment holding. As at the Latest Practicable Date, Yu Shen Bao is a direct wholly-owned subsidiary of Shenzhen Yushen.

Ji Qi Mao

Ji Qi Mao is a company incorporated in the PRC on 21 January 2015 with limited liability and principally engaged in internet information technology development, e-commerce, sales, installation, testing and maintenance of information system, and development of software. As at the Latest Practicable Date, Ji Qi Mao is owned as to 51% by the Company and 49% by an Independent Third Party.

Ji Qi Mao has its business operations in Yinchuan, Ningxia, the PRC with 11 staff members. The business operations of Ji Qi Mao include the trading of LNG for vehicles, and the development of trading platforms including the operation of "Ji Qi Mao Platform" and "Jia Qi Mao Platform" (collectively, the "**Platforms**"). The Platforms adopt business operation model of "business to business to consumer" (the "**B2B2C**"), connecting LNG factories, gas refueling stations, trading companies, logistics companies and industrial gasification stations. "Ji Qi Mao Platform" is expected to collect scattered orders of gas refueling stations and trading companies to facilitate bulk purchase from LNG factories and LNG receiving terminals, thus to speed up the LNG factories and LNG receiving terminals' LNG sales to earn commission. Such commission is then expected to be rewarded to middle and downstream users, including gas-powered vehicles drivers and industrial gasification stations in order to attract the end users and to guarantee upstream and middle stream bulk purchase. "Jia Qi Mao Platform" is expected to allow gas-powered vehicles drivers to search for the nearest gas refueling stations, and make payment via settlement partners of "Jia Qi Mao Platform", including but not limited to, UnionPay, Alipay, WeChat Pay, and credit cards. Registered users of "Jia Qi Mao Platform" can in turn enjoy value-added services and rewards by trading via the "Jia Qi Mao Platform". Payment amount from each single transactions are then expected to be remitted to the accounts of gas refueling stations in "Ji Qi Mao Platform", of which they can then use their credits in "Ji Qi Mao Platform" to conduct trading with LNG factories via "Ji Qi Mao Platform", thereby the Platforms constitute a complete industrial operation chain by realizing the concept of "B2B2C".

The Platforms focus on consumer needs, adopting the integrated online and offline, virtual and reality approaches to connect the upstream, midstream and downstream of LNG industry chain. The Platforms aim to convert the traditional business models to "Ji Qi Mao LNG business model" to reduce the excessive transaction costs arising from the shortage of information, finance and logistics by integrating the flows of information, logistics and capital. The expected advantages of the Platforms are traceable LNG transactions, safer, fairer and transparent supply chains, and effective integration and collaboration of industrial chains.

The LNG business model of the Platforms aims at connecting the upstream, midstream and downstream of LNG industry chain and unifying the flows of information, capital and logistics, especially in the liquefaction of LNG, delivery to consumers, transportation and logistics for industrial applications, transformation from offline traditional sales to online transactions, and the transformation from terminal consumption to process control.

The Platforms also target at improving the transaction efficiency in LNG industry by providing domestic coverage of information in LNG industry, involving tanker geographic information systems, global positioning system, integrated backhaul tanker resources, transactions reviews and approval. The business model is also expected to reduce the unloaded tankers ratio, by adopting five new ways of conducting transactions, through Web (Internet), Wap (mobile Internet), Apps (mobile client), WeChat (service account) and personal computer client, combined with value-added services involving the Internet of Things, cloud computing, big data and supply chain finance.

Yu Bao

Yu Bao is a company incorporated in the PRC on 20 June 2016 with limited liability and principally engaged in operating an e-commerce trading platform of LNG. Yu Bao is a joint venture established by Yu Shen Bao and Ji Qi Mao. As at the Latest Practicable Date, Yu Bao is owned as to 85% by Yu Shen Bao and 15% by Ji Qi Mao.

As disclosed in the announcement of the Company dated 26 June 2016, Yu Bao entered into two platform service agreements pursuant to which the counterparty to the agreements shall conduct natural gas trading activities on the Platforms. As Yu Bao could not obtain the licenses and permits from the relevant authorities for the operation of the LNG e-commerce trading platform, in October 2016 the said platform service agreements were transferred from Yu Bao to Ji Qi Mao, which obtained the licenses and permits from the relevant authorities for the operation of the LNG e-commerce trading platform in September 2016. Yu Bao has become inactive and was not regarded as an operating subsidiary in the Valuation Report.

He Chuang

He Chuang is a company incorporated in the PRC on 9 March 2016 with limited liability and principally engaged in the trading of LNG and related products. As at the Latest Practicable Date, He Chuang is a direct wholly-owned subsidiary of Ji Qi Mao.

Besides developing the proprietary business for energy and other related products, He Chuang also plans to distribute and trade LNG as a wholesaler and sales agent to industrial users through direct supply facilities.

Financial information of the Target Group

Set out below is the unaudited consolidated financial information of the Target Group for the period from 18 November 2015 (being the incorporation date of the Target Company) to 31 December 2015 and for the year ended 31 December 2016 prepared in accordance with the Hong Kong Financial Reporting Standards:

	For the year ended 31 December 2016	**For the period from 18 November 2015 (being the incorporation date of the Target Company) to 31 December 2015**
	HK$'000	*HK$'000*
Revenue	93,004	Nil
Loss before tax	(2,546)	(591)
Loss after tax	(2,590)	(591)

The unaudited net liabilities of the Target Group was approximately HK$2.55 million as at 31 March 2017.

REASONS FOR THE DISPOSAL

The Group is engaged in the (i) sales and free distribution of Chinese language lifestyle magazines, the sales of advertising space in the magazines; (ii) provision of outdoor advertising services; (iii) development and operation of e-commerce trading platform; (iv) trade of LNG and related products; and (v) development of mobile phone apps, provision of apps solutions and provision of online marketing planning and production.

The Previous Acquisition in 2016 was an attempt of the Group to diversify its business into the LNG related business. As mentioned in the announcement of the Company dated 26 June 2016 regarding the Previous Acquisition, the Target Group's business requires significant capital investment in its current development and future operation. When entering into the Previous Acquisition, the Company expected that the Target Group could obtain debt financing to meet its own capital investment requirement. There is a new business plan of the Target Group to distribute and trade LNG as a wholesaler and sales agent to industrial users through direct supply facilities which also requires significant capital investment. Therefore, the Target Group may not be able to obtain sufficient debt financing to meet all of its capital investment requirement. Should the Target Group fail to obtain sufficient funding by itself, the Company will have to finance the Target Group's business development. Although the Group attempted to speed up the development progress of its LNG related business during the year ended 31 December 2016, after due consideration, the Board considers that the Disposal represents an opportunity for the Group to realise its investment in the Target Group and avoid substantial amount of further investment. Given the PN Novation, the liability level of the Group will also be improved after Completion. After considering the possible benefits of the Disposal, the Company engaged professional parties for further assessment on the possible Disposal and preparation of the Disposal Agreement in April 2017.

It is expected that the Company will record an estimated gain of approximately HK$2.8 million (subject to final audit) from the Disposal upon Completion, being calculated based on (i) the amount of the Consideration (which was partially satisfied by the Deposit of HK$3 million and to be partially satisfied by the PN Novation in relation to the Promissory Notes with carrying value of approximately HK$26.5 million as at 31 March 2017); (ii) the assets and liabilities attributable to the Target Group (including goodwill) under the unaudited consolidated management account of the Group as at 31 March 2017 (with a net amount of approximately HK$25.1 million); and (iii) the relevant expenses and transaction costs caused by the Disposal, which are expected to be approximately HK$1.5 million.

The Group intends to use the net proceeds from the Disposal as additional working capital for the Group and to fund the Group's future investments if and when suitable opportunities arise.

The Group aims to develop a diversified business profile and broaden its revenue source and leverage with the existing business. Having considered the potentials of the mobile apps industry (The total number of the netizens in the PRC reached approximately 731 million as at December 2016 and 95.1% of those netizens use mobile phones to access the internet. The growth rate of the number of netizens using mobile phones to access the internet was over 10% in each of the three years ended 31 December 2016. The time mobile phone users spent on mobile applications in December 2016 reached 5,041 billion minutes, representing an increase of 13.8% as compared to the same period in 2015.) and the money lending industry, the Board was optimistic on the aforementioned industries. Therefore, the Group started the development and operation of e-commerce trading platform, development of mobile phone apps, provision of apps solutions and provision of online marketing planning and production ("**Mobile Apps Business**") and Money Lending Business (as defined below) after its listing.

