

*To the Independent Board Committee of
PINE Technology Holdings Limited*

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFERS BY
GET NICE SECURITIES LIMITED
FOR AND ON BEHALF OF MICRONOVA LIMITED
TO ACQUIRE ALL THE ISSUED SHARES
(OTHER THAN THOSE ALREADY OWNED AND/OR
AGREED TO BE ACQUIRED BY MICRONOVA LIMITED AND
PARTIES ACTING IN CONCERT WITH IT) AND
TO CANCEL ALL THE OUTSTANDING SHARE OPTIONS OF
PINE TECHNOLOGY HOLDINGS LIMITED**

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee in respect of the terms of the Offers, details of which are set out in the Composite Document dated 26 August 2025 jointly issued by the Company and the Offeror to the Independent Shareholders and the Optionholders, of which this letter forms part. Our appointment as the Independent Financial Adviser has been approved by the Independent Board Committee. Terms used in this letter shall have the same meanings as defined in the Composite Document unless the context requires otherwise.

The Company was informed by the Offeror that it has acquired an aggregate of 714,163,680 Shares, representing approximately 53.83% of the total issued share capital of the Company, in the following manner:

- (i) on 30 July 2025, the Offeror (as purchaser), Vendor A (as vendor), and the Guarantor (as Vendor A's guarantor), entered into the Sale and Purchase Agreement A, pursuant to which Vendor A has agreed to sell and the Offeror has agreed to purchase 454,163,680 Sale Shares A, representing approximately 34.23% of the total issued share capital of the Company as at the date of the Sale and Purchase Agreement A, at a consideration of HK\$30,809,284, which is equivalent to approximately HK\$0.068 per Sale Share A; and
- (ii) on 30 July 2025, the Offeror (as purchaser) and Vendor B (as vendor) entered into the Sale and Purchase Agreement B, pursuant to which Vendor B has agreed to sell and the Offeror has agreed to purchase 260,000,000 Sale Shares B, representing approximately 19.60% of the total issued share capital of the Company as at the date of the Sale and Purchase Agreement B, at a consideration of HK\$17,637,725, which is equivalent to approximately HK\$0.068 per Sale Share B.

Completion of the Acquisitions took place on 30 July 2025. The total consideration was paid by the Offeror from its own resources.

Immediately after the completion of the Acquisitions, the Offeror, Mr. Yu and parties acting in concert with any of them are interested in 714,163,680 Shares, representing approximately 53.83% of the total issued share capital of the Company.

Accordingly, pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror, Mr. Yu and parties acting in concert with any of them). Pursuant to Rule 13.5 of the Takeovers Code, the Offeror is also required to make an appropriate cash offer to the Optionholders to cancel all the outstanding Share Options.

Get Nice Securities Limited, for and on behalf of the Offeror, is making the Offers (i) to acquire all the Offer Shares; and (ii) to cancel all the outstanding Share Options pursuant to Rule 13.5 of the Takeovers Code on the following basis:

The Share Offer

For each Offer Share HK\$0.068 in cash

The Share Offer Price of HK\$0.068 per Offer Share is equal to the price per Sale Share A and Sale Share B payable by the Offeror under the Sale and Purchase Agreements.

The Option Offer

For cancellation of each Share Option HK\$0.0001 in cash

Pursuant to Rule 13 of the Takeovers Code and Practice Note 6 of the Takeovers Code, the Option Offer Price would normally be the “see-through” price which represents the excess of the Share Offer Price and the exercise prices of the Share Options. Given that the exercise prices of the outstanding Share Options of HK\$0.46 and HK\$0.83 per Share are above the Share Offer Price of HK\$0.068 per Offer Share, the “see-through” price is below zero and the Option Offer Price for the cancellation of each outstanding Share Option will be a nominal cash amount of HK\$0.0001.

The Offers are unconditional in all respects.

The Independent Board Committee comprising Mr. So Stephen Hon Cheung, Mr. Zhou Chunsheng and Mr. Tian Hong, each of whom being an independent non-executive Director, has been established by the Company pursuant to Rule 2.1 of the Takeovers Code to make a recommendation to the Independent Shareholders and the Optionholders in respect of the Offers, as to whether the Offers are fair and reasonable and as to the acceptance of the Offers.

We, Nuada Limited, have been appointed by the Company, with the approval of the Independent Board Committee, to advise the Independent Board Committee in respect of the Offers, and in particular, as to whether the Offers are fair and reasonable and as to the acceptance of the Offers.

During the past two years immediately preceding the commencement of the Offer Period, save for this appointment as the Independent Financial Adviser in respect of the Offers, there were no other engagements between the Group, the Offeror and parties acting in concert with it or the Vendors and Nuada Limited. Apart from normal professional fees for our services to the Company in connection the aforesaid appointment, no other arrangement exists whereby we have received/will receive any fees and/or benefits from the Group, the Offeror and parties acting in concert with it or the Vendors or any other parties that could reasonably be regarded as relevant to our independence. Save for this appointment as the Independent Financial Adviser in respect of the Offers and normal professional fees for our services to the Company in connection the aforesaid appointment, there is no other relationships or interests between (a) Nuada; and (b) the Group, the Offeror, the Vendors, and their respective controlling shareholders, subsidiaries and associates, nor is Nuada associated with the Group, the Offeror, the Vendors, and their respective substantial shareholders and any party acting, or presumed to be acting, in concert with any of them. Accordingly, we consider that we are independent pursuant to Rule 2 of the Takeovers Code and Rule 13.84 of the Listing Rules to act as the Independent Financial Adviser to give independent advices on the Offers.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee, the Independent Shareholders and the Optionholders, we have relied on the accuracy of the statements, information, opinions and representations contained or referred to in the Composite Document and the information and representations provided to us by the Company, the Directors and the management of the Company (the “**Management**”). We have no reason to believe that any information or representation relied on by us in forming our opinion is untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render the information provided and the representations made to us untrue, inaccurate or misleading. We have assumed that all information, representations and opinions contained or referred to in the Composite Document, which have been provided by the Company, the Directors, the sole director of the Offeror and the Management and for which they are solely and wholly responsible, were true and accurate at the time when they were made and continue to be true up to Latest Practicable Date. Should there be any material changes to the information, representations and opinions contained or referred to in the Composite Document, which have been provided by the Company, the Directors, the sole director of the Offeror and the Management and our opinions and/or recommendation after the despatch of the Composite Document and throughout the Offer Period, the Independent Shareholders would be notified as soon as possible in accordance with Rule 9.1 of the Takeovers Code.

The sole director of the Offeror accepts full responsibility for the accuracy of information contained in the Composite Document (other than the information relating to the Vendors and the Group) and confirm, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in the Composite Document (other than those expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in the Composite Document, the omission of which would make any statement in the Composite Document misleading.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Composite Document (other than that relating to the Offeror and parties acting in concert with it) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Composite Document (other than those expressed by the sole director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in the Composite Document, the omission of which would make any statement in the Composite Document misleading.

