



紅日資本有限公司
RED SUN CAPITAL LIMITED

22 October 2026

To the Offer Shareholders and Optionholders

Dear Sir/Madam,

**MANDATORY UNCONDITIONAL CASH OFFERS BY
EDDID CAPITAL LIMITED AND RED SUN CAPITAL LIMITED
FOR AND ON BEHALF OF THE OFFEROR
TO ACQUIRE ALL THE ISSUED SHARES OF THE COMPANY
(OTHER THAN THOSE ALREADY OWNED AND/OR AGREED
TO BE ACQUIRED BY THE OFFEROR
AND THE PARTIES ACTING IN CONCERT WITH IT) AND
TO CANCEL ALL OUTSTANDING OPTIONS OF THE COMPANY**

INTRODUCTION

Reference is made to (i) the Joint Announcement in relation to, among others, the Sale and Purchase Agreement entered into by the Offeror and the Seller on 28 April 2026 for the sale and purchase of 75,959,948 Shares (representing approximately 51.9% of the issued share capital of the Company as at the date of the Joint Announcement); (ii) the joint announcement dated 30 September 2026 in relation to, among others, fulfillment of conditions precedent to the Sale and Purchase Agreement; (iii) the Completion Announcement in relation to the SPA Completion; and (iv) the Company's announcement dated 29 June 2026 in relation to the declaration of the Final Dividend of HK\$0.02 per Share and the Special Cash Dividend of HK\$0.08 per Share, both of which were approved at the annual general meeting of the Company held on 28 July 2026.

On 29 September 2026, all the conditions precedent to the Sale and Purchase Agreement had been fulfilled and SPA Completion took place on 15 October 2026. The total consideration for the Sale Shares of HK\$62,132,430, or approximately HK\$0.818 per Sale Share, less the initial deposit of HK\$3,000,000 already paid, had been settled by the Offeror upon SPA Completion.

Immediately following SPA Completion and as at the Latest Practicable Date, the Offeror and its parties acting in concert were interested in 75,959,948 Shares, representing approximately 50.1% of the issued share capital of the Company. The Offeror is therefore required to make the mandatory unconditional general offers in cash to (i) acquire all the issued Shares, other than those already owned and/or agreed to be acquired by the Offeror and the parties acting in concert with it pursuant to Rule 26.1 of the Takeovers Code; and (ii) to cancel all the outstanding Options at an appropriate price in compliance with Rule 13 of the Takeovers Code. We, Red Sun Capital and Eddid Capital, have been appointed by the Offeror to jointly make the Offers for and on behalf of it.

This letter forms part of the Composite Document and sets out, among others, details of the Offers, information on the Offeror and the Offeror's intentions in relation to the Company. Further details on the terms and the procedures for acceptance of the Offers are set out in Appendix I to the Composite Document and the accompanying Forms of Acceptance. The Offer Shareholders and Optionholders are strongly advised to carefully consider the information contained in the sections headed "Letter from the Board", "Letter from the Independent Board Committee", "Letter from the Independent Financial Adviser", and the appendices to, the Composite Document and the accompanying Forms of Acceptance, and to consult their own professional advisers before reaching a decision as to whether or not to accept the Offers.

THE OFFERS

Red Sun Capital and Eddid Capital are, for and on behalf of the Offeror, jointly making the mandatory unconditional cash offers to (i) acquire all the issued Shares, other than those already owned and/or agreed to be acquired by the Offeror and the parties acting in concert with it pursuant to Rule 26.1 of the Takeovers Code; and (ii) to cancel all the outstanding Options at an appropriate price in compliance with Rule 13 of the Takeovers Code on the following terms:

The Share Offer

For each Offer Share HK\$0.818 in cash

The Share Offer Price of HK\$0.818 per Offer Share is based on the purchase price per Sale Share paid by the Offeror under the Sale and Purchase Agreement by rounding up to 3 decimal places.

