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WWPKG Holdings Company Limited

縱橫遊控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8069)

DISCLOSEABLE AND CONNECTED TRANSACTIONS RENEWAL OF LEASES

RENEWAL OF LEASES

Reference is made to the sections headed “Connected Transactions” and “Relationship with Our Controlling Shareholders” of the Prospectus. As disclosed in the Prospectus, on 1 August 2016, the Group entered into property lease agreements with Sky Right, an associate of the controlling shareholders of the Company, for leasing the office premises in Hong Kong for the operations of the Group (the “**Leases**”) for a term commencing from 1 August 2016 to 31 March 2019. Pursuant to each of the property lease agreements for the Leases dated 1 August 2016, at any time during the lease term, either party may give the other not less than 30 days’ prior written notice to terminate the agreement and there is no option to renew the lease agreement. On 1 April 2019, the Group entered into the 2019 Lease Agreements with Sky Right for the Leases on the same terms and conditions for a term commencing from 1 April 2019 to 31 March 2022.

IMPLICATIONS UNDER THE LISTING RULES

The landlord of the Leases is Sky Right. Sky Right is a limited liability company incorporated in Hong Kong, which is owned as to 90% and 10% by Ms. Chan Suk Mei and Mr. Yuen Sze Keung, respectively. Ms. Chan Suk Mei and Mr. Yuen Sze Keung are connected persons of the Company by virtue of being executive Directors and controlling shareholders of the Company. Accordingly, Sky Right is an associate of the controlling shareholders of the Company and hence a connected person of the Company under the GEM Listing Rules, and the transactions contemplated under the 2019 Lease Agreements are considered as connected transactions of the Company under Chapter 20 of the GEM Listing Rules.

Pursuant to HKFRS 16, as a result of the renewal of the lease agreements, the Group shall recognise right-of-use assets in the consolidated financial statements of the Company, and the transactions contemplated thereunder will be regarded as an acquisition of assets by the Group in accordance with the Rule 19.04(1)(a) of the GEM Listing Rules.

As the applicable percentage ratio (as defined under Rule 19.04(9) of the GEM Listing Rules) in respect of the 2019 Lease Agreements based on the value of the right-of-use assets recognised by the Group pursuant to HKFRS 16 exceeds 5% but less than 25% and the total consideration is less than HK\$10,000,000, the transactions in aggregate constitute discloseable and connected transactions of the Company and are accordingly subject to the reporting and announcement requirements but are exempted from the circular and shareholders' approval requirements under Chapters 19 and 20 of the GEM Listing Rules.

THE 2019 LEASE AGREEMENTS

The Board announces that on 1 April 2019, PTHK and Worldwide Package, as Lessees, entered into the 2019 Lease Agreements with Sky Right, as Lessor. The principal terms of each of the 2019 Lease Agreements are set out below:

(I) Lease agreement between PTHK and Sky Right

Date:	1 April 2019
Lessee:	PTHK
Lessor:	Sky Right
Location:	Unit 706–708, 7th Floor, Lippo Sun Plaza, 28 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Term:	Three (3) years commencing from 1 April 2019 to 31 March 2022
Principal terms:	PTHK will lease the premise from Sky Right as its corporate headquarters
Monthly rent:	HK\$158,000/month (exclusive of government rent, government rates and management fees)
Total consideration payable:	HK\$5,688,000
Deposit:	HK\$304,000

(II) Lease agreement between Worldwide Package and Sky Right

Date:	1 April 2019
Lessee:	Worldwide Package
Lessor:	Sky Right
Location:	Units 703 and 705, 7th Floor, Lippo Sun Plaza, 28 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Term:	Three (3) years commencing from 1 April 2019 to 31 March 2022
Principal terms:	Worldwide Package will lease the premise from Sky Right as its offices
Monthly rent:	HK\$77,000/month (exclusive of government rent, government rates and management fees)
Total consideration payable:	HK\$2,772,000
Deposit:	HK\$231,000

The terms of the 2019 Lease Agreements were determined after arm's length negotiations between the Lessor and Lessees and with reference to the prevailing market rental for properties of similar type, age and location. The Directors (including the independent non-executive Directors) consider that the terms of the 2019 Lease Agreements are fair and reasonable and on normal commercial terms. The rents were funded through the internal resources of the Group. The 2019 Lease Agreements were expired on 31 March 2022 and the Group has entered into new lease agreements on 24 March 2022 to renew the Leases, details of which were disclosed in the Company's announcement dated 22 June 2022.