Our review and analysis were based upon, among other things, the information provided by the Company including the Joint Announcement and the Composite Document, and certain published information from the public domain including market statistics from 國家統計局 (National Bureau of Statistics*) of the PRC (“NBS”), policies issued by 國家發展和改革委員會 (National Development and Reform Commission*) of the PRC (“NDRC”), status of trade war between the United States and the PRC, trading performance of the Shares on the Stock Exchange, the annual report of the Company for the financial years ended 30 June 2023 (“**Annual Report 2023**”) and 2024 (“**Annual Report 2024**”), and the interim report of the Company for the six months ended 31 December 2024 (“**Interim Report 2024**”), respectively.

We consider that we have reviewed sufficient information, including relevant information and documents provided by the Company, the Directors and the Management and the information published by the Company, to enable us to reach an informed view and to justify reliance on the accuracy of the information contained in the Composite Document and to provide a reasonable basis for our opinions and advice. We have not, however, carried out any independent verification of the information provided by the Company, the Directors and the Management, nor have we conducted an independent in-depth investigation into the business and affairs, financial condition and future prospects of the Group.

PRINCIPAL FACTORS AND REASONS CONSIDERED FOR THE OFFER

In formulating our advice in respect of the Offers, we have taken into consideration the following principal factors and reasons:

1. Information on the Group

(a) Principal business of the Group

As stated in the section headed “Letter from the Board” in the Composite Document, the Group is principally engaged in (i) the sales of computer components and consumer electronic products (the “**Electronic Product Business**”); (ii) the trading of plastic products (the “**Plastic Product Business**”); and (iii) the provision of computer software and hardware and system development services in Hong Kong and the PRC (the “**Computer Service Business**”). According to the Interim Report 2024, the three segments accounted for approximately 77.9%, 21.1% and 1.0% of the Company’s revenue for the six months ended 31 December 2024 respectively.

* For identification purposes only

According to the Management, products sold by the Group under the Electronic Product Business can be categorised into (i) computer components and consumer electronic products such as power bank and USB flash drives under the brand of the Group (“**Group’s Brand Products**”), which are manufactured by original equipment manufacturers in the PRC and sold to resellers, corporate buyers and individual end-users in Hong Kong; and (ii) consumer electronic products including mobile phones, laptop, tablet, security cameras, wireless mice, USB flash drives, external hard disks, printers and monitor which are not under the brand of the Group (“**Other Brand Products**”), and are sourced from distributors and exporters in the PRC and sold to distributors and retailers in the PRC. In short, the Group sells Group’s Brand Products where the Group acts as the brand owner, and Other Brand Products where the Group acts as a reseller.

Regarding the Plastic Product Business, the Group procures raw plastic materials (i.e. polypropylene and polyethylene, which are used for packaging materials, automotive components and household products and plastic bags, bottles, etc respectively) in bulk directly from petrochemical manufacturers, primary producers and commodity distributors in the PRC and sells to intermediary distributors and end product manufacturers in the PRC with more competitive pricing. In other words, the revenue of the Plastic Product Business was generated by trading of raw plastic materials.

Regarding the Computer Service Business, the Group through Talent Crest Limited (“**Talent Crest**”) acquired the entire issued share capital of Eternal Abundant Limited (“**Eternal Abundant**”) during the year ended 30 June 2019. Eternal Abundant was principally engaged in investment holding and was indirectly interested in 60% interest in China UIP Information Technology Co. Ltd. (“**China UIP**”). China UIP was principally engaged in computer software and hardware and system development for e-government and e-commerce solutions in the PRC and revenue generated by China UIP accounted for 100% of the revenue of the Group’s Computer Service Business for FY2022 and FY2023. The Group disposed of Talent Crest and its subsidiaries in December 2023 to better allocate its resources for the development of its existing business and/or investments in other business opportunities in respect of the Computer Service Business, details of which are set out in the announcement of the Company dated 21 December 2023. Shortly after the disposal, the Company established a joint venture company in the PRC in January 2024 to provide computer software and hardware and system development services, which is expected to expand into measurement and control equipment integration, as well as the drone and robotics markets. The aforesaid joint venture company is still in early stage and contributed minimal revenue to the Group in the latest financial period.

(b) Financial information of the Group

The table below summarises the financial results of the Group for the financial years ended 30 June 2022 (“FY2022”), 30 June 2023 (“FY2023”) and 30 June 2024 (“FY2024”) and the six months ended 31 December 2023 (“6M2023”) and 31 December 2024 (“6M2024”) as extracted from the Annual Report 2023, Annual Report 2024 and Interim Report 2024 respectively.

	For the six months ended 31 December		For the year ended 30 June		
	2024	2023	2024	2023	2022
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Audited and restated)
Continuing operations					
Revenue	140,048	127,559	234,832	46,993	51,776
– Electronic Product Business	109,117	101,363	190,982	105	–
– Plastic Product Business	29,579	24,965	42,163	35,568	–
– Computer Service Business	1,352	1,231	1,687	11,320	51,776
Gross profit/(loss)	2,005	1,490	2,827	(1,268)	4,455
Gross profit margin (%)	1.4	1.2	1.2	N/A	8.6
General and administrative expenses	(7,540)	(7,346)	(13,819)	(30,038)	(32,919)
Gain/(loss) on disposal of subsidiaries	–	57,412	57,411	(1,183)	–
Impairment loss on intangible assets	–	–	–	(58,007)	–
Impairment loss on goodwill	–	–	–	(18,289)	(43,991)
Discontinued operation					
Loss for the year from discontinued operation	–	–	–	(102)	8,892
(Loss)/profit for the year/period	(6,607)	51,843	45,019	(107,589)	(65,856)

Note: According to Annual Report 2023, during FY2023, the Company’s subsidiary did not renew its money lender license which expired on 29 September 2022 and ceased to be a licensed money lender in Hong Kong. Therefore, the Group classified the results of the money lending business as discontinued operation and the comparative information for FY2022 has been restated.

Financial performance for FY2023 vs FY2022

The Group recorded revenue of approximately HK\$47.0 million for FY2023, representing a decrease of approximately 9.2% as compared with that of approximately HK\$51.8 million for FY2022. According to the Management and as disclosed in Annual Report 2023, the decrease in revenue was primarily attributed to a significant decrease of approximately 78.1% in the Group's revenue from the Computer Service Business as a result of adverse market conditions in the PRC. Due to the decline in revenue and the increase in cost of sales, the Group recorded gross loss of approximately HK\$1.3 million for FY2023 as compared with a gross profit of approximately HK\$4.5 million for FY2022. According to Annual Report 2023, the Group's financial performance for FY2023 was negatively impacted by impairment loss on goodwill of approximately HK\$18.3 million (approximately HK\$44.0 million for FY2022) and impairment loss on intangible assets (customer relationship) of approximately HK\$58.0 million (nil for FY2022). As disclosed above, the Group through Talent Crest acquired the entire issued share capital of Eternal Abundant during the year ended 30 June 2019, from which goodwill and other intangible assets arose. The implementation of strict lockdown measures and anti-pandemic policies in the PRC had a discouraging effect on business activities, thereby adversely affecting the operation and development of Eternal Abundant and its subsidiaries in FY2023, which ultimately led to the aforesaid impairment losses, details of which are set out in notes 17 and 18 to Annual Report 2023. According to the Management and as disclosed in Annual Report 2023, the Group's net loss for the year increased by approximately 63.3% from approximately HK\$65.9 million for FY2022 to approximately HK\$107.6 million for FY2023, which was mainly due to the aforesaid change from gross profit to gross loss as well as the aforesaid impairment losses.