The Share Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of Shares and in respect of a minimum number of Options to be cancelled or any other conditions.

The Share Offer is extended to all Offer Shareholders in accordance with the Takeovers Code. The Share Offer applies to all Shares in issue on the date on which the Share Offer is made, being the date of despatch of this Composite Document, other than those Shares already held by and/or agreed to be acquired by the Offeror and the parties acting in concert with it.

The Offer Shares to be acquired under the Share Offer shall be fully paid and shall be acquired free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attaching to them, including the rights to receive all dividends (except for the Special Cash Dividend and the Final Dividend) and distributions, if any, declared, made or paid on or after the date on which the Share Offer is made, being the date of despatch of this Composite Document.

Further details of the terms of the Share Offer and the procedures for acceptances are set out in Appendix I to the Composite Document and the accompanying Form of Share Offer Acceptance.

Comparison of value

The following table sets out the premium/discount represented by (i) Share Offer Price of HK\$0.818 per Offer Share; and (ii) total amount receivable per Offer Share of HK\$0.918 factoring in the aggregate amount of the Special Cash Dividend and the Final Dividend, respectively as compared with the historical closing price and average closing price per Share:

	Historical closing price/ average closing price per Share (HK\$)	Premium/ (discount) represented by the Share Offer Price	Premium/ (discount) represented by total amount receivable per Share
(i) On 8 April 2026, being the Undisturbed Date	0.330	147.9%	178.2%
(ii) For the five (5) trading days immediately prior to and including the Undisturbed Date	0.348	135.1%	163.8%
(iii) For the ten (10) trading days immediately prior to and including the Undisturbed Date	0.354	131.1%	159.3%
(iv) For the thirty (30) trading days immediately prior to and including the Undisturbed Date	0.356	129.8%	157.9%
(v) For the sixty (60) trading days immediately prior to and including the Undisturbed Date	0.345	137.1%	166.1%

	Historical closing price/ average closing price per Share (HK\$)	Premium/ (discount) represented by the Share Offer Price	Premium/ (discount) represented by total amount receivable per Share
(vi) On 28 April 2026, being the Last Trading Day	0.860	(4.9)%	6.7%
(vii) For the five (5) trading days up to and including the Last Trading Day	0.870	(6.0)%	5.5%
(viii) For the ten (10) trading days up to and including the Last Trading Day	0.890	(8.1)%	3.1%
(ix) For the thirty (30) trading days up to and including the Last Trading Day	0.581	40.8%	58.0%
(x) For the sixty (60) trading days up to and including the Last Trading Day	0.464	76.3%	97.8%
(xi) The Latest Practicable Date	1.440	(43.2)%	(36.3)%

The Share Offer Price of HK\$0.818 per Offer Share also represents:

- (i) a premium of approximately 100.0% over the audited consolidated net assets value attributable to equity holders as at 31 March 2026 of approximately HK\$0.409 per Share based on the audited consolidated net assets of the Company as at 31 March 2026 and the number of Shares in issue as at the Latest Practicable Date; and
- (ii) a premium of approximately 164.7% over the audited net assets per Share stated in (i) above less the Final Dividend and the Special Cash Dividend, of HK\$0.309 per Share.

Highest and lowest Shares prices

During the Relevant Period, the highest closing price of the Shares (on an ex-dividend basis) as quoted on the Stock Exchange was HK\$2.263 per Share on 12 May 2026, and the lowest closing price of the Shares (on an ex-dividend basis) as quoted on the Stock Exchange was HK\$0.632 per Share on 13 April 2026 respectively.

During the six-month period immediately up to and including the Undisturbed Date, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.36 per Share on 27 February 2026, 2 to 6, 9, 13, 16 to 20, 23 to 27 and 30 March 2026 respectively, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.31 per Share on 19, 22 and 23 December 2025 respectively.