The remaining business

Upon Completion, the Company will not continue the development and operation of e-commerce trading platform. The Group will continue and has no intention, understanding, negotiation, arrangement or agreement to downsize, terminate or dispose of the other remaining businesses.

In respect of the Mobile Apps Business, Qihui Group (International) Limited, an indirect subsidiary of the Company, together with its subsidiaries (the "**Qihui Group**") is principally engaged in the mobile phone apps development and provision of app solutions for its clients coming from different sectors including education, fashion and retails. It is also involved in WeChat and others social media planning, production and promotion, as well as research in blending WeChat with corporate marketing and planning.

The Qihui Group operates on a local scale in Guangzhou, the PRC. In order to differentiate itself in mobile application market in the PRC and to cope with the fast-moving online marketing trends, the Qihui Group also provides value-added services to its clients in order to gain market share. The Qihui Group not only provides tailor-made mobile phone apps, but also provides online marketing solutions via social media to clients. The Qihui Group has developed a management system which can improve the effectiveness of the mobile phone apps development process and reduce the development time. Meanwhile, it is preparing its national marketing campaign through franchising under which the franchisees will be allowed to operate their own shops and provide mobile application solutions nationwide under the brand name of Qihui. The Qihui Group provides training and on-going sales support to its franchisees while the franchisees are mainly responsible for identifying and recruiting new customers. Mr. Cheung Siu Kin, who has over 6 years of experience in IT business and is one of the founders of 廣州啟匯營銷策劃有限公司 ("**GZ Qihui**"), is responsible for strategic planning and overseeing the overall operation of Mobile Apps Business. Mr. Cheung joined the Group in 2016 when GZ Qihui became a subsidiary of the Group. Mr. Lui Hiu Chung, who has over 6 years of experience in IT business and is one of the founders of GZ Qihui, is responsible for overseeing products development and the overall operation of online marketing business. Mr. Lui joined the Group in 2016 when GZ Qihui became a subsidiary of the Group. Our executive Director, Mr. Lan Zhi Cheng also has experience in the IT business. He holds a Bachelor's Degree in Engineering (Manufacturing Systems Engineering with Management) from King's College London, University of London. Mr. Lan is the co-founder of BlackPilot, a company which is based in Europe and is specialized in business process management software. He also co-founded Promotiontube, a B-to-B, e-commerce platform.

As for the Money Lending Business, with reference to the first quarterly report of the Group for the three months ended 31 March 2017, the Group completed the acquisition of 100% equity interests in i-Lend Finance Limited ("**i-Lend**"). i-Lend is a licensed money lender that is regulated under the Money Lenders Ordinance in Hong Kong. i-Lend is principally engaged in providing the money lending service. i-Lend aims to focus on providing secured loans to individual and corporate customers. While i-Lend has not yet commenced operation, the Group is still seeking relevant senior management to monitor the overall Money Lending Business and fix up the business development plan.

Taking into account the abovementioned factors, the Directors consider that the terms and conditions of the Disposal Agreement are fair and reasonable and on normal commercial terms and the Disposal is in the interests of the Company and Shareholders as a whole.

FINANCIAL EFFECT OF THE DISPOSAL

Upon Completion, members of the Target Group will cease to be subsidiaries of the Company and their financial results will no longer be consolidated into the financial results of the Group.

Effect on assets/liabilities

With reference to the annual report of the Company for the year ended 31 December 2016, the consolidated total assets and total liabilities of the Group were approximately HK$130.6 million and HK$55.8 million respectively as at 31 December 2016. As confirmed by the Directors, it is expected that the total assets of the Group would decrease by approximately HK$46.7 million and the total liabilities of the Group would decrease by approximately HK$49.8 million upon the Completion.

Effect on earnings

It is expected that the Company would record an estimated gain of approximately HK$2.8 million (subject to final audit) from the Disposal upon Completion. The estimated gain will be recognised in the statement of profit and loss and after comprehensive income of the Company for the year ending 31 December 2017.

It should be noted that the aforementioned estimations are for illustrative purpose only and do not purport to represent how the financial position of the remaining Group will be upon Completion.

GEM LISTING RULES IMPLICATIONS

As the relevant percentage ratios of the Disposal calculated pursuant to Rule 19.07 of the GEM Listing Rules exceed 25% but are less than 75%, the Disposal constitutes a major transaction for the Company under Chapter 19 of the GEM Listing Rules and is subject to reporting, announcement and shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

The EGM will be convened for the purpose of considering and, if thought fit, approving the Disposal Agreement and the transactions contemplated thereunder. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries as at the Latest Practicable Date, no Shareholder will be required to abstain from voting on the resolution to be proposed at the EGM.

EGM

A notice convening the EGM to be held at Jasmine Room, 3/F., Best Western Plus Hotel Hong Kong, 308 Des Voeux Road West, Hong Kong on Friday, 21 July 2017 at 10:00 a.m. or any adjournment is set out from pages 50 to 51 of this circular. A form of proxy for use at the EGM is enclosed. Whether or not you are able to attend the EGM in person, you are requested to complete and return the accompanying form of proxy to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, 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. Completion and return of the proxy form shall not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so desire.

RECOMMENDATION

The Directors consider that the terms of the Disposal Agreement are on normal commercial terms and are fair and reasonable so far as the Shareholders are concerned, and that the Disposal is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Disposal Agreement and the transactions contemplated thereunder.

ADDITIONAL INFORMATION

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

By order of the Board
Winto Group (Holdings) Limited
Mak Wai Kit
Executive Director

1. THREE YEAR FINANCIAL INFORMATION

Details of the financial information of the Group for each of the three financial years ended 31 December 2014, 31 December 2015 and 31 December 2016 respectively have been set out on pages 35 to 80, pages 40 to 88 and pages 49 to 106 of the Company's annual reports for the financial years ended 31 December 2014, 31 December 2015 and 31 December 2016 respectively, which were published on the website of the Stock Exchange (www.hkex.com.hk) and the website of the Company at www.wintogroup.hk.

2. INDEBTEDNESS STATEMENT

At 31 May 2017, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Group had bank borrowings of approximately HK$0.8 million, amount due to non-controlling shareholders of subsidiaries of approximately HK$2.2 million and promissory notes payable of approximately HK$27.1 million.

Save as disclosed above and apart from intra-group liabilities, the Group did not have, at the close of business on 31 May 2017, any debt securities issued and outstanding or agreed to be issued, bank borrowings or other similar indebtedness, mortgages and charges, guarantees or other material contingent liabilities.

3. WORKING CAPITAL

The Directors are of the opinion that, after taking into account the presently available financial resources, banking facility presently available and the proceed from the proposed Disposal, the Group will have sufficient working capital for its business for the next twelve months from the date of this circular in the absence of unforeseeable circumstances.

4. FINANCIAL AND TRADING PROSPECT OF THE GROUP

The advertising industry, especially the traditional media, remains challenging and the economic outlook is still uncertain. In May 2017, the Group suspended the publication of two of the Group's magazines, Pets Buyer and Bplus. The Group will reallocate the resources to and focus the development of the Group's remaining magazines.

The Group will continue to look for other opportunities in an attempt to diversify its business in order to reduce its reliance upon the existing magazine and advertising business. The Group will also continue to review and integrate its business units and so as to reduce costs and enhance return to shareholders.

Please refer to the section headed "REASONS FOR THE DISPOSAL — The remaining business" of the Letter from the Board for further details of the remaining businesses after the Disposal.

Crowe Horwath™

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Our Ref.: VC/RWA/1490/2017

Date: 6 July 2017

Board of the Directors
Winto Group (Holdings) Limited
Room 1001, 10th Floor, Grandmark,
No. 10 Granville Road,
Tsim Sha Tsui, Kowloon,
Hong Kong

Dear Sirs,

RE: Valuation of 100% Equity Interest of the Lasermoon Limited

In accordance with an instruction from Winto Group (Holdings) Limited (the "**Instructing Party**") for us to conduct on the market value basis of 100% equity interest (the "**Equity Interest**") of Lasermoon Limited (the "**Target Company**"), as at 31 March 2017 (the "**Valuation Date**").