Financial performance for FY2024 vs FY2023

The Group recorded revenue of approximately HK\$234.8 million for FY2024, representing a substantial increase of approximately 399.6% as compared with that of approximately HK\$47.0 million for FY2023. Meanwhile, the Group recorded gross profit of approximately HK\$2.8 million for FY2024 as compared with a gross loss of approximately HK\$1.3 million for FY2023. According to the Management and as disclosed in the Annual Report 2024, the increase in revenue and change from gross loss to gross profit were mainly due to the revenue generated from the sales of Other Brand Products under the Electronic Product Business, amounting to approximately HK\$191.0 million for FY2024 as compared with approximately HK\$0.1 million for FY2023, primarily attributable to the positive impact on sales due to the establishment of stable sources of supply and reliable vendors during FY2024, which resulted in a corresponding increase in both the customer base and revenue of the Group. Overall, the Group recorded a net profit for the year of approximately HK\$45.0

million for FY2024 as compared with a net loss for the year of approximately HK\$107.6 million for FY2023. According to the Management, such change was mainly attributable to (i) an one-off gain on disposal of subsidiaries of approximately HK\$57.4 million for FY2024 in relation to two then-subsidaries, namely Talent Crest and City Moon Limited, completed on 22 December 2023 and 3 April 2024 respectively. Details of the assets and liabilities of the aforesaid companies are set out in note 32 to Annual Report 2024; and (ii) the absence of impairment loss on intangible assets and impairment loss on goodwill for FY2024, which amounted to approximately HK\$58.0 million and HK\$18.3 million for FY2023 respectively as detailed above.

Financial performance for 6M2024 vs 6M2023

The Group recorded revenue of approximately HK\$140.0 million for 6M2024, representing a slight increase of approximately 9.7% as compared with that of approximately HK\$127.6 million for 6M2023. Gross profit of the Group increased by approximately HK\$0.5 million from approximately HK\$1.5 million for 6M2023 to approximately HK\$2.0 million for 6M2024. According to the Management and as disclosed in the Interim Report 2024, the increase in revenue was attributable to the increase in (i) sale of Other Brand Products; and (ii) trading of raw plastic materials, while the increase in gross profit was mainly attributable to the aforesaid increase in revenue as well as slight improvement in gross profit margin from approximately 1.2% to 1.4%. Overall, the Group recorded a net loss for the period of approximately HK\$6.6 million for 6M2024 as compared with a net profit for the period of approximately HK\$51.8 million for 6M2023. According to the Management, such change was mainly attributable to the absence of gain on disposal of subsidiaries for 6M2024, which amounted to approximately HK\$57.4 million for 6M2023 (related to the disposal of Talent Crest as disclosed above) as detailed in note 10 to Interim Report 2024.

Financial position as at 30 June 2024 and 31 December 2024

The table below summarises the financial position of the Group as at 30 June 2024 and 31 December 2024 respectively as extracted from the Interim Report 2024.

	As at 31 December 2024 (HK\$'000) (Unaudited)	As at 30 June 2024 (HK\$'000) (Audited)
Current assets	78,037	87,096
– Bank balances and cash	75,327	83,646
– Trade and other receivables,	2,260	3,190
Current liabilities	2,073	4,065
– Trade and other payables	1,485	1,374
	<hr/>	<hr/>
Net current assets	75,964	83,031
Non-current assets	2,679	3,358
– Intangible assets	2,492	2,672
Non-current liabilities	–	–
	<hr/>	<hr/>
Net assets/total equity	<u>78,643</u>	<u>86,389</u>

As stated in Interim Report 2024, net current assets of the Group decreased by approximately HK\$7.0 million from approximately HK\$83.0 million as at 30 June 2024 to approximately HK\$76.0 million as at 31 December 2024, and net assets of the Group also decreased by approximately HK\$7.8 million from approximately HK\$86.4 million as at 30 June 2024 to approximately HK\$78.6 million as at 31 December 2024. According the Management, the decrease was mainly attributable to the decrease in bank balances and cash by approximately HK\$8.3 million, which in turn was due to net cash used in operating activities.

Our view

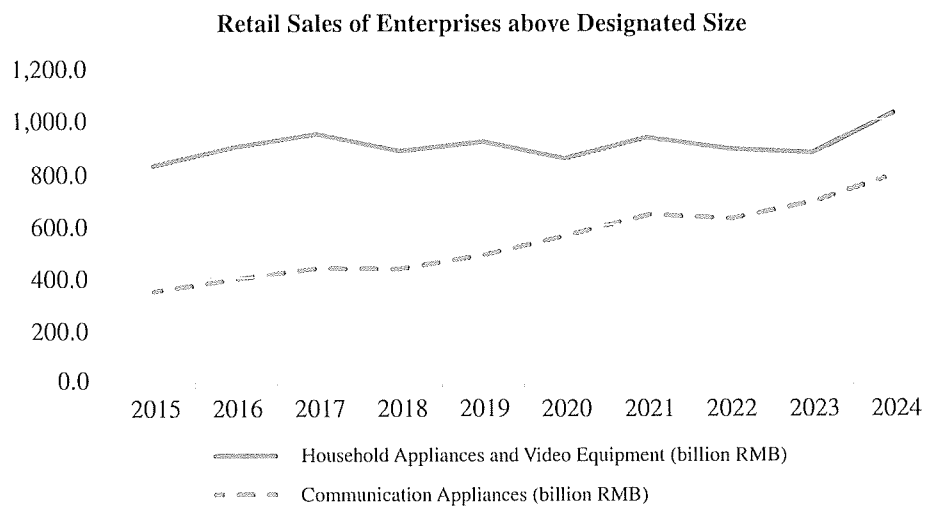
Taking into account that the Company's (i) minimal gross profit with gross profit margin in the range of approximately 1.2% to 1.4% since 6M2023; (ii) losses for FY2022, FY2023 and 6M2024; and (iii) profits for FY2024 and 6M2023 which were solely attributable to non-recurring gain on disposal of subsidiaries and would otherwise have been losses, we are of the view that the Group's financial performance in recent periods has been unsatisfactory.

