

# TARGET

## Intelligence Report

VOLUME XXVI No. 148

SATURDAY

July 13, 2024

### **VERTICAL INTERNATIONAL HOLDINGS LTD: IS THERE SOMEBODY, OUT THERE, WHO IS LOOKING FOR A GEM ... COMPANY, THAT IS ?**

It is only too obvious that Mr Henry Boon Ho Yin (溫浩然), the Controlling Shareholder of Vertical International Holdings Ltd (弘浩國際控股有限公司) (Code: 8375, The Growth Enterprise Market – The **GEM** – The Stock Exchange of Hongkong Ltd) is not averse to denude himself of his 65.22 percent of the entire Issued and Fully Paid-Up Share Capital of Vertical International Holdings Ltd (187,840,000 shares) to a prospective, moneyed male or female.

In fact, it is only too apparent that it might not be inappropriate to suggest that Mr Henry Boon Ho Yin is ‘hot-to-trot’ to find a buyer of his controlling shareholdings of the Company.

Mr Henry Boon Ho Yin was one of the Founders of Vertical International Holdings Ltd.

On or about April 2, 2024, the 2023 Annual Report of Vertical International Holdings Ltd was published and disseminated throughout The Hongkong Special Administrative Region (HKSAR) of The People’s Republic of China (PRC).

At Page Nine of this 142-page Report, under the heading, ‘**EVENTS AFTER THE REPORTING PERIOD**,’ shareholders were informed of the following intelligence:

*‘On 21 December 2023, Mr. Boon Ho Yin Henry and Vertical Technology Investment Limited (a controlling shareholder of the Company and is wholly-owned by Mr. Boon Ho Yin Henry) (together known as, the “Potential Vendors”), as vendors, and Henan Lixuan Network Technology Company Limited (河南麗軒網路科技有限公司) (the “Potential Purchaser”), which is ultimately owned as to 90% by Mr. Geng Nan (耿楠), 10% by Ms. Zhao Baoqin (趙寶琴), as purchaser, entered into a memorandum of understanding (the “MOU”), which does not constitute a formal agreement in respect of a possible sale of the Potential Vendors’ interest in the Company by the Potential Vendors to the Potential Purchaser.*

*‘The MOU contemplates a possible sale of 187,840,000 shares of the Company (the “Shares”) held by the Potential Vendors and representing*

*approximately 65.22% of the issued share capital of the Company as at the date of this report (“**Possible Transaction**”). The Potential Purchaser and its ultimate beneficial owners are independent third parties, which are not connected persons (as defined in the Listing Rules) of the Company and are independent of the Company and its connected persons (as defined in the Listing Rules). Pursuant to the terms of the MOU, the Potential Purchaser is entitled and is conducting due diligence review on the business, operations, financial and legal affairs of the Group as at the date of this report. Details of the Possible Transaction are set out in the announcement of the Company dated 27 December 2023, 26 January 2024 and 26 February 2024.*

*‘As at the date of this report, save for the MOU, no formal or legally binding agreement has been entered into between the Potential Vendors and the Potential Purchaser in respect of the Possible Transaction.’*

At Page 141 of the 2023 Annual Report, the ‘**Events after the reporting period**’ were repeated, ‘word-by-word.’

On or about Wednesday, March 20, 2024, an announcement of Vertical International Holdings Ltd, signed by Mr Henry Boon Ho Yin, Chairman, ‘*By Order of the Board*’ (of Directors), the following intelligence was published and disseminated to shareholders of the Company:

**(1) ANNOUNCEMENT PURSUANT TO RULE 3.7 OF THE  
TAKEOVERS CODE  
– LAPSE OF THE MEMORANDUM AND  
(2) CLOSE OF OFFER PERIOD**

*‘This announcement is made by Vertical International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 3.7 of The Code on Takeovers and Mergers (the “**Takeovers Code**”).*

*‘Reference is made to (i) the announcement of the Company dated 27 December 2023 in relation to, among other things, the Possible Transaction; and (ii) the monthly update announcements of the Company pursuant to Rule 3.7 of the Takeovers Code dated 26 January 2024 and 26 February 2024 (collectively, the “**Announcements**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.*

**‘LAPSE OF THE MEMORANDUM**

*‘As disclosed in the Announcements, the parties to the Memorandum will use reasonable effort to negotiate and enter into a formal sale and purchase agreement on or before 90 days upon the date of the Memorandum (i.e. 20 March 2024, or such later date as may be agreed in writing between the Potential Vendors and the Potential Purchaser), failing which the Memorandum will lapse and each party shall have no claim against the other.*

*‘The Company was informed by the Potential Vendors that, save for the Memorandum, no formal agreement nor any definitive or legally binding agreement has been entered into between the Potential Vendors and the Potential Purchaser as at 20 March 2024. Accordingly, the Memorandum has lapsed on 20 March 2024 and the non-refundable Deposit in the amount of HK\$3 million paid by the Potential Purchaser to the Potential Vendors has been forfeited pursuant to the Memorandum.*

*‘Following the termination of the Memorandum, the Memorandum (save for terms relating to the Deposit, confidentiality, termination, notices, costs, legal effect, counterparts and governing law and jurisdiction) shall have no further effect whatsoever and no party to the Memorandum shall have any claim whatsoever against any other party in connection therewith.*

**‘CLOSE OF OFFER PERIOD**

*‘For the purposes of the Takeovers Code, the offer period in respect of the Possible Transaction is closed on the date of this announcement, being 20 March 2024.*

*‘Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors or other professional advisers.’*

**THE BUSINESS OF  
VERTICAL INTERNATIONAL HOLDINGS LTD**

Vertical International Holdings Ltd sought and obtained permission to have its entire Issued and Fully Paid-Up Share Capital listed on The GEM on or about November 13, 2017.

The ... [CLICK TO ORDER FULL ARTICLE](#)

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