We confirm that we have made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the 100% Equity Interest of the Target Company. This valuation is complied with the RICS Valuation — Professional Standards published by the Royal Institution of Chartered Surveyors ("**RICS**") and International Valuation Standards ("**IVS**") published by the International Valuation Standards Council.

The purpose of this report is to express an independent opinion on the market value of the Equity Interest of the Target Company for the Instructing Party's Public Circular purpose only.

1 BACKGROUND OF THE TARGET COMPANY AND ITS SUBSIDIARIES

Lasermoon Limited is a company incorporated in British Virgin Islands ("**BVI**") on 18 November 2015 with limited liability and principally engaged in investment holding. The major operating subsidiaries of Lasermoon Limited include:

- 寧夏中際合創能源有限公司 (the "**He Chuang Company**"); and
- 寧夏集氣貓網絡有限公司 (the "**Ji Qi Mao Company**");

As at Valuation Date, the effective percentage of shares of He Chuang Company and Ji Qi Mao Company held by Lasermoon Limited (together with its subsidiaries, collectively known as the "**Target Group**") shows as below table.

Operating Subsidiary	**Shareholding %**
He Chuang Company	51%
Ji Qi Mao Company	51%

In the course of valuation, we have obtained separate financial forecasts for He Chuang Company and Ji Qi Mao Company as they are exposed to different economic environment and business risks. We arrive at the Equity Interest of Target Company mainly through multiplying the percentage of shareholding by the value of equity of the two above mentioned operation subsidiaries.

Background on He Chuang Company

He Chuang Company is a company incorporated in the PRC with limited liability, and principally engaged in trading of natural gas business. As per discussion with management, the major businesses of He Chuang Company include:

- LNG supply station business;
- LNG trading business; and
- LPG trading business

Background on Ji Qi Mao Company

Ji Qi Mao Company is a company incorporated in PRC with limited liability in January 2015, and principally engaged in internet information technology development, e-commerce, sales, installation, testing and maintenance of information system, and development of software.

2 INDUSTRY INTRODUCTION OF NATURAL GAS

In order to reduce reliance on polluting energy sources, the PRC government has taken many steps to promote the development and utilization of less polluting energy sources in recent years. Natural gas is considered a cleaner and superior substitute for conventional energy sources such as coal and crude oil. The PRC government has therefore been very supportive of the development of the natural gas industry. The natural gas industry in the PRC is considered to be a promising sector with positive growing momentum.

China's domestic proved reserves of natural gas was at approximately 5.4 trillion m^3 for the year ended 2016. Facing a continuous growing demand for energy, natural gas is an important alternative other than crude oil that can improve the energy composition of China. According to the BP Statistical Review of World Energy 2017, Chinese consumption of natural gas in 2016 was at approximately 189.3 million tonnes oil equivalent and has maintained a CAGR of 15% in the ten-year period from 2005 to 2015, whereas the total prime energy consumption of China was amounted to approximately 3,053 million tonnes oil equivalent in 2016.

Despite China's pollution problems and international environmental commitments, the role of natural gas in China's energy mix remains relatively low. The percentage of natural gas in the energy consumption composition of China was amounted to approximately 6.2%, which was below the global and Asia Pacific average levels of 24.1% and 11.7%, respectively in 2016. The production of natural gas in the China was at approximately 124.6 million tonnes oil equivalent in 2016 and has maintained a CAGR of 10.3% in the ten-year period from 2005 to 2015. The production of natural gas in China has been growing rapidly to meet the rapid increase in demand for clean energy led by national economic development and an increase in proven reserves of natural gas in China.

In the PRC, natural gas is mostly used for electricity generation, industrial and urban consumption, and petrochemical feedstock. In recent years, there are series of supporting policies issued by the government to further develop and utilize natural gas. A major example of these policies is the "Guidelines of Energy Work in 2016" issued by National Energy Administration of the National Development and Reform Commission (NDRC) in 2016. This policy emphasized that further construction and development of natural gas refueling stations and natural gas vehicles should remain as a key focus of the government. According to the "Action Plan of Energy Development Strategy (2014–2020)" released in 2014 by the State Council, the PRC government planned to increase the share of natural gas in primary energy consumption from 5.9% in 2010 to 10% in 2020.

3 VALUATION METHODOLOGY

There are three generally accepted valuation approaches in valuation of Equity Interest of the Target Company.

3.1 Asset Approach (or Cost Approach)

Asset approach (or known as cost approach) is an asset-based rather than a market-oriented method. It requires valuing the business on an individual basis to add up to the total valuations of business.

Under this approach, the expenses or costs on replacing or re-acquiring individual items or parts are estimated by valuers on an itemised basis, thus arriving at the valuation of target business.

3.2 Market Approach

Market approach is the most straightforward valuation method in determining market value of assets. Under this approach, valuers seek to identify the transaction cases having been executed and qualified as a reference for value comparison. It is normally difficult to apply the approach to unique business, as there are a lack of sufficient comparable transactions for reference.

3.3 Income Approach

Income approach is an income-oriented valuation method assuming that the investors may invest in alternative business with similar characteristics but not necessarily identical with the subject business.

Under the income approach, business value equals to the present value of the future expected income or economic benefit brought by the business, which involves the principle of capitalisation. Generally, capitalisation is a process through which the expected benefit is discounted based on the required rate of return (risk factors).

3.4 Selection of Assessment Methodology

We considered that the market approach not applicable for the valuation, as there are insufficient comparable transactions in the market. We also considered that cost approach not an adequate approach for the valuation, as this approach does not take future growth potential into consideration. Thus, we determined that the income approach was the most appropriate valuation approach to value the Equity Interest. Discounted cash-flow method was used in this case of valuation.

Discounted Cash-flow Method (the "DCF Method")

The discounted cash-flow method is premised on the concept that the value is based on the present value of all future benefits that flow to the shareholder by applying an appropriate discount rate. These future benefits consist of current income distributions, appreciation in the asset, or a combination of both. In essence, this valuation method requires a forecast to be made of cash-flow, going out far enough into the future until an assumed stabilization occurs for the business being appraised. This methodology assumes that the forecasted income/cash-flow will not necessarily be stable in the near term but will stabilize in the future.

4 DISCUSSION OF FINANCIAL FORECAST

Forecast Period

We have performed our valuation based on the financial forecast provided by the management of the Instructing Party. In the valuation of the Target Company, financial forecast is prepared based on the two main operating subsidiaries, He Chuang Company and Ji Qi Mao Company. The forecast period is from 2017 to 2021 (the "**Forecast Period**").

Projected Revenue

We discussed the growth assumptions regarding the financial forecasts of different operation subsidiaries with the management of the Target Company.

He Chuang Company: Revenue of He Chuang Company comes from the existing LNG trading business, LPG trading business and projected LNG supply station business.

For LNG supply station business, no LNG supply station has been built by May 2017. Management has provided a detailed construction plan where 20 LNG supply stations are expected to be built within 2017. The following table shows the detail of schedule.

Month	**Number of Stations**
July 2017	6
August 2017	7
September 2017	5
October 2017	1
November 2017	1

The revenue in 2017 is projected with reference to the number of LNG supply station to be built and the capacity of each station. As the LNG supply stations are expected to be sequentially invested and operated in the second half year of 2017, and are expected to be operated in full year in 2018, the growth rate of LNG supply station business in 2018 is projected to be 104%. From 2019 to 2021, the growth rate is projected to be stable at 3%.

For LNG trading business, the revenue in 2017 is projected with reference to the historical revenue from January to April in 2017. From 2018 to 2021, the growth rate is projected to be stable, around 3% to 5%.

For LPG trading business, the revenue in 2017 is projected with reference to the historical revenue from January to April in 2017. From 2018 to 2021, the growth rate is projected to be stable, around 3% to 5%.

The total revenue of He Chuang Company from 2017 to 2021 is projected to be around RMB501 million, RMB702 million, RMB730 million, RMB752 million, and RMB774 million respectively.

The growth rate of total revenue from 2017 to 2018 is relatively high at 40%, mainly due to the expansion of LNG supply station business. From 2019 to 2021, the growth rate of total revenue decreases, at around 3% to 4%. After 2021, the total revenue maintains a perpetuate growth rate of 3%.

Ji Qi Mao Company: Revenue of Ji Qi Mao Company comes from the commission of transactions occurred in its platform. In 2017, Ji Qi Mao Company is expected to cooperate with 17 LNG gas stations which will be the users of its platform product.