(c) Business overview of the Group

As stated in the section headed “(a) Principal business of the Group” above, the Group is principally engaged in (i) the Electronic Product Business; (ii) the Plastic Product Business; and (iii) the Computer Service Business. In particular, we note from Interim Report 2024 that only approximately 1.0% revenue was generated by the Computer Service Business above, and as such we focus our research on the market outlook of the Electronic Product Business and Plastic Product Business.

Regarding the Electronic Product Business, having considered the variety of products sold by the Group and the location of customers of the Group, we obtain the statistics on retail sales of enterprises above designated size for (a) household appliances and video equipment; and (b) communication appliances (e.g. mobile phones) in the PRC respectively from NBS. While the Electronic Product Business of the Group mainly consists of wholesale instead of retail sales, we note that NBS does not provide wholesale statistics, nor does it provide retail sales statistics of enterprises of all sizes (instead of enterprises above designated size). Nevertheless, we consider that the retail sales of enterprises above designated size (which is the only retail sale statistics available from NBS) for the two product categories can demonstrate the general market trend and demand for the consumer electronic products (i.e. household appliances and mobile phones). The data, despite excluding smaller enterprises, still covers a significant portion of the market due to the scale of these larger enterprises and reflects consumer purchasing behaviour in the PRC that impact the supply chain. Strong retail sales suggests robust consumer interest, which drives demand for wholesale products as retailers restock to meet market needs, hence retail sales trends serve as a leading indicator for wholesale demand. Regarding the Plastic Product Business, due to the lack of demand or consumption statistics of plastic in the PRC, we obtain the statistics on production of primary plastic in tons (i.e. not secondary plastic originated from disintegration of larger plastic debris) in the PRC from NBS as a proxy for demand for plastic in the PRC. As a general reference, we also examine the gross domestic product per capita and disposable income per capita in the PRC from NBS to study the general economy, purchasing power and living standard in the PRC.

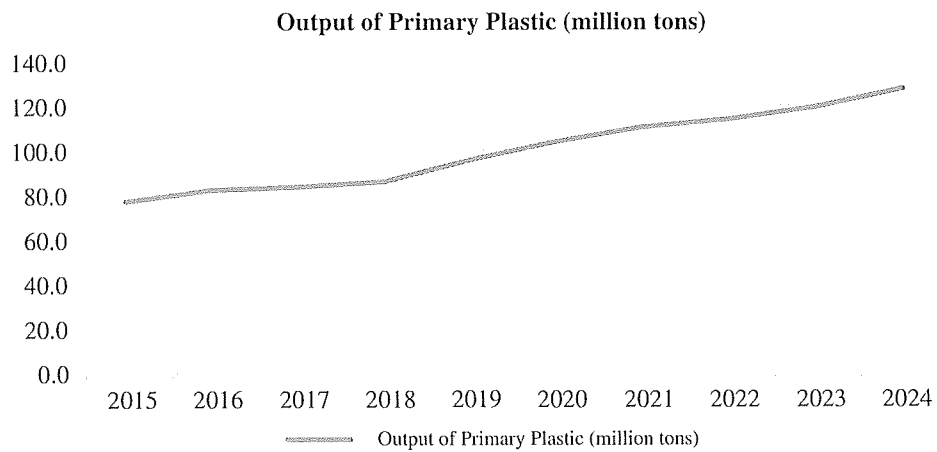
Graph 1: Retail sales of enterprises above designated size



Source: NBS

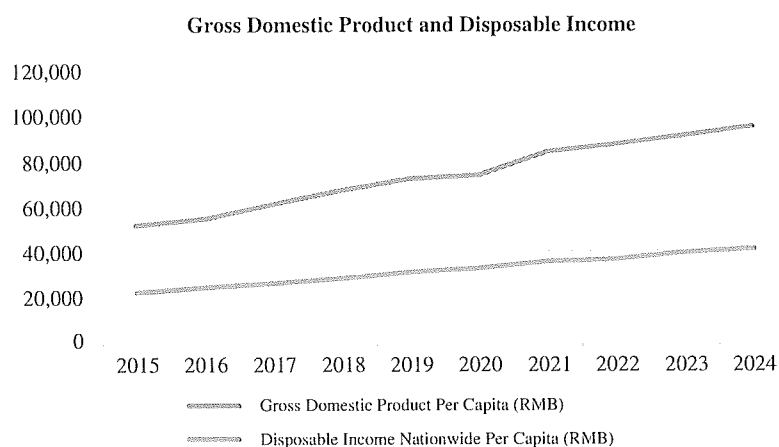
Note to Graph 1: Enterprises above designated size are defined by NBS as retail enterprises of all business sectors (units and individuals) with annual main business income of RMB5 million and above.

Graph 2: Output of primary plastic



Source: NBS

Graph 3: Gross domestic product and per capita disposable income



Source: NBS

Graph 1 shows that retail sales of household appliances and video equipment fluctuated in around RMB900 billion in the last ten years and recorded an increased from approximately RMB871.9 billion in 2023 to approximately RMB1,030.8 billion in 2024, which was also the record high in ten years. This reflected the retail market for household appliances and video equipment remained stable. Meanwhile, communication appliances in the PRC experienced general upward trend in the last ten years from approximately RMB347.0 billion in 2015 to approximately RMB790.2 billion in 2024, representing a cumulative annual growth rate of approximately 9.6%. This showed that retail market for communication appliances has been flourishing for the last ten years.

Likewise, Graph 2 shows a continuous growth in production of primary plastics, from approximately 76.9 million tons in 2015 to approximately 127.5 million tons in 2024, representing a cumulative annual growth rate of approximately 5.8%. Assuming that the market demand for primary plastic match its supply, we consider that the raw plastic market has been growing steadily in the last ten years.

Lastly, regarding the general economy and purchasing power, Graph 3 shows that both domestic product per capita and disposable income per capita grew continuously, both with cumulative annual growth rate of approximately 7.3% for the last ten years. These reflect the PRC has a steadily growing economy and the population has increasing purchasing power and living standard in general, which is beneficial to the consumer market in the PRC.

We also research relevant factors affecting the business outlook of the Group. Regarding the Electronic Product Business, in January 2025, NDRC announced that the PRC government will, among others, issue ultra-long treasury bonds to continue promotion of large-scale equipment renewals and consumer goods (mainly household appliances and mobile phones) trade-ins with subsidies to consumers. These consumer subsidies aim to incentivise upgrades and boost retail sales, thereby enhancing demand in the consumer electronics market. This policy is expected to positively impact the Group's Electronic Product Business by increasing consumer purchasing power and driving sales.

On the other hand, the ongoing trade war between the United States and the PRC, particularly restrictions on advanced semiconductors, continues to disrupt the supply chain for critical electronic components, such as chips used in laptops and mobile phones. These restrictions create supply-side pressures, leading to uncertainties in the availability and pricing of certain electronic components in the PRC market. According to the Management, suppliers have responded by modestly increasing prices, which could compress profit margins unless these cost increases are passed on to consumers. The interplay between heightened demand from subsidies and supply chain constraints introduces uncertainty to the Electronic Product Business.