The Option Offer

For the cancellation of each Option HK\$0.098 in cash

As at the Latest Practicable Date, the Company has 2,497,000 outstanding Options granted under the Share Option Scheme with an exercise price of HK\$0.72, comprising 66,000 vested Options and 2,431,000 unvested Options which are exercisable from 18 December 2026. Save as disclosed in this section, there are no other outstanding Shares, warrants, options, derivatives or securities that are convertible into Shares or other types of equity interest in the Company.

The Option Offer Price at which the Option Offer is made represents the “see-through” price, being the Share Offer Price minus the exercise price of the Options (being HK\$0.72).

Following acceptance of the Option Offer, all the relevant Options (together with all rights attaching to the Options) will be cancelled and renounced.

It is noted that in accordance with the terms and conditions of the Share Option Scheme, if a general offer is made to all the Shareholders and such general offer becomes or is declared unconditional, the Optionholders shall, notwithstanding any other terms on which Options were granted, be entitled to exercise the Options (to the extent vested but not already exercised) to the full extent or to the extent specified in the Optionholders’ notice to the Company in accordance with the provisions of the Share Option Scheme at any time thereafter and up to the close of such offer (or any revised offer). In the event that an Optionholder exercises any outstanding Options before the close of the Share Offer, the Shares issued pursuant to the exercise of such Options shall form part of the Offer Shares and be subject to the Share Offer. **Any vested and unvested Options (to the extent not already exercised) will lapse at the close of the Offers.**

REMINDER TO OPTIONHOLDERS: If you do not either: (i) exercise your Options before the close of the Share Offer; or (ii) accept the Option Offer before the Closing Date, your Options will automatically and immediately lapse after the close of the Offers.

Further details of the terms of the Option Offer and the procedures for acceptances are set out in Appendix I to the Composite Document and the accompanying Form of Option Offer Acceptance.

Special Cash Dividend and Final Dividend

The Company has declared a Final Dividend and Special Cash Dividend of HK\$0.02 in cash per Share and HK\$0.08 in cash per Share with the Record Dates of 31 July 2026 and 14 October 2026 respectively, which have been approved by the Shareholders in the annual

general meeting held on 28 July 2026. As at the Latest Practicable Date, the Final Dividend has been paid and the Special Cash Dividend will be paid on 23 October 2026. As disclosed in the Joint Announcement, the amount of the Final Dividend shall be deducted from the Special Cash Dividend and, as such, the total amount paid under Final Dividend and Special Cash Dividend is HK\$0.10 per Share in cash. Shareholders will receive the Special Cash Dividend whether or not they accept the Share Offer.

Value and total consideration of the Offers

As at the Latest Practicable Date, the Company has 151,623,894 Shares in issue, and 2,497,000 outstanding Options. On the basis of the Share Offer Price of HK\$0.818 per Offer Share and the Option Offer Price of HK\$0.098 per Option, the entire issued share capital of the Company would be valued at approximately HK\$124,273,052.

Based on the maximum aggregate consideration payable by the Offeror under the Offers and the assumptions that (a) no further share options in accordance with the Share Option Scheme are granted and there are no other changes to the share capital of the Company except that all the Options are exercised before they lapse prior to the close of the Offers, and (b) all Shares issued on the exercise of the Options are tendered for acceptance, the maximum consideration payable under the Offers is approximately HK\$47,972,363.

Confirmation of financial resources available for the Offers

The Offeror intends to finance the entire consideration payable under the Offers by its internal resources and a term loan facility provided by Eddid Securities and Futures Limited under the Facility Agreement. Pursuant to the Facility Agreement, (i) Shares representing the then approximately 51% of the total issued Shares acquired by the Offeror under the Sale and Purchase Agreement and the Offer Shares that may be acquired by the Offeror pursuant to the Offers will be deposited into the Offeror's securities account maintained with Eddid Securities and Futures Limited, the lender under the Facility Agreement; and (ii) the Shares deposited into such securities account will be treated as collateral under the Facility Agreement if any amount of the facility is utilised.