Revenue of Ji Qi Mao Company from 2017 to 2021 is projected to be around RMB1.4 million, RMB4.0 million, RMB4.3 million, RMB4.6 million, and RMB4.9 million respectively, primarily based on its expected trading volume.

The growth rate of revenue of Ji Qi Mao Company is projected to be 188% in 2018, mainly because Ji Qi Mao's business relationship with LNG gas stations begins in the second half of 2017 and they will cooperate with Ji Qi Mao Company for full year in 2018. From 2019 to 2021, the growth rate is projected to be around 7%.

The revenue growth is normalized after 2021, representing a convergence to the long term growth rate of 3%.

Cost of Sales and Gross Margin

He Chuang Company: Cost of sales from 2017 to 2021 are projected to be RMB489 million, RMB679 million, RMB706 million, RMB728 million, and RMB749 million respectively.

The cost of sales mainly consists of the cost of purchasing liquefied nature gas and liquefied petroleum gas, freight cost, rebate cost, B2B commission cost,insurance cost, maintenance cost and business tax. Gross margin of He Chuang Company is projected to be stable, around 2.5% to 3.3% from 2017 to 2021.

The cost of purchasing liquefied nature gas and liquefied petroleum gas, freight cost, rebate cost is projected with reference to the estimated unit cost multiplied by the estimated quantity sold. The estimated unit cost is projected with reference to the average historical unit cost of He Chuang Company.

The estimated quantity sold for LNG trading business and LPG trading business is projected with reference to the average historical quantity sold, while the estimated quantity sold for LNG supply station business is projected with reference to the number of supply stations to be built and the capacity of each station.

The B2B commission cost is projected with reference to the revenue of LNG trading business and LNG supply station business, as well as a 0.2% commission rate charged by the Ji Qi Mao Company.

The insurance cost and maintenance cost are projected with reference to the accumulated investment of LNG supply station. The ratio of total B2B commission cost, insurance cost and maintenance cost to total revenue from 2017 to 2021 is projected to be stable, around 0.4% to 0.6%.

Ji Qi Mao Company: Cost of sales from 2017 to 2021 are projected to be around RMB0.4 million, RMB0.8 million, RMB0.9 million, RMB1.0 million, and RMB1.1 million respectively.

The cost of sales mainly consists of promotion expenses, subsidy expense, other expenditure (GPS purchase, server update fee, rental), and tax surcharge. Gross margin of Ji Qi Mao Company is projected to be around 71% to 79% from 2017 to 2021.

For promotion expenses, it is projected with reference to 2% of commission received. For subsidy expense, it is projected with reference to 20% of commission received from the cooperated LNG gas stations. For other expenditure (GPS purchase), it was projected with reference to the historical expense incurred.

Operating Expense

He Chuang Company: As per discussion with management, the operating expense mainly consists of depreciation, stamp duty expense, staff costs, other expenses and transaction fee. The operating expense in 2017 is projected with reference to the average historical operating expense in 2017. The ratio of operating expense to revenue is projected to be 0.43% in 2017.

The ratio of operating expense to the revenue of He Chuang Company is projected to be stable, around 0.47% to 0.45% from 2018 to 2021.

Ji Qi Mao Company: As per discussion with management, the operating expense mainly consists of depreciation and amortization, other operating expenses, where the other operating expenses mainly consists of the salary expense, rental expense, travelling expense, vehicle expense, entertainment expense, and office appliance expense, etc.

The operating expense in 2017 is projected with reference to the average historical operating expense in 2017 of Ji Qi Mao Company. The ratio of operating expense to revenue in 2017 is projected to be 111%, as Ji Qi Mao is expected to expand its business in second half year in 2017 and operates in full year from 2018 to 2021.

The ratio of operating expense to revenue of Ji Qi Mao is projected to decrease from 49% to 42% from 2018 to 2021.

Effective Tax Rate

According to relevant PRC tax law, 25% corporate tax rate is applied.

Capital Expenditure

The capital expenditure measures the amount of cashflow invested by the operation subsidiaries in particularly property, plant and equipment ("**PP&E**") and intangible assets.

He Chuang Company: As per discussion with management, capital expenditure is required for meeting the projected expansion of business. There are two categories of PP&E: vehicle for administrative operation and gas station equipment. Management has provided the estimated amount. The annual capital expenditure for vehicle is projected to be RMB39,000 within the Forecast Period. An initial capital expenditure of LNG supply station equipment is projected to be RMB14,553,000 in 2017, and no further capital expenditure has been projected from 2018 to 2021. Nevertheless, proper maintenance capital expenditure has been considered when determining the terminal value.

Ji Qi Mao Company: As per discussion with management, there are two categories of PP&E: vehicle and POS machine. The capital expenditure for vehicle is projected to be equal to the depreciation, with an annual amount of RMB47,975 within the Forecast Period. An initial capital expenditure of POS machine is projected to be RMB646,000 in 2017, and no further capital expenditure for POS machine has been projected from 2018 to 2021. Nevertheless, proper maintenance capital expenditure has been considered when determining the terminal value. In addition, there is no capital expenditure for intangible assets within the Forecast Period.

Required Net Working Capital

He Chuang Company: Required net working capital of He Chuang Company includes operation cash, account receivable, deposits paid to supplier, and account payable.

- ***Operation Cash***

The operation cash is projected based on the amount of one month payment of freight cost, rebate cost, B2B commission cost, insurance cost, maintenance cost, the staff cost, other expenses, and transaction fee.

- ***Account Receivable***

The account receivable mainly comes from the credit sales of LNG trading business. The average collection days for the account receivable of LNG trading business is projected to be about 50 days, which is in line with the historical collection days for the account receivable in 2016.

- ***Deposits Paid to Supplier***

Deposits paid to supplier is projected based on the days of deposits outstanding. For LNG supply station business, the days of deposits outstanding is assumed to be about 7 days. This projection is in line with the finance policy executed by He Chuang Company.

- ***Account Payable***

The average account payable is assumed to be about 7% of cost of LNG trading business in the forecasted period, which is in line with the historical record of He Chuang Company.

- ***Advanced from Customer***

Advanced from customer is projected based on the days of advanced from customer. For LNG supply station business, the days of advanced from customer is assumed to be about 7 days. This projection is in line with the finance policy executed by He Chuang Company.

Ji Qi Mao Company: Required net working capital of Ji Qi Mao Company includes operation cash only.

- ***Operation Cash***

The operation cash is projected based on 2 month payment of the combined cost of goods sold, selling expense, general & administrative expense and interest expenses.

5 DISCOUNT RATE AND OTHER ADJUSTMENTS

We adopted the weight average cost of capital (the "**WACC**") as the benchmark discount rate in valuing the Equity Interest of the Target Company. WACC comprises two components: cost of equity and cost of debt. Cost of equity was developed using Capital Asset Pricing Model (the "**CAPM**"). The CAPM states that an investor requires excess returns to compensate systematic risks and an efficient market provides no excess return for other risks. Cost of debt was developed with reference to the long term prime lending rate.

Since the He Chuang Company engaged in trading of nature gas business and the Ji Qi Mao Company engaged in operating e-commerce trading platform of nature gas, we have selected two group of comparable companies listed on stock exchanges respectively to provide a reasonable reference in order to evaluate the industry's beta and capital structure used.

Discount Rate for He Chuang Company

For He Chuang Company, our selection criteria are that the comparable companies should:

- Primarily be engaged in natural gas or related business;
- Operate in an economic environment similar to where He Chuang Company operates; and
- Information on the peer firms must be extracted from a reliable source.

The comparable companies used for He Chuang Company are exhaustive, fair and representative. They are shown as below table.

Ticker	Company Name	Market Capitalization *(RMB million)*	Debt to Equity	Unleveraged Beta
6828 HK Equity	Beijing Gas Blue Sky Holding Ltd	5,694	11.34%	0.57
300471 CH equity	Chengdu Huaqi Houpu Holding Co., Ltd	7,185	0.82%	1.07
000096 CH equity	Shenzhen Guangju Energy Co., Ltd	8,580	0.00%	1.14
1600 HK equity	China Tian Lun Gas Holdings Ltd	5,377	56.87%	0.33
600681 CH equity	Bestsun Energy Co., Ltd	15,783	0.00%	0.91
Average			13.81%	0.80

Principal Business of Comparable Companies

- Beijing Gas Blue Sky Holdings Limited operates as an integrated natural gas provider, distributor, and operator. The Company offers natural gas transportation, trading, and distribution services.
- Chengdu Huaqi Houpu Holding Co., Ltd. operates as a clean fuel refueling solution provider. The Company provides station management for LNG, CNG, and L-CNG stations.
- Shenzhen Guangju Energy Co., Ltd. distributes and sells petroleum products and liquefied petroleum gas (LPG).
- China Tian Lun Gas Holdings Ltd. processes and distributes natural gas through urban pipelines. The Company also operates a compressed natural gas filling station.