Regarding the Plastic Product Business, NDRC and 生態環境部 (Ministry of Ecology and Environment*) of the PRC jointly issued an article titled 關於進一步加強塑料污染治理的意見 (Opinions on Further Strengthening the Treatment of Plastic Pollution*) in January 2020, which bans the use of non-degradable plastic bags, plastic tape and disposable plastic woven bags in markets and/or postal and express delivery outlets nationwide by the end of 2025. We are not aware of any other government policy that supersedes or supplements the aforesaid article since its issue. As the 2025 deadline approaches, the commercial demand for traditional plastic products may experience a slight decline if market participants have not fully transitioned to alternatives. Despite the impending regulatory changes, the impact on the Plastic Product Business is expected to be limited, as the plastics industry has demonstrated steady production growth in recent years. However, the transition to alternative materials could introduce short-term challenges, particularly if adoption rates lag or production costs for alternatives remain high.

In conclusion, we consider that both the Electronic Product Business and the Plastic Product Business face uncertainties driven by external factors. For the Electronic Product Business, the positive stimulus from consumer subsidies is counterbalanced by supply chain disruptions and cost pressures from the trade war, making the net impact on profitability and stability of the market unclear. Similarly, the Plastic Product Business must navigate the 2025 regulatory ban on non-degradable plastics, which could reduce demand in certain segments, though the industry's historical resilience suggests a manageable transition.

* For identification purposes only

As stated above, due to insignificant contribution of the Computer Service Business of the Company, we focus on analysis on the outlook and prospects of the Electronic Product Business and Plastic Product Business. Having considered (i) despite overall growth in the retail market and general economy in the past ten years, the Company continued to recorded minimal gross profit and losses in recent financial periods; (ii) there are uncertainties regarding both the Electronic Product Business and Plastic Product Business due to government policy and escalating US-China trade tension, we are of the view that the Company's outlook and prospects remains uncertain.

We have also discussed with the Management regarding the Company's business plan for navigating the aforesaid macroeconomic uncertainties. We understand that the Company intends to (i) closely monitor regulatory and trade policy changes; (ii) secure long-term contract with suppliers; (iii) expand its supplier and customer bases into regions less impacted by geopolitical tensions; and (iv) introduce more sustainable and eco-friendly plastic materials. Having considered that the vast majority of suppliers and customers of the Group have historically been located in the PRC, we remain sceptical about how quickly and effectively the Company can achieve diversification to alleviate the impact of macroeconomic uncertainties in the short run.

2. Information on the Offeror and the Offeror's intention regarding the Group

(a) Information on the Offeror

As stated in the section headed "Letter from Get Nice" in the Composite Document, the Offeror is a company incorporated in Hong Kong with limited liability and is wholly and beneficially owned by NexLumin Limited, a company incorporated in the British Virgin Islands, which in turn is wholly and beneficially owned Mr. Yu. Each of the Offeror and NexLumin Limited is an investment holding company. Save for the entering into of the Sale and Purchase Agreements by the Offeror, each of the Offeror and NexLumin Limited has not conducted any business since its incorporation and does not hold any assets other than the 714,163,680 Shares acquired by the Offeror under the Acquisitions.

Mr. Yu, aged 48, is a sophisticated investor having more than 18 years of experience in the stock market and private equity investment in the PRC and has held senior managerial position for several fund management companies in the PRC since 2012. He is a holder of the Fund Qualification Certificate registered under the Asset Management Association of China since February 2018. He is currently an executive director and fund manager of 共青城啟元致德投資管理有限公司 (Gongqingcheng Qiyuan Zhide Investment Management Co., Ltd.*) ("Qiyuan Zhide") since December 2016. Qiyuan Zhide is a qualified fund management institution in private equity investment and venture capital investment registered under the Asset Management

* For identification purposes only

Association of China and specialised in the industry of computer components and systems, including computer memory, computing power center, data center and semiconductor chip.

Mr. Yu graduated from Tsinghua University with a Bachelor degree in Engineering from the Department of Automation in 1999 and a Master degree in Engineering specialised in Control Theory and Control Engineering in 2003. He founded 蕪湖希瑪科技發展有限公司 (Wuhu Xima Technology Development Co., Ltd.*) which was principally engaged in the manufacturing and sales of computer components relating to computing and data centers in 2003 and was the executive director of the company until 2006. Equipped with solid academic knowledge and industry experience, Mr. Yu had become an investor focusing on listed companies in the information technology industry in the PRC since 2007. In 2012 to 2016, Mr. Yu joined 北京深藍啟明投資管理有限公司 (Beijing Shenlan Qiming Investment Management Co, Ltd.*) (“**Shenlan Qiming**”) as the fund manager and supervised and managed the issuance of various private equity investment products in the PRC capital market and a number of private placement activities with companies listed in the PRC. Shenlan Qiming is a qualified fund management institution in private equity investment registered under the Asset Management Association of China.

(b) Intention of the Offeror regarding the Group

As stated in the section headed “Letter from Get Nice” in the Composite Document, the Offeror considers and confirms that (a) it is intended that the Group will continue with the existing business of the Group; and (b) it has no intention to (i) introduce any major changes to the existing business of the Group or (ii) discontinue the employment of any of the Group’s employees or (iii) re-deploy the fixed assets of the Group other than in its ordinary course of business.

The Offeror intends to continue the employment of the existing management and employees of the Group (except for a proposed change to the members of the Board at a time no earlier than that as permitted under the Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate). The Offeror intends to continue the existing principal business of the Group. However, the Offeror also intends to review the operation and business activities of the Group to formulate a long-term business strategy for the Group. The Offeror may explore other business opportunities and/or fund-raising activities which are considered appropriate for enhancing the long-term growth potential of the Group.

* For identification purposes only

Mr. Yu, being the sole director of the Offeror, intends to leverage on his knowledge, experience and network in the information technology sector to assist the Group in reviewing the trends and market opportunities in the computer components and electronic products industries and broadening its supplier and customer bases and/or product mix if appropriate.

Save for the Offeror's intention regarding the Group as set out above, (i) the Offeror has no intention to make material changes to the employment of the employees of the Group (except for a proposed change to the members of the Board at a time no earlier than that permitted under the Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate); (ii) the Offeror has no intention to dispose of or re-deploy the assets of the Group other than those in its ordinary course of business; and (iii) as at the Latest Practicable Date, no investment or business opportunity had been identified nor had the Offeror entered into any agreement, arrangement, understandings or negotiation in relation to the injection of any assets or business into the Group or the disposal of or downsizing the Group's existing businesses.