The Offeror confirms that the payment of interest on, repayment of or security for any liability (contingent or otherwise) in relation to the Facility Agreement does not depend to any significant extent on the business of the Group. Red Sun Capital and Eddid Capital, the joint financial advisers to the Offeror, are satisfied that there are sufficient financial resources available to the Offeror to satisfy full acceptance of the Offers.

Condition to the Offers

The Offers are unconditional in all respects and are not conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions.

Effect of accepting the Offers

By accepting the Share Offer, the Offer Shareholders will sell their Shares to the Offeror free from all encumbrances and together with all rights accruing or attaching to them, including, without limitation, the right to receive all dividends (except for the Special Cash Dividend and the Final Dividend) and distributions which may be recommended, declared, made or paid, if any, at any time on or after the date on which the Share Offer is made, being the date of despatch of this Composite Document. Acceptance of the Share Offer will be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Acceptance of the Option Offer by Optionholders will result in the cancellation of those outstanding Options, together with all rights attaching thereto. **Options will lapse automatically (to the extent not exercised or accepted under the Option Offer) on the date upon the close of the Offers.**

Overseas Shareholders

To the extent practicable and permissible under applicable laws and regulations, the Offeror is making the Share Offer available to all Offer Shareholders and the Option Offer available to all Optionholders, including those who are citizens, residents or nationals of a jurisdiction outside Hong Kong. The making of the Share Offer to the Offer Shareholders and the Option Offer to the Optionholders who are citizens, residents or nationals of jurisdictions outside Hong Kong may be subject to the laws of the relevant jurisdictions.

Such Offer Shareholders and Optionholders may be prohibited or affected by the laws of the relevant jurisdictions and it is the responsibility of each such Offer Shareholder and/or Optionholder who wishes to accept the Share Offer and/or the Option Offer respectively to satisfy himself/herself/itself as to the full observance of the laws and regulations of the relevant jurisdictions in connection therewith, including the obtaining of any governmental, exchange control or other consents, or filing and registration requirements which may be required to comply with all necessary formalities or legal or regulatory requirements and the payment of any transfer or other taxes due from such Offer Shareholder and/or Optionholder in such relevant jurisdictions.

Any acceptance by any overseas Offer Shareholders and/or Optionholders will be deemed to constitute a representation and warranty from such Offer Shareholder and/or Optionholder to the Offeror that all laws, regulations and requirements applicable to that Offer Shareholder and/or Optionholder have been complied with and that the Share Offer and the Option Offer can be lawfully accepted by such Offer Shareholder and/or Optionholder respectively under the laws and regulations of the relevant jurisdiction. Offer Shareholders and Optionholders should consult their own professional advisers if in doubt.

Based on the register of members of the Company, as at the Latest Practicable Date, there were two Overseas Shareholders with registered addresses located outside Hong Kong (namely the United Kingdom, and the United States). Having made reasonable enquiries, the Offeror is satisfied that there is no restriction under the laws or regulation of the United

Kingdom, and the United States against despatching the Composite Document and the accompanying Forms of Acceptance to Shareholders with registered addresses in those countries, and will do so accordingly.

Procedures for acceptance

To accept the Offers, you should complete and sign the accompanying Form(s) of Acceptance in accordance with the instructions printed thereon, which form part of the terms and conditions of the Offers.

The duly completed and signed WHITE Form of Share Offer Acceptance should be sent, together with the relevant share certificate(s), transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof), to the Registrar, Union Registrars Limited at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, marked "Somerley Capital Holdings Limited — Share Offer" on the envelope, in any event not later than the Latest Acceptance Time.

The duly completed and signed PINK Form(s) of Option Offer Acceptance should be sent, together with the relevant certificate(s), document(s) of title or entitlement in respect of the Options and/or other document(s) (if applicable) evidencing the grant of the Options to you (and/or any satisfactory indemnity or indemnities required in respect thereof), to the Registrar, Union Registrars Limited at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, marked "Somerley Capital Holdings Limited — Option Offer" on the envelope, in any event not later than the Latest Acceptance Time.