REASONS FOR AND BENEFITS OF THE NEW LEASE AGREEMENTS

The premises under the Leases have been occupied by the Group as its corporate headquarters and offices since August 2016. Having considered the rentals of comparable offices in the nearby location, and the relocation costs which the Group may incur if it moves out of the premises under the Leases, the Directors (including the independent non-executive Directors) consider that it is desirable and in the interests of the Company and its shareholders as a whole to continue using the premises under the Leases as corporate headquarters and offices as it allows the Group to maintain stable operations in its ordinary and usual course of business.

INFORMATION OF THE PARTIES

The Company was incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM (stock code: 8069). PTHK, as a Lessee, is principally engaged in the provision of package tours services and is an indirect subsidiary of the Company. Worldwide Package, as a Lessee, is principally engaged in the sales of package tours, air tickets and/or hotel accommodations and ancillary travel related products and services and is an indirect wholly-owned subsidiary of the Company. Sky Right, as the Lessor, is primarily engaged in property investments. It is owned as to 90% and 10% by Ms. Chan Suk Mei and Mr. Yuen Sze Keung, respectively.

IMPLICATIONS OF THE LISTING RULES

Ms. Chan Suk Mei and Mr. Yuen Sze Keung are connected persons of the Company by virtue of being executive Directors and controlling shareholders of the Company. Accordingly, Sky Right is an associate of the controlling shareholders of the Company and hence a connected person of the Company under the GEM Listing Rules, and the transactions contemplated under the 2019 Lease Agreements are considered as connected transactions of the Company under Chapter 20 of the GEM Listing Rules.

Pursuant to HKFRS 16, as a result of the renewal of the lease agreements, the Group shall recognise right-of-use assets in the consolidated financial statements of the Company, and the transactions contemplated thereunder will be regarded as an acquisition of assets by the Group in accordance with the Rule 19.04(1)(a) of the GEM Listing Rules. The unaudited aggregate carrying value of the right-of-use assets under the 2019 Lease Agreements amounted to approximately HK\$7.9 million.

As the applicable percentage ratio (as defined under Rule 19.04(9) of the GEM Listing Rules) in respect of the 2019 Lease Agreements based on the value of the right-of-use assets recognised by the Group pursuant to HKFRS 16 exceeds 5% but less than 25% and the total consideration is less than HK\$10,000,000, the transactions in aggregate constitute discloseable and connected transactions of the Company and are accordingly subject to the reporting and announcement requirements but are exempted from the circular and shareholders' approval requirements under Chapters 19 and 20 of the GEM Listing Rules.

DEFINITIONS

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

“2019 Lease Agreements”	the lease agreement entered into between PTHK and Sky Right and the lease agreement entered into between Worldwide Package and Sky Right in relation to the Leases both dated 1 April 2019;
“associate”	has the meaning ascribed thereto in the GEM Listing Rules;
“Board”	the board of Directors;

“Company”	WWPKG Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM (stock code: 8069);
“connected person(s)”	has the meaning ascribed thereto in the GEM Listing Rules;
“controlling shareholders”	has the meaning ascribed thereto in the GEM Listing Rules;
“Director(s)”	the director(s) of the Company;
“GEM”	GEM of the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Lessee(s)”	PTHK and/or Worldwide Package;
“Prospectus”	prospectus of the Company dated 30 December 2016;
“PTHK”	Package Tours (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability and an indirect subsidiary of the Company;
“Sky Right” or “Lessor”	Sky Right Investment Limited, a company incorporated in Hong Kong with limited liability and is owned as to 90% and 10% by Ms. Chan Suk Mei and Mr. Yuen Sze Keung, being executive Directors and controlling shareholders of the Company, respectively;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Worldwide Package”	Worldwide Package Travel Service Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company; and
“%”	per cent.

On behalf of the Board
WWPKG Holdings Company Limited
Yuen Sze Keung
Chairman and Executive Director

Hong Kong, 27 June 2022

As at the date of this announcement, the executive Directors are Mr. Yuen Sze Keung, Ms. Chan Suk Mei, Mr. Yuen Chun Ning and Ms. Shawlain Ahmin; and the independent non-executive Directors are Mr. Ho Wing Huen, Mr. Lam Yiu Kin, Mr. Lee Hing Cheung Eric and Mr. Yen Yuen Ho Tony.

This announcement, 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 announcement 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 announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange at www.hkexnews.hk for at least seven days from the date of its posting and on the Company’s website at www.wwpkg.com.hk.