- Bestsun Energy Co., Ltd is a natural gas distributor. The Company invests in natural gas pipelines, liquefied natural gas, and natural gas vehicle fillings stations.

WACC calculation for He Chuang Company is shown as below table:

Component	**He Chuang Company**	*Notes*	**Formula**
Debt to equity ratio	13.81%	1	a
Unleveraged beta	0.80	2	b
Risk free rate	3.29%	3	c
Equity risk premium	7.25%	4	d
Leveraged beta	0.89	5	e
Size premium	3.80%	6	f
Firm specific premium	6.00%	7	g
Cost of equity	**19.53%**		**h = c + d*e + f + g**
Pre-tax cost of debt	4.90%	8	i
Effective tax rate	25.00%		j
After tax Cost of debt	**3.68%**		**k = i*(1–j)**
WACC	**17.60%**		**l = h/(1 + a) + k/(1 + a)*a**
Adopted WACC	**18.00%**		

Notes to the WACC parameters are as follows:

1. The debt to equity ratio is derived from a set of peer group companies.

2. Unleveraged beta is derived from a set of peer group companies.

3. The risk-free rates are determined with reference to the China 10-Year sovereign bond yield, sourced from Bloomberg.

4. The equity risk premium is the China Equity Risk Premium, sourced from Aswath Damodaran.

5. Leveraged beta is derived from leveraging a set of peer group companies' unleveraged beta.

6. Size premium is added to reflect the effect of firm size on return, sourced from Duff & Phelps 2016 Valuation Handbook.

7. Firm specific premium is designed to account for additional risk factors specific to He Chuang Company, including but not limited to competition, customer concentration, size, etc. We considered the uncertainty of expansion and early stage of business of He Chuang Company, especially the LNG supply station sector. We think that 6% firm specific premium included in the calculation of WACC is suitable.

8. The pre-tax cost of debt is advised by the management of the Instructing Party, which is in line with the prime long term lending rate in China.

Discount Rate for Ji Qi Mao Company

For Ji Qi Mao Company, our selection criteria are that the comparable companies should:

- Primarily be engaged in e-commerce or related business;
- Operate in an economic environment similar to where Ji Qi Mao Company operates; and
- Information on the peer firms must be extracted from a reliable source.

The comparable companies used for Ji Qi Mao Company are exhaustive, fair and representative. They are shown as below table.

Ticker	Company Name	Market Capitalization *(RMB million)*	Debt to Equity	Unleveraged Beta
400 HK Equity	Cogobuy Group	14,396	24.16%	1.31
1039 HK equity	Fortunet e-commerce Group Ltd	2,323	17.80%	0.97
002315 CH equity	Focus Technology Co., Ltd	6,931	0.01%	1.22
300226 CH equity	Shanghai Ganglian E-Commerce Holdings Co., Ltd	6,133	6.30%	1.13
Average			12.07%	1.16

Principal Business of Comparable Companies

- Cogobuy Group provides an e-commerce platform for electronic goods in China. The Company primarily deals with computer and telecommunication hardware.
- Fortunet e-Commerce Group Limited is a B2B e-commerce company. The Company provides an online platform that connects Chinese businesses to foreign businesses.
- Focus Technology Co Ltd. provides business-to-business (B2B) e-commerce solutions. The Company provides the supply and the demand sides for the release, search and management services of the transaction information.
- Shanghai Ganglian E-Commerce Holdings Company Limited provides market information and B2B e-commerce services for steel and steel-related industries. The Company provides market information, research services and also offers business promotion to customers.

WACC calculation for Ji Qi Mao Company is shown as below table:

Component	**Ji Qi Mao Company**	*Notes*	**Formula**
Debt to equity ratio	12.07%	1	a
Unleveraged beta	1.16	2	b
Risk free rate	3.29%	3	c
Equity risk premium	7.25%	4	d
Leveraged beta	1.26	5	e
Size premium	3.80%	6	f
Firm specific premium	6.00%	7	g
Cost of equity	**22.24%**		**h = c + d*e + f + g**
Pre-tax cost of debt	4.90%	8	i
Effective tax rate	25.00%		j
After tax Cost of debt	**3.68%**		**k = i*(1–j)**
WACC	**20.20%**		**l = h/(1 + a) + k/(1 + a)*a**
Adopted WACC	**20.00%**		

Notes to the WACC parameters are as follows:

1. The debt to equity ratio is derived from a set of peer group companies.

2. Unleveraged beta is derived from a set of peer group companies.

3. The risk-free rates are determined with reference to the China 10-Year sovereign bond yield, sourced from Bloomberg.

4. The equity risk premium is the China Equity Risk Premium, sourced from Aswath Damodaran.

5. Leveraged beta is derived from leveraging a set of peer group companies' unleveraged beta.

6. Size premium is added to reflect the effect of firm size on return, sourced from Duff & Phelps 2016 Valuation Handbook.

7. Firm specific premium is designed to account for additional risk factors specific to Ji Qi Mao Company, including but not limited to competition, customer concentration, size, etc. We also considered the uncertainty of expansion and early stage of business lines in Ji Qi Mao. We think that 6% firm specific premium included in the calculation of WACC is suitable.

8. The pre-tax cost of debt is advised by the management of the Instructing Party, which is in line with the prime long term lending rate in China.

Terminal Value

Since the Equity Interest is assessed based on an on-going concern, we determined the terminal value of the He Chuang Company and Ji Qi Mao Company by the perpetual growth method. As per our discussion with management, the perpetual growth rate is estimated at 3%. This growth rate is based on the projection of long term global GDP growth rate. The perpetual growth year begins in 2022.

Lack of Marketability Discount

We have adopted a lack of marketability discount of 25% in the valuation of the Equity Interest to compensate for the potential difficulty of selling the equity shares, which are not traded on a stock exchange, compared with those of the peer companies that are traded publicly in stock exchange markets.

The lack of marketability discount is sourced from the research paper — Valuation Discounts and Premiums published by National Association of Certified Valuators and Analysts (NACVA) in 2012.

6 PREMISE OF VALUATION AND BASIS OF VALUATION

Our valuation is based on market value basis and market value is defined as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

6.1 Source of Information

Our investigation covers the discussion with the Target Company and the Instructing Party's representatives, the collection of information including the details of the Target Company.

We assume that the data obtained in the course of the valuation, along with the opinions and representations provided to us by the Target Company were prepared in reasonably care.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Target Company. We have also sought confirmation from the Target Company that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to arrive an informed view, and we have no reason to suspect that any material information has been withheld.

6.2 Assumptions and Factors Considered

The assumptions in this valuation included, but were not limited to, the following:

- The Target Group is expected to run the existing LNG trading platforms.

- The Target Group is expected to develop the proprietary trading business for energy and other related products.
- The Target Group is expected to obtain proper financing to support its future expansion.
- There will be no significant fluctuation of natural gas price in the projection period.
- The projected LNG supply stations will be built and operated on time as the schedule shows.
- The operation of LNG trading business and LPG trading business will not deviate much from the historical performance.

The factors considered in this valuation included, but were not limited to, the following:

- The nature and history of the Target Group and the Instructing Party;
- The financial conditions of the Target Group and the Instructing Party;
- Operation and financial risks of the Target Group;
- Environmental policies set by the government that pertains to the Target Group;
- Market-derived investment returns of entities engaged in similar lines of business; and
- The financial and business risks of the Target Group and the Instructing Party including the continuity of income and the projected future results.

7 DISCLAIMER AND LIMITATION

Our findings or conclusion of values of the subject(s) in this report are valid only for the stated purpose and at the Valuation Date(s), and for the sole use of the Instructing Party.

Our liability for loss or damage shall be limited to such sum as we ought reasonably to pay having regard to our responsibility for the same on the basis that all other consultants and specialists, where appointed, shall be deemed to have provided to the Instructing Party contractual undertakings in respect of their services and shall be deemed to have paid to the Instructing Party such contribution as may be appropriate having regard to the extent of their responsibility for such loss or damage.