No acknowledgement of receipt of any Form(s) of Acceptance, share certificate(s), grant letter(s), certificate(s), transfer receipt(s), any other document(s) evidencing the grant of the outstanding Options (if applicable) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given. All such documents and remittances to be delivered by or sent to or from the Offer Shareholders and the Optionholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk.

To ensure equality of treatment of all Offer Shareholders, those registered Offer Shareholders who hold any Shares as nominee for more than one beneficial owner should, as far as practicable, treat the holding of each beneficial owner separately. In order for the beneficial owners of the Shares, whose investments are registered in the names of nominees, to accept the Share Offer, it is essential that they provide instructions to their nominees of their intentions with regard to the Share Offer.

Your attention is drawn to the further details regarding the procedures for acceptance and settlement and acceptance period as set out in "Further Terms and Procedures for Acceptances of the Offers" in Appendix I to this Composite Document and the accompanying Forms of Acceptance.

The attention of the Overseas Shareholders are drawn to the section headed "Important Notices" contained in this Composite Document and the section headed "Overseas Shareholders" in Appendix I to this Composite Document.

Hong Kong stamp duty

The seller's Hong Kong ad valorem stamp duty at a rate of 0.1% of the market value of the Offer Shares or consideration payable by the Offeror in respect of the relevant acceptances of the Share Offer, whichever is higher, will be deducted from the amount payable to the relevant Offer Shareholder on acceptance of the Share Offer (where the amount of stamp duty is a fraction of a dollar, the stamp duty will be rounded up to the nearest dollar). The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the accepting Offer Shareholders and pay the buyer's ad valorem stamp duty in connection with acceptances of the Share Offer and transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

No stamp duty is payable in connection with acceptance of the Option Offer.

Payment

Payment in cash in respect of acceptances of the Share Offer, net of the seller's Hong Kong ad valorem stamp duty, will be made as soon as possible but in any event no later than seven (7) Business Days after the date on which the duly completed Forms of Share Offer Acceptance and the relevant documents of title to the Shares in respect of such acceptances are received by or on behalf of the Offeror to render each such acceptance complete and valid pursuant to Rule 20.1 and Note 1 to Rule 30.2 of the Takeovers Code.

Settlement of the consideration in respect of acceptances of the Option Offer will be also made as soon as possible but in any event no later than seven (7) Business Days after the date of receipt of a complete and valid Form of Option Offer Acceptance in respect of the Option Offer.

No fractions of a cent will be payable and the amount of the consideration payable to an accepting Offer Shareholder or Optionholder who accepts respectively the Share Offer or Option Offer (as the case may be) will be rounded up to the nearest cent.

All documents and cheques for payment to the Offer Shareholders who accept the Share Offer will be sent to them by ordinary post at their own risk to their respective addresses as they appear in the register of members or, in the case of joint holders, to the Offer Shareholder whose name appears first in the said register of members, unless otherwise specified in the accompanying Form of Share Offer Acceptance completed, returned and received by the Registrar.

All documents and cheques for payment to the Optionholders who accept the Option Offer will be delivered to the registered office of the Company at 20/F., China Building, 29 Queen's Road Central, Hong Kong for collection by such Optionholders.

None of the Offeror, its ultimate beneficial owner, its parties acting in concert with any of them, Red Sun Capital, Eddid Capital, the Company, Somerley Capital Limited, the Registrar or any of their respective directors or any other person involved in the Offers will be responsible for any loss or delay in transmission of such documents and remittances or any other liabilities that may arise as a result thereof or in connection therewith.

Taxation advice

Offer Shareholders and Optionholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Share Offer and/or the Option Offer. None of the Offeror, its ultimate beneficial owner, parties acting in concert with any of them, the Company, Eddid Capital, Red Sun Capital, Somerley Capital Limited and their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Offers accepts responsibility for any taxation or other effects on, or liabilities of, any persons as a result of their acceptances or rejections of the Share Offer and/or the Option Offer.