As at the Latest Practicable Date, the Offeror intends to nominate Mr. Yu as the chairman and an executive Director to the Board subject to compliance with the Takeovers Code and the Listing Rules. It is the intention of the Offeror to further nominate or appoint new director(s) to the Board that it considers beneficial to the development of the Group. However, the Offeror has not identified any potential candidates other than Mr. Yu up to the Latest Practicable Date. The appointment of Director(s) nominated by the Offeror will take effect no earlier than the despatching of the Composite Document in compliance with Rule 26.4 of the Takeovers Code or such later date as the Offeror considers to be appropriate.

(c) Public float and maintenance of the listing status of the Company

As stated in the section headed "Letter from Get Nice" in the Composite Document, the Offeror intends the Company to remain listed on the Stock Exchange after the close of the Offers.

The Stock Exchange has stated that if, at the close of the Offers, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares (excluding treasury shares), are held by the public, or if the Stock Exchange believes that:

- (a) a false market exists or may exist in the trading of the Shares; or
- (b) there are insufficient Shares in public hands to maintain an orderly market,

it will consider exercising its discretion to suspend dealings in the Shares.

The Offeror intends the Company to remain listed on the Stock Exchange after the close of the Offers. The sole director of the Offeror and the new directors to be appointed to the Board (if any) will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares.

(d) Our view

Based on the background of Mr. Yu as stated in the section headed “Letter from Get Nice” in the Composite Document, we note that Mr. Yu was a founder of a company principally engaged in the information technology industry and remained as an executive director of the company until 2006. Afterwards, Mr. Yu has only been a passive investor focusing on listed companies in the information technology industry in the PRC since 2007. It is uncertain whether his experience as investor and network in the information technology industry in general are relevant to and can contribute to the business of the Group which focuses on Electronic Product Business and Plastic Product Business. Notwithstanding the fact that Mr. Yu is intended to be nominated as the chairman and an executive Director to the Board subject to compliance with the Takeovers Code and the Listing Rules, having considered that (i) the Offeror intends that the Group will continue with the existing business of the Group; and (ii) it has no intention to (a) introduce any major changes to the existing business of the Group or (b) discontinue the employment of any of the Group’s employees or (c) re-deploy the fixed assets of the Group other than in its ordinary course of business, we are of the view that there will not be material change in the business and financial performance of the Group as a result of the Offers.

3. Principal terms of the Share Offer

(a) Comparison of the market prices of the Shares

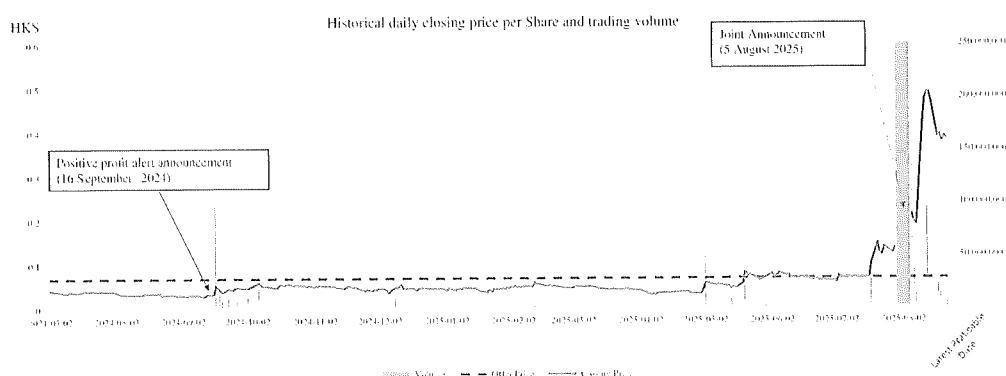
As stated in the section headed “Letter from Get Nice” in the Composite Documents, the Share Offer Price of HK\$0.068 per Offer Share represents:

- (i) a discount of approximately 82.34% to the closing price of HK\$0.385 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 50.36% to the closing price of HK\$0.137 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 48.48% to the average closing price of approximately HK\$0.132 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to and including the Last Trading Day;

- (iv) a discount of approximately 41.88% to the average closing price of approximately HK\$0.117 per Share as quoted on the Stock Exchange for the ten (10) consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a discount of approximately 18.07% to the average closing price of approximately HK\$0.083 per Share as quoted on the Stock Exchange for the thirty (30) consecutive trading days immediately prior to and including the Last Trading Day;
- (vi) a premium of approximately 7.94% over the audited equity attributable to owners of the Company per Share of approximately HK\$0.063 as at 30 June 2024 as extracted from the annual report of the Company for the year ended 30 June 2024, which was calculated based on 1,326,701,739 Shares in issue;
- (vii) a premium of approximately 19.30% over the unaudited equity attributable to owners of the Company per Share of approximately HK\$0.057 as at 31 December 2024 as extracted from the interim report of the Company for the six months ended 31 December 2024, which was calculated based on 1,326,701,739 Shares in issue.

(b) Historical price performance of the Shares

The graph below shows Offer Price and the movement of the closing prices of the Shares during the period from 2 July 2024, being the first trading day of the twelve months prior to the Last Trading Day (i.e. 29 July 2025), to the Latest Practicable Date (the “**Review Period**”), with key/relevant events labelled. We consider that the Review Period can reflect the latest market conditions and the recent price performance and trading volume of the Shares for conducting an analysis against the Share Offer Price. Accordingly, we consider the Review Period adopted is fair and reasonable.



Source: Website of the Stock Exchange (www.hkex.com.hk)

Note: Please refer to the paragraphs below for the details of the relevant publications as indicated in the graph above. Trading of the Shares was suspended from 30 July 2025 to 5 August 2025 (both days inclusive) pending the publication of the Joint Announcement, which is indicated by the shaded area.

As illustrated in the graph above, the closing price of the Shares experienced a spike reaching HK\$0.052 with substantially high trading volume of 98,526,000 Shares on 17 September 2024 (for comparison, average daily trading volume were less than 1,000,000 in July and August 2024), and continued with the upward trend until reaching HK\$0.059 on 7 October 2024. We have reviewed the publications and note that the Company published (i) a positive profit alert announcement on 16 September 2024, in which it was announced that there was turnaround from an unaudited consolidated net loss after tax for FY2023 to an unaudited consolidated net profit after tax for FY2024; and (ii) the annual results announcement of the Company for FY2024. As discussed with the Management, save as disclosed above, they are not aware of any other possible reason for the aforesaid spike in closing price and trading volume.

The closing price of the Shares then fluctuated around the range of HK\$0.06 to HK\$0.03 for the period from early October 2024 to mid-February 2025, and experienced a generally downward trend from HK\$0.058 on 12 February 2025 to HK\$0.032 on 30 April 2025. The closing price of the Shares showed another spike to HK\$0.057 on 2 May 2025 with trading volume of 50,688,000 Shares, the next trading day after the recent lowest closing price on 30 April 2025, and yet another spike on 21 May 2025 to HK\$0.08 with trading volume of 8,014,000 Shares. We note that there was no publication by the Company from 2 April 2025 to 21 May 2025, i.e. one month before the first spike on 2 May 2025 and up to the second spike on 21 May 2025. We have also discussed with the Management regarding possible reason for the spikes but they are not aware of any.