Our liability for any loss or damage arising out of the action or proceedings aforesaid shall, notwithstanding the preceding provisions, in any event be limited to a sum not exceeding ten (10) times of the amount of our agreed fee(s) for this engagement. In no event shall we be liable for consequential, special, incidental or punitive loss, damage or expense (including without limitation, loss of profits, opportunity cost, etc.), even if it has been advised of their possible existence. For the avoidance of doubt our liability shall never exceed the lower of the sum calculated in accordance with the preceding provisions and the sum provided for in this clause.

The Instructing Party are required to indemnify and hold us and our personnel harmless from any claims, liabilities, costs and expenses (including, without limitation, attorney's fees and the time of our personnel involved) brought against, paid or incurred by us at a time and in any way based on the information made available in connection with our engagement except to the extent that any such losses, expenses, damages or liabilities are ultimately determined to be the result of gross negligence, misconduct, willful default or fraud of our engagement team in conducting its work. This provision shall survive even after the termination of this engagement for any reason.

We reserve the right to include your company/firm name in our client list, but we will maintain the confidentiality of all conversations, documents provided to us, and the contents of our reports, subject to legal or administrative process or proceedings. These conditions can only be modified by written documents executed by both parties.

Any decision to purchase, sell or transfer any interest in the valuation subjects shall be the owners' sole responsibility, as well as the structure to be utilized and the price to be accepted. The selection of the price to be accepted requires consideration of factors beyond the information we will provide or have provided. An actual transaction involving the subject business might be concluded at a higher value or at a lower value, depending upon the circumstances of the transaction and the business, and the knowledge and motivations of the buyers and sellers at that time.

8 CONCLUSION

The conclusion of value is based on the accepted valuation procedures and practices that rely substantially on the use of numerous assumptions and the consideration of many uncertainties, not all of which can be easily quantified or ascertained.

While the assumptions and consideration of such matters are considered to be reasonable, they are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of the Instructing Party and/or Crowe Horwath.

Based on the valuation methodology adopted, we are of the opinion that the market values of 100% Equity Interest of Lasermoon Limited., as at 31 March 2017, was in the sum of HKD35,000,000 (HONG KONG DOLLARS THIRTY FIVE MILLION).

We hereby certify that we have neither present nor prospective interests in the Instructing Party or the value(s) reported.

Yours faithfully,
For and on behalf of
Crowe Horwath (HK) Consulting & Valuation Limited
Stella Law, ***MRICS***
Executive Director

INDEPENDENT ASSURANCE REPORT ON CALCULATIONS OF DISCOUNTED FUTURE ESTIMATED CASH FLOWS IN CONNECTION WITH THE VALUATION OF 100% EQUITY INTEREST IN LASERMOON LIMITED

Deloitte. 德勤

TO THE DIRECTORS OF WINTO GROUP (HOLDINGS) LIMITED

We have examined the calculations of the discounted future estimated cash flows on which the valuation prepared by Crowe Horwath (HK) Consulting & Valuation Limited dated 6 July 2017, of a 100% equity interest in Lasermoon Limited as at 31 March 2017 (the "**Valuation**") is based. Lasermoon Limited is a company incorporated in British Virgin Islands whose principal asset is an intangible assets of an online trading platform under development. The Valuation based on the discounted future estimated cash flows is regarded as a profit forecast under paragraph 29(2) of Appendix 1B of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "**GEM Listing Rules**") and will be included in a circular dated 6 July 2017 to be issued by Winto Group (Holdings) Limited (the "**Company**") in connection with the proposed disposal of the entire equity interest in Lasermoon Limited (the "**Circular**").

Directors' Responsibility for the Discounted Future Estimated Cash Flows

The directors of the Company are responsible for the preparation of the discounted future estimated cash flows in accordance with the bases and assumptions determined by the directors and set out in Appendix II to the Circular (the "**Assumptions**"). This responsibility includes carrying out appropriate procedures relevant to the preparation of the discounted future estimated cash flows for the Valuation and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the "Code of Ethics for Professional Accountants" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Control 1 "Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements" issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibility

Our responsibility is to express an opinion on the arithmetical accuracy of the calculations of the discounted future estimated cash flows on which the Valuation is based and to report solely to you, as a body, as required by paragraph 29(2) of Appendix 1B of the GEM Listing Rules, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Our engagement was conducted in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the HKICPA. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain reasonable assurance on whether the discounted future estimated cash flows, so far as the calculations are concerned, have been properly compiled in accordance with the Assumptions. Our work was limited primarily to making inquiries of the Company's management, considering the analyses and assumptions on which the discounted future estimated cash flows are based and checking the arithmetic accuracy of the compilation of the discounted future estimated cash flows. Our work does not constitute any valuation of Lasermoon Limited.

Because the Valuation relates to discounted future estimated cash flows, no accounting policies of the Company have been adopted in its preparation. The Assumptions include hypothetical assumptions about future events and management actions which cannot be confirmed and verified in the same way as past results and these may or may not occur. Even if the events and actions anticipated do occur, actual results are still likely to be different from the Valuation and the variation may be material. Accordingly, we have not reviewed, considered or conducted any work on the reasonableness and the validity of the Assumptions and do not express any opinion whatsoever thereon.

Opinion

Based on the foregoing, in our opinion, the discounted future estimated cash flows, so far as the calculations are concerned, have been properly compiled, in all material respects, in accordance with the Assumptions.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

6 July 2017

Gram Capital Limited
嘉林資本有限公司

6 July 2017

The Board of Directors
Winto Group (Holdings) Limited
Room 1001, 10th Floor
Grandmark
No. 10 Granville Road
Tsim Sha Tsui, Kowloon,
Hong Kong

Dear Sir/Madam,

We refer to the valuation report (the "**Valuation Report**") dated 6 July 2017 and prepared by Crowe Horwath (HK) Consulting & Valuation Limited (the "**Valuer**") in relation to the valuation on 100% equity interest in the Target Company and its subsidiaries as at 31 March 2017 (the "**Valuation**"). The Valuation Report is included in Appendix II to the circular of Winto Group (Holdings) Limited (the "**Company**") dated 6 July 2017 (the "**Circular**"). Capitalised terms used herein shall have the same meanings as those defined in the Circular unless the context requires otherwise.

According to the Valuation Report, the Valuer considered the adoption of the income approach in arriving at the Valuation. Under the income approach, the Valuer adopted the discounted cash-flow method, which is based on a simple reversal calculation to restate all future cash flows in present terms. We note that the Valuation, which has been arrived based on discounted cash-flow method, is regarded as profit forecast (the "**Profit Forecast**") under Rule 19.61 of the GEM Listing Rules.

We have discussed with the management of the Company and the Valuer regarding the bases and assumptions of the Valuation Report, and have reviewed the letter dated 6 July 2017 issued by Deloitte Touche Tohmatsu, the auditor of the Company, as set out in Appendix III to the Circular. Deloitte Touche Tohmatsu is of the opinion that, so far as the calculations are concerned, the Profit Forecast has been properly compiled, in all material respects, in accordance with the bases and assumptions determined by the Directors.

On the basis of the foregoing and the calculations reviewed by Deloitte Touche Tohmatsu, we are of the opinion that the Profit Forecast underlying the Valuation, for which the Directors are jointly and severally responsible, has been made after due care and enquiry.

Yours faithfully,
For and on behalf of
Gram Capital Limited
David Kwan
Director

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS

(a) Interests of Directors, supervisors and chief executive of the Company

As at the Latest Practicable Date, the interests or short positions of the Directors or supervisors or chief executive of the Company 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 any such Director or chief executive was taken or deemed to have 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:

Long positions the Shares:

Name	Nature of interests	Total number of Shares	Approximate percentage of the Company's issued share capital
Mr. Lan Zhi Cheng	Beneficial owner	350,000,000	4.05%

(b) Substantial Shareholders and persons having 5% or more shareholding

As at the Latest Practicable Date, the register of substantial shareholders maintained under Section 336 of the SFO shown that the Company has been notified of the following interests, being 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the Directors and the chief executive of the Company.