IRREVOCABLE UNDERTAKINGS

On 30 April 2026, IU Shareholders including the Seller, Mr. Sabine, Mr. Sabine Anthony James, Mr. Sabine Peter Robert and Mr. Sabine Christopher Richard all being sons of Mr. Sabine, Mr. Cheung and Mr. Chow, executed the Irrevocable Undertakings in favour of the Offeror pursuant to which, each IU Shareholder has irrevocably undertaken to the Offeror, among other things, that it/he will (a) not sell, transfer, charge, pledge or grant any option over or otherwise dispose of or create any encumbrances in respect of the relevant IU Shares prior to the expiry of the Offer Period in respect of the Offers except to give effect to the following point (b); and (b) not tender the relevant IU Shares for acceptance under the Share Offer.

The IU Shares comprise 19,515,026 Shares in total, representing approximately 12.9% of the issued share capital of the Company as at the Latest Practicable Date. A breakdown of the IU Shares is as follows:

Name of IU Shareholders	Number of IU Shares (Shares)	Percentage to total issued Shares (%)*
Seller	8,978,242	5.9
Mr. Sabine	342,000	0.2
Mr. Sabine Anthony James	1,500,000	1.0
Mr. Sabine Peter Robert	1,500,000	1.0
Mr. Sabine Christopher Richard	1,500,000	1.0
Mr. Cheung	2,879,157	1.9
Mr. Chow	2,815,627	1.9
Total	19,515,026	12.9

* *Subject to rounding differences*

Each Irrevocable Undertaking shall terminate upon the Offers closing, lapsing or being withdrawn.

INFORMATION OF THE OFFEROR

The Offeror is a company incorporated in the British Virgin Islands with limited liability. The Offeror is principally engaged in investment holding and is not engaged in any other business operations. It is legally, beneficially and wholly owned by Mr. Ng, who is also the sole director of the Offeror.

Mr. Ng, aged 53, has over 25 years of experience in the investment banking and financial industry focusing on the areas of initial public offerings, mergers and acquisitions, corporate restructuring and other financial advisory services to listed companies and listing applicants in Hong Kong. Mr. Ng is currently the executive director of Hong Kong Gold Industry Group Limited (formerly known as Add New Energy Investment Holding Group Limited) (stock code: 2623). Mr. Ng also served as an executive director of CMBC Capital Holdings Limited (stock code: 1141, “CMBC”) between October 2017 and October 2025. He served as the managing director of corporate finance in Haitong International Capital Limited before joining CMBC. From July 1997 to December 2000, he worked in Arthur Anderson & Co. Mr. Ng is a member of the Hong Kong Institute of Certified Public Accountants. He received his Master of Economics from the University of Hong Kong and Bachelor of Business Administration from the Chinese University of Hong Kong. Mr. Ng was a Responsible Officer and a director of each of CMBC International Capital Limited (a company licensed by the SFC to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities) and CMBC Securities Company Limited (a company licensed by the SFC to carry out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities), both of which are wholly-owned subsidiaries of CMBC.

The acquisition of the Sale Shares by the Offeror under the Sale and Purchase Agreement was principally financed by its internal resources and through the issue of convertible bonds in the principal amount of HK\$35 million (the “Offeror’s Convertible Bonds”). According to the terms of the Offeror’s Convertible Bonds, upon full conversion, conversion shares representing up to 49% of the then issued share capital of the Offeror will be issued to the bondholder. The conversion right may be exercised, at the option of the bondholder, at any time from the expiration of six months after the end of the Offer Period to the business day (being a day (excluding Saturdays, Sundays, Hong Kong public holidays and any day on which a tropical cyclone warning no. 8 or above, a “black” rainstorm warning or an Extreme Weather Warning is in effect at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are open for business) before the maturity date of the Offeror’s Convertible Bonds, being 23 April 2029. The Offeror may, upon maturity on 23 April 2029, mandatorily convert all or any of the outstanding principal amount of the Offeror’s Convertible Bonds into shares of the Offeror up to 49% of the enlarged issued share capital of the Offeror, provided that the completion of such mandatory conversion shall be conditional upon obtaining the necessary approval from SFC in relation to the change in substantial shareholders of a licensed corporation for the relevant subsidiaries of the Company within 1 year after the maturity date, being 23 April 2030.