The closing price of the Shares then fluctuated around the range of HK\$0.08 to HK\$0.06 from late May 2025 to mid-July 2025, after which it surged from HK\$0.068 on 17 July 2025 to HK\$0.101 on 18 July 2025 and further to HK\$0.147 on 21 July 2025. Again, we note that there was no publication by the Company from 18 June 2025 to 21 July 2025, i.e. one month before the spike on 18 July 2025 and up to 21 July 2025, save for an announcement regarding the change in composition of the nomination committee of the Company. We have also discussed with the Management regarding possible reason for the spike but they are not aware of any.

The closing price of the Shares continued to fluctuated above HK\$0.12 since 22 July 2025 and up to the Last Trading Day. Trading of the Shares was suspended from 30 July 2025 to 5 August 2025 (both days inclusive) pending the publication of the Joint Announcement (indicated by the shaded area in the graph above), after which the closing price of the Shares surged substantially to close to HK\$0.5 then fell back to around HK\$0.4 as at the Latest Practicable Date with comparably higher daily trading volume of up to 207,848,000 Shares. We note that there was no publication by the Company prior to the surge save for the Joint Announcement. We have also discussed with the Management regarding possible reason for the spike but they are not aware of any.

As discussed with the Management, there was no publication by the Company or possible reason (e.g. development and/or material change in the business/financials of the Company) which can explain the recent two of the four major surges in closing price of the Shares during the Review Period. Nonetheless, there were abnormally high trading volume during such surges and closing prices of the Shares went up by up to approximately 121.4% in one trading day. Accordingly, we consider the market price of the Shares to be highly volatile and it is uncertain whether the closing price of the Shares will continue to remain at such high level compared to the Share Offer Price. For illustration purpose, we note that the closing prices of the Shares were below the Share Offer Price most of the time for 232 trading days out of the 257 trading days before the latest surge in closing prices in 18 July 2025 (i.e. from 2 July 2024 to 17 July 2025).

During the Review Period, the closing prices of the Shares ranged from the highest of HK\$0.49 per Share recorded on 13 and 14 August 2025 to the lowest of HK\$0.028 per Share recorded on 11 and 12 September 2024, with an average of approximately HK\$0.065 per Share. During the Review Period, the Share Offer Price of HK\$0.068 per Share represents (i) a discount of approximately 86.1% to the highest closing price of HK\$0.49 per Share; (ii) a premium of approximately 142.7% over the lowest closing price of HK\$0.028 per Share; and (iii) a premium of approximately 4.6% to the average closing price of approximately HK\$0.065 per Share.

(c) Historical trading liquidity of the Shares

The following table sets out the historical trading liquidity of the Shares during the Review Period:

	Number of trading days in each month/ period	Average daily trading volume (Note 1)	Percentage of average daily trading volume to total issued share capital (%) (Note 2)	Percentage of average daily volume of the Shares to the total number of issued Shares held by public Shareholders (%) (Note 3)
2024				
July	22	36,455	0.003	0.004
August	22	213,182	0.016	0.024
September	19	8,154,737	0.615	0.935
October	21	3,331,389	0.251	0.382
November	21	480,095	0.036	0.055
December	20	1,036,100	0.078	0.119
2025				
January	19	661,579	0.050	0.076
February	20	922,250	0.070	0.106
March	21	476,476	0.036	0.055
April	19	317,053	0.024	0.036
May	20	6,597,300	0.497	0.756
June	21	916,190	0.069	0.105
July	20	7,740,550	0.583	0.887
August (up to the Latest Practicable Date)	13	58,090,746	4.739%	6.658%
Review Period	278	4,925,690	0.371%	0.565%

Source: Website of the Stock Exchange (www.hkex.com.hk)

Notes:

1. It is calculated by dividing the total trading volume of the Shares for the month/period by the corresponding number of trading days of that month/period.

2. It is calculated by dividing the average daily trading volume of the Shares by the total issued share capital of the Company at the end of each month or as at the Latest Practicable Date, where applicable.
3. It is calculated by dividing the average daily trading volume of the Shares by the total issued share capital of the Company held by public Shareholders.

As depicted above, during the Review Period, the average daily trading volume in each month/period represents approximately (i) 0.003% to 4.379% of total issued share capital (with an average of 0.371% of the entire Review Period); and (ii) 0.004% to 6.658% of the total number of Shares in issue held by public Shareholders (with an average of 0.565% of the entire Review Period). We note that the average daily trading volume was higher for September 2024 (i.e. approximately 0.615%), May 2025 (i.e. approximately 0.497%), July 2025 (i.e. approximately 0.583%) and August 2025 (i.e. approximately 4.379%) than other months in the Review Period (which generally had less than 0.1% average daily trading volume). We note that the higher trading volume in September 2024, May 2025, July 2025 and August 2025 corresponded to (i) the aforesaid surges in closing prices of the Shares as detailed in the paragraph headed “(b) Historical price performance of the Shares” above; and (ii) the resumption of trading of the Shares after trading of the Shares being suspended pending the publication of the Joint Announcement respectively. Accordingly, we consider that the liquidity of the Shares had been generally thin during the Review Period. Nevertheless, while the Share Offer provides an exit alternative at the Share Offer Price for the Independent Shareholders who would like to realise their investments in the Shares at a fixed price and within a short period of time, those Shareholders are also advised to consider to sell their Shares in the open market instead of accepting the Offer if the closing prices of the Shares is above the Share Offer Price, after taking into account the possible downward pressure on the Share price when selling in bulk.

(d) Comparable analysis

As disclosed in the paragraph headed “(a) Principal business of the Group” above, the Group is principally engaged in (i) the sales of computer components and consumer electronic products (approximately 77.9% of revenue); (ii) the trading of plastic products (approximately 21.1% of revenue); and (iii) the provision of computer software and hardware and system development services in Hong Kong and the PRC (approximately 1.0% of revenue).

For comparison, we conducted a search of companies listed on the Stock Exchange primarily engaged in businesses similar to the Group’s operations, specifically: (i) the sale of computer components and consumer electronic products, or (ii) the trading of plastic products. We note that, while there are manufacturers of these products listed on the Stock Exchange, no companies primarily operate as trading companies for such products.

Given the fundamental differences in business models, i.e. manufacturing companies typically being asset-intensive with capital investments in production facilities, contrasted with trading companies that maintain lighter asset profiles and focus on distribution, we are of the view that there is no suitable comparable for a meaningful comparative analysis.