Name	Nature of interests	Number of Shares or Underlying Shares	Approximate percentage of shareholding interests
Shareholder Value Fund	Beneficial owner	2,077,240,000	24.04%
CM Asset Management (Hongkong) Company Limited	Investment Manager	2,077,240,000	24.04%
Mr. Wong Man Hin Charles	Beneficial owner *(Note 1)*	1,704,232,000	19.72%
Ms. Loo Chi Yiu	Family interests *(Note 1)*	1,704,232,000	19.72%
Flame Capital Limited	Beneficial owner *(Note 2)*	846,000,000	9.79%
Ms. Chung Oi Ling Stella	Interests in a controlled corporation	846,000,000	9.79%

Notes:

1. Ms. Loo Chi Yiu is the spouse of Mr. Wong Man Hin Charles ("**Mr. Wong**") and deemed to be interested in the 1,704,232,000 shares held by Mr. Wong.

2. The entire issued share capital of Flame Capital Limited is owned by Ms. Chung Oi Ling Stella.

Save as disclosed above, as at the Latest Practicable Date, the Directors and chief executive of the Company were not aware of any person (other than a Director or chief executive of the Company) who had any other interests or short positions in the Shares or underlying Shares and debentures of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

3. SERVICE CONTRACTS

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

4. COMPETING INTEREST

Interests of Directors in businesses which might compete with the Group were as follows:

Mr. Lan Zhi Cheng, who has been appointed as an executive Director since 8 September 2016, is also an executive director of the holding company of Huge Mind Investment Limited ("**Huge Mind**"), which is engaged in money lending business in Hong Kong. Although the business nature of Huge Mind is similar to that of i-Lend Finance Limited ("**i-Lend**"), a newly acquired money lending business which has not commenced operations, the two companies are of different scale and are operating independently. Therefore, the Board is of the view that the businesses of Huge Mind did not compete with the businesses of the Group.

Mr. Tsang Ho Ka Eugene, who has been appointed as an independent non-executive Director since 23 January 2015, is also the managing director of New Horizon Capital (Group) Limited and New Horizon Finance (HK) Limited (the "**New Horizons**"), both of which are principally engaged in the business including private equity investment in Hong Kong, the PRC and overseas, and New Horizon Finance (HK) Limited also engaged in the money lending business in Hong Kong. Although the business nature of the New Horizons is partially similar to that of i-Lend, a newly acquired money lending business which has not commenced operations, the New Horizons and i-Lend are of different scale and are operating independently. Therefore, the Board is of the view that the businesses of the New Horizons did not compete with the businesses of the Group.

Mr. Pang Siu Yin, who has been appointed as an independent non-executive Director since 24 July 2015, is also an independent non-executive director of Affluent Partners Holding Limited ("**Affluent Partners**") (Stock Exchange stock code: 1466), which is also engaged in, among others, money lending business in Hong Kong. Although the business nature of Affluent Partners is partially similar to that of i-Lend, a newly acquired money lending business which has not commenced operations, Affluent Partners and i-Lend are of different scale and are operating independently. Therefore, the Board is of the view that the businesses of Affluent Partners did not compete with the businesses of the Group.

Save as disclosed above, as at the Latest Practicable Date, (i) none of the Directors and their respective close associates; and (ii) as notified by the Compliance Adviser, none of the Compliance Adviser and each of its directors, employees and close associates (as referred to in Rule 6A.32 of the GEM Listing Rules) had any interest in a business which competes or may compete with the businesses of the Group, or have or may have any other conflicts of interest with the Group.

5. INTERESTS OF THE COMPLIANCE ADVISER

Mr. Wong Man Hin Charles was interested in 19.72% of the issued share capital of the Company. Mr. Wong holds the position as managing director of VC Brokerage Limited, a wholly owned subsidiary of the holding company of VC Capital Limited (namely Value Convergence Holdings Limited with stock code: 821). He is also a member of senior management and a non-voting member of the executive committee of Value Convergence Holdings Limited. As at Latest Practicable Date, as notified by the Company's compliance adviser, VC Capital Limited (the "**Compliance Adviser**"), save for disclosed and except for the compliance adviser agreement entered into between the Company and the Compliance Adviser on 27 March 2014, neither the Compliance Adviser nor its directors, employees or close associates had any interests in relation to the Company which is required to be notified to the Group pursuant to Rule 6A.32 of the GEM Listing Rules.

6. MATERIAL INTERESTS

Save as disclosed above, as at the Latest Practicable Date, none of the Directors had any direct or indirect interest in the assets which had been acquired or disposed of by or leased to any member of the Group since 31 December 2016, being the date to which the latest published audited consolidated accounts of the Company were made up.

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement which was significant in relation to the business of the Group (including any company which will become a subsidiary of the Company by reason of an acquisition which has been agreed or proposed since 31 December 2016, being the date to which the latest audited consolidated accounts of the Company have been made up).

7. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against the Group.

8. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) were entered into by members of the Group within two years immediately preceding the Latest Practicable Date and are or may be material:

(a) the subscription agreement dated 21 July 2015 entered into between Leading Profile Limited (a wholly-owned subsidiary of the Company) ("**Leading Profile**") and Strategies Media Holdings Limited and the four existing shareholders of Strategies Publishing Limited in relation to the subscription of the 20% equity interest in Strategist Media Holdings Limited for a total consideration of HK$5,000,000;

(b) the appointment letter dated 24 July 2015 in relation to the appointment of Mr. Pang Siu Yin as the director of the Company;

(c) the memorandum of understanding dated 11 April 2016 entered into between Leading Profile and 麥鳳梅 (Mai Fengmei*) (the"**Vendor**"), pursuant to which Leading Profile intends to acquire and the Vendor intends to sell 51% of the equity interests in 廣州啟匯營銷策劃有限公司 (Guangzhou Qihui Marketing and Planning Company Limited*) ("**Guangzhou Qihui**") for a consideration of RMB6,000,000;

(d) the Previous Acquisition Agreement dated 24 June 2016;

(e) the supplemental memorandum of understanding dated 4 July 2016 entered into between Leading Profile and the Vendor in relation to the extension of the due diligence period of the memorandum of understanding dated 11 April 2016 pursuant to which Leading Profile intends to acquire and the Vendor intends to sell 51% of the equity interests in Guangzhou Qihui for a consideration of RMB6,000,000;

(f) the sale and purchase agreement dated 29 August 2016 entered into between the Info Strength Limited (a direct wholly-owned subsidiary of the Company) and the Vendor, pursuant to which Info Strength Limited has acquired 51% of the issued share capital in Guangzhou Qihui from the Vendor for a consideration of RMB6,000,000;

(g) the service agreement dated 8 September 2016 entered into between the Company and Mr. Lan Zhi Cheng in relation to the appointment of Mr. Lan Zhi Cheng as the executive director of the Company;

(h) the provisional agreement dated 7 October 2016 entered into between Lucky Channel Limited (a wholly-owned subsidiary of the Company) and Suncity Travel Company Limited in relation to the acquisition of an office premises situate at Office B on 7/F., Valiant Commercial Building, Nos 22–24 Prat Avenue, Tsim Sha Tsui, Kowloon, Hong Kong for a consideration of HK$11,000,000;

(i) the placing agreement dated 13 December 2016 entered into between the Company and VC Brokerage Limited, pursuant to which VC Brokerage Limited has agreed to place, on a best effort basis, the placing shares comprising up to 1,440,000,000 new Shares of the Company at the placing price of HK$0.028 per placing share to not less than six independent placees; and

(j) the Disposal Agreement dated 5 June 2017.

9. QUALIFICATIONS AND CONSENT OF EXPERTS

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

Name	Qualification
Gram Capital Limited (“**Gram Capital**”)	A licensed corporation to carry out type 6 (advising on corporate finance) regulated activity under the SFO
Crowe Horwath (HK) Consulting & Valuation Limited	Independent valuer
Deloitte Touche Tohmatsu (“**Deloitte**”)	Certified Public Accountants

Each of the above experts has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letters, reports and/or opinion, as the case may be, and references to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, each of the above experts did not have any shareholding 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.

As at the Latest Practicable Date, each of the above experts did not have, directly or indirectly, any interest in any assets which had since 31 December 2016 (being the date to which the latest published consolidated audited financial statements of the Group were made up) been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

10. MISCELLANEOUS

(a) The company secretary and compliance officer of the Company is Mr. Mak Wai Kit. Mr. Mak is a member of the Hong Kong Institute of Certified Public Accountants. He has approximately 10 years of working experience with local and international audit firms. Before joining the Group, Mr. Mak was the audit manager of an international audit firm. He obtained a bachelor’s degree of arts in accountancy from the Hong Kong Polytechnic University in 2002.