(e) Our view on the Share Offer Price

Despite the Share Offer Price represented a discount of approximately 50.36% to the closing price on the Last Trading Day, taking into consideration that:

- (i) despite overall growth in the retail market and general economy of the PRC in the past ten years, the Company recorded (i) minimal gross profit with gross profit margin in the range of approximately 1.2% to 1.4% since 6M2023; (ii) losses for FY2022, FY2023 and 6M2024 and (iii) profits for FY2024 and 6M2023 which were solely attributable to non-recurring gain on disposal of subsidiaries and would otherwise have been losses, which are unsatisfactory;
- (ii) there are uncertainties regarding both the Electronic Product Business and Plastic Product Business due to government policy and escalating US-China trade tension, while we remain sceptical about how quickly and effectively the business plan of the Company can alleviate the impact of such uncertainties in the short run;
- (iii) the Share Offer Price was above the closing price of the Shares for a majority of Review Period, in particular 236 days out of 278 days during the Review Period;
- (iv) the Share Offer Price represented premium of approximately 4.6% over the average closing price of the Shares during the Review Period;
- (v) the closing price of the Shares surged by approximately 116.2% in two trading days (i.e. 18 July 2025 and 21 July 2025) around two weeks before the Last Trading Day while the Management is not aware of any reason for the surge. Disregarding the unexplained price spike, the Share Offer Price is the same as the closing price immediately prior to the surge (i.e. HK\$0.068 on 17 July 2025) and is generally above the closing price of the Shares prior to the surge during the Review Period; and
- (vi) given the highly volatile market price of the Shares and the unsatisfactory financial performance of the Company, it is uncertain whether the closing price of the Shares will continue to remain at such high level compared to the Share Offer Price,

we are of the view that the Share Offer is fair and reasonable so far as the Independent Shareholders are concerned.

Nevertheless, we would like to remind the Independent Shareholders that although the Share Offer Price is below the recent closing prices of the Shares on the Stock Exchange, there is no guarantee that the recent trading prices of the Shares on the Stock Exchange will sustain and be higher than the Share Offer Price during and after the Offer Period. The Independent Shareholders, in particular those who may wish to realise their investments in the Shares, are thus reminded to closely monitor the market price of the Shares during the Offer Period.

4. Principal terms of the Option Offer

Get Nice Securities Limited, for and on behalf of the Offeror, is making the Option Offer on the following basis:

For cancellation of each outstanding Option. HK\$0.0001 in cash

According to the Management, there are two batches of outstanding Options entitling the Optionholders to subscribe for 49,780,000 Shares and 6,000,000 Shares at exercise prices of HK\$0.46 and HK\$0.83 respectively. Pursuant to Rule 13 of the Takeovers Code and Practice Note 6 of the Takeovers Code, the “see-through” values of the outstanding Options would be the difference between the exercise prices of the Options and the Share Offer Price. As the exercise prices of the outstanding Options (i.e. HK\$0.46 and HK\$0.83 respectively) are above the Share Offer Price (i.e. HK\$0.068), the outstanding Options are out-of-money with zero “see-through” value. Accordingly, the Option Offer Price for each outstanding Option is at a nominal value of HK\$0.0001 under the Option Offer as mentioned in the “Letter from Get Nice” in the Composite Document. Given that the “see-through” value of the outstanding Options is zero, we consider that the Option Offer Price of HK\$0.0001 offered to the Optionholders is fair and reasonable so far as the Optionholders are concerned.

Pursuant to the terms of the Share Option Scheme, in the event of a general offer being made to all Shareholders and such offer becomes or is declared unconditional during the exercise period of the Share Options, the Optionholders shall be entitled to exercise the Share Options (to the extent not already exercised) at any time thereafter and up to the close of such offer, after which such Share Options will automatically lapse. The Offers, when made upon the despatch of the Composite Document, will be unconditional in all respects. Accordingly, any Share Options which are not exercised prior to the Closing Date, will lapse. If any Share Option is exercised within such time period in accordance with the terms of the Share Option Scheme, any Shares issued prior to the Closing Date as a result of such exercise will be subject to the Share Offer.

All Optionholders are reminded that pursuant to the terms of the Share Option Scheme, if any Share Option is not exercised on or before the Closing Date, the Share Options will automatically lapse.

The Optionholders, in particular those who intend to accept the Option Offer, are reminded to closely monitor the market price and liquidity of the Shares during the Offer Period, especially that the disposal of large blocks of Shares in the open market may trigger price slump of the Shares as a result of the thin trading of the Shares. The Optionholders shall, having regard to their own circumstances, consider exercising the outstanding Options and selling the Shares (as the case may be) in the open market, instead of accepting the Option Offer, if the net proceeds from the ultimate sale of such Shares would be higher than that receivable under the Option Offer.

RECOMMENDATION

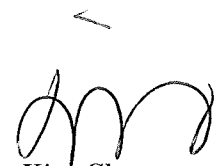
Taking into consideration the aforementioned principal factors and reasons, in particular:

- (i) despite overall growth in the retail market and general economy of the PRC in the past ten years, the financial performance of the Company has been unsatisfactory in recent financial years/periods;
- (ii) there are uncertainties regarding both the Electronic Product Business and Plastic Product Business and it is unclear how quickly and effectively the business plan of the Company can alleviate the impact of such uncertainties in the short run;
- (iii) the Share Offer Price was above the closing price of the Shares for a majority of Review Period;
- (iv) the Share Offer Price represented premium of approximately 4.6% over the average closing price of the Shares during the Review Period;
- (v) the closing price of the Shares surged by approximately 116.2% in two trading days (i.e. 18 July 2025 and 21 July 2025) around two weeks before the Last Trading Day. Disregarding the unexplained price spike, the Share Offer Price is the same as the closing price immediately prior to the surge (i.e. HK\$0.068 on 17 July 2025);
- (vi) given the highly volatile market price of the Shares and the unsatisfactory financial performance of the Company, it is uncertain whether the closing price of the Shares will continue to remain at such high level compared to the Share Offer Price; and
- (vii) the outstanding Options are out-of-money with zero “see-through” value while the Option Offer Price for each outstanding Option is at a nominal value of HK\$0.0001 under the Option Offer,

we are of the opinion that the Share Offer and the Option Offer are fair and reasonable so far as the Independent Shareholders and Optionholders are concerned. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders and the Optionholders to accept the Share Offer and the Option Offer respectively.

The Independent Shareholders and the Optionholders, in particular those who intend to accept the Offers, are reminded to closely monitor the market price and liquidity of the Shares during the Offer Period, especially that the disposal of large blocks of Shares held by the Independent Shareholders in the open market may trigger price slump of the Shares as a result of the thin trading of the Shares. The Independent Shareholders who intend to realise their investment in the Company and the Optionholders shall, having regard to their own circumstances, consider exercising the outstanding Options and/or selling the Shares (as the case may be) in the open market, instead of accepting the Offers, if the net proceeds from the ultimate sale of such Shares would be higher than that receivable under the Offers.

Yours faithfully,
For and on behalf of
Nuada Limited



Kim Chan
Director

Mr. Kim Chan is a person licensed to carry out type 6 (advising on corporate finance) regulated activity under the SFO and is a responsible officer of Nuada Limited who has over 20 years of experience in corporate finance industry.