(b) The Company established an Audit Committee pursuant to a resolution of the Directors passed on 23 January 2015 in compliance with Rule 5.28 of the GEM Listing Rules. Written terms of reference in compliance with paragraph C3.3 of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 15 to the GEM Listing Rules has been adopted. Among other things, the primary duties of the Audit Committee are to make recommendations to the Board on appointment or reappointment and removal of external auditor and review financial statements of the Company and judgments in respect of financial reporting.

As at the Latest Practicable Date, the Audit Committee comprises three independent non-executive Directors, namely Ms. Wong Fei Tat (chairman of the Committee), Mr. Tsang Ho Ka Eugene and Mr. Pang Siu Yin. Brief biographies of the independent non-executive Directors are set out below:

(i) Ms. WONG Fei Tat ("Ms. Wong")

Ms. Wong, aged 42, was appointed as an independent non-executive Director on 23 April 2015. Ms. Wong holds a bachelor's degree in commerce from the University of Sydney, and a postgraduate diploma in corporate administration and a master degree in corporate governance from the Hong Kong Polytechnic University. Ms. Wong is an associate member of the Chartered Institute of Management Accountants, the Hong Kong Institute of Certified Public Accountants, the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Chartered Secretaries and is a certified practising accountant of CPA Australia. She has over 20 years of experience in the accounting field. Ms. Wong was an independent non-executive director of Beijing Gas Blue Sky Holdings Limited (stock code: 6828; Singapore Exchange stock code: UQ7) from January 2012 to November 2014.

(ii) Mr. TSANG Ho Ka Eugene ("Mr. Tsang")

Mr. Tsang, aged 35, was appointed as an independent non-executive Director on 23 January 2015. Mr. Tsang is a certified practising accountant of the CPA Australia since March 2006, a certified public accountant of the Hong Kong Institute of Certified Public Accountants since July 2006 and a fellow of the Hong Kong Institute of Certified Public Accountants since July 2014, a member of The Hong Kong Institute of Directors since March 2008, an associate member of the Institute of Certified Management Accountants since February 2007, Australia, an associate member of the Taxation Institute of Hong Kong since January 2008, a Certified Tax Adviser of the Taxation Institute of Hong Kong since May 2010 and a fellow of the Taxation Institute of Hong Kong since July 2014. Mr. Tsang obtained a bachelor's degree of commerce in accounting and finance from the University of New South Wales, Australia in May 2003 and he has completed an accounting extension course in Australian Taxation Law in 2002 and accounting extension course in Australian Corporations Law in the Centre for Continuing Education of the University of Sydney, Australia in 2002.

Mr. Tsang has been an executive director of Newtree Group Holdings Limited (stock code: 1323) from April 2012 to July 2014 and a joint company secretary from April 2012 to 16 October 2014 and from 31 October 2014 to 27 February 2015 and a company secretary from 17 October 2014 to 30 October 2014 respectively. He has also been the chairman of Sky Forever Supply Chain Management Group Limited (stock code: 8047) from September 2013 to June 2014, a non-executive director between September 2013 and July 2014 and the joint company secretary and executive director from May 2013 to September 2013.

He was also a vice-chairman of Capital Finance Holdings Limited (stock code: 8239) from September 2013 to July 2014, an executive director from August 2008 to August 2012, a non-executive director from August 2012 to 27 February 2015, the chief executive officer from September 2008 to February 2012 and the authorized representative and company secretary from April 2007 to August 2012. He has also been an independent non-executive director of Jiu Rong Holdings Limited (stock code: 2358) from July 2014 to October 2015.

Mr. Tsang is currently the managing director of a diversified financial group which specializes in private equity in Hong Kong, Greater China and overseas and money lending business in Hong Kong and also a consultant to GenNex Financial Media Limited since January 2012. Mr. Tsang was appointed as an Honorary Financial Advisor of the Smart Education Charitable Foundation Limited (the "**Foundation**") since June 2017. The Foundation is a charitable institution and is exempt from tax under Section 88 of the Inland Revenue Ordinance and the Foundation has being a leading provider of high quality and innovation e-learning solutions and to organize and sponsor various charitable events and programs to the students in Hong Kong, the Special Administrative Region of Macau and the PRC.

(iii) Mr. PANG Siu Yin ("Mr. Pang")

Mr. Pang, aged 57, was appointed as an independent non-executive Director on 24 July 2015. Mr. Pang graduated from the University of Leeds, England with a Bachelor of Laws (Honors) degree in 1984 and obtained a Master's degree in Business Administration from Aston University in Birmingham, England in 1985. He also obtained a Postgraduate Certificate in Laws from the University of Hong Kong in 1988. He has been a practicing solicitor of the High Court of Hong Kong since 1990 and was also admitted as a solicitor in England and Wales in 1997. He is currently a partner of LCP, a firm of solicitors in Hong Kong, with his practice focusing on commercial and litigation. Mr. Pang is an independent non-executive director of Affluent Partners Holdings Limited (stock code: 1466) and Beijing Gas Blue Sky Holdings Limited (stock code: 6828; Singapore Exchange stock code: UQ7).

(c) The registered office of the Company is at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands.

(d) The Hong Kong branch share registrar and transfer office of the Company is Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.

(e) The English text of this circular shall prevail over the Chinese text in the event of inconsistency.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the office of the Company in Room 1001, 10/F, Grandmark, 10 Granville Road, Tsim Sha Tsui, Kowloon, Hong Kong during normal business hours on any business day from the date of this circular up to and including the date of the EGM:

(a) the memorandum and articles of association of the Company;

(b) the annual reports of the Company for the two financial years ended 31 December 2015 and 31 December 2016;

(c) the valuation report of the Target Group as set out in Appendix II to this circular;

(d) the written consents referred to in the paragraph under the heading "Qualifications and consent of experts" in this appendix;

(e) the material contracts referred to in the paragraph under the heading "Material contracts" in this appendix;

(f) the letter from Deloitte in relation to the valuation report;

(g) the letter from Gram Capital in relation to the valuation report; and

(h) this circular.

Winto Group (Holdings) Limited
惠陶集團(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 8238)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Winto Group (Holdings) Limited (the "**Company**") will be held at Jasmine Room, 3/F., Best Western Plus Hotel Hong Kong, 308 Des Voeux Road West, Hong Kong on Friday, 21 July 2017 at 10:00 a.m. for the purposes of considering and, if thought fit, passing with or without modifications, the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

"**THAT**:

(a) the disposal agreement (the "**Disposal Agreement**") dated 5 June 2017 entered into between (i) Luck Ocean Limited (as the purchaser, the "**Purchaser**"); and (ii) the Company (as the vendor), pursuant to which, among other things, the Purchaser conditionally agreed to acquire, and the Company conditionally agreed to sell, the entire equity interest in Lasermoon Limited, for an aggregate consideration of HK$36 million and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified in all respects; and

(b) any one of the executive directors of the Company be and is hereby authorised to do all such acts and things and execute and deliver all such documents, deeds or instruments (including affixing, and witnessing the affixing of, the common seal of the Company thereon) for and on behalf of the Company and take all such steps as such director in his/her sole opinion and absolute discretion may consider necessary, appropriate or desirable to implement or give effect to the Disposal Agreement and the transactions contemplated thereunder."

By Order of the Board
Winto Group (Holdings) Limited
Mak Wai Kit
Executive Director

Hong Kong, 6 July 2017

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies (if a member who is the holder of two or more shares of the Company) to attend and vote in his stead. A proxy need not be a member of the Company.

2. To be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours (i.e. 10:00 a.m. on 19 July 2017) before the time appointed for holding the meeting or any adjournment thereof.

3. The register of members of the Company will be closed from Tuesday, 18 July 2017 to Friday, 21 July 2017, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attendance of the meeting, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Monday, 17 July 2017.

4. As at the date of this notice, the Board comprises Mr. Mak Wai Kit, Ms. Law Shiu Wai and Mr. Lan Zhi Cheng as executive Directors; Mr. Liu Kwong Chi Nelson as non-executive Director; and Mr. Tsang Ho Ka Eugene, Ms. Wong Fei Tat and Mr. Pang Siu Yin as independent non-executive Directors.