The bondholder, Mr. Liao Jianfeng, has more than 25 years of extensive experience in financial management, legal compliance and strategic resource integration. Currently serving as the executive director and general manager of Shanghai Yingke Zhide Private Equity Fund Management Co., Ltd.** (上海盈科值得私募基金管理有限公司) (“**Yingke Zhide Private Equity Fund**”) and a director of Yingke Innovation Asset Management Co., Ltd.** (盈科創新資產管理有限公司) (“**Yingke Innovation**”), Mr. Liao specialises in large-scale capital operations, mergers and acquisitions and equity investments. His career has been marked by his roles as a director and high-level executive of several prominent publicly traded companies including Fujian Longking Co., Ltd.** (福建龍淨環保股份有限公司) (a company whose shares are listed on the Shanghai Stock Exchange), Yango Group Co, Ltd.** (陽光城集團股份有限公司) (a company whose shares were listed on the Shenzhen Stock Exchange) and Fujian Sanmu Group Co., Ltd.** (福建三木集團股份有限公司) (a company whose shares are listed on the Shenzhen Stock Exchange). He also qualified as a lawyer in the PRC. Yingke Zhide Private Equity Fund and Yingke Innovation have invested in more than 300 enterprises, primarily in the biotech, dual-carbon technology and hardcore technology sectors. As at the Latest Practicable Date, the bondholder is an Independent Third Party.

As the bondholder has provided financing or financial assistance to the Offeror in connection with the acquisition of the Sale Shares, he is presumed to be acting in concert with the Offeror under Class (9) of the definition of “acting in concert” under the Takeovers Code.

The Offeror and its ultimate beneficial owner were Independent Third Parties prior to the SPA Completion. Immediately before the SPA Completion, none of the Offeror, its ultimate beneficial owner, its director and the parties acting in concert with any of them held any Shares. Immediately after the SPA Completion and as at the Latest Practicable Date, save for the 75,959,948 Shares acquired by the Offeror pursuant to the Sale and Purchase Agreement, none of the Offeror, its ultimate beneficial owner and director of the Offeror and parties acting in concert with any of them held any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

****** *Denotes English translation of the name of a Chinese company or entity and is provided for identification purpose only.*

INFORMATION OF THE GROUP

As disclosed in the “Letter from the Board” in this Composite Document, the Company is incorporated in the Cayman Islands with limited liability, the Shares of which are currently listed on the GEM (stock code: 8439). The Group is licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and is principally engaged in providing corporate finance advisory services through its subsidiaries in Hong Kong and Beijing.

Details of the information of the Company are set out in the “Letter from the Board” in this Composite Document. The financial and general information of the Company is set out in Appendices II and V to this Composite Document respectively.

INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

It is the intention of the Offeror to continue and expand the Group’s existing principal business following the close of the Offers in close co-operation with the existing management of the Group and does not have any intention, understanding, negotiation or arrangement (concluded or otherwise) to downsize, or bring about a cessation or disposal of existing business of the Group and to acquire or inject any business to the Group. The Offeror will conduct a detailed review of the existing principal business operations and financial position of the Group. Based on the review results, the Offeror will formulate business strategies together with the existing management of the Group, and may explore expansion in the investment banking business of the Group in relation to initial public offerings and assets management business by fully utilising the Group’s existing several licences from SFC as well as considering whether any fund-raising activity or acquisition of business should be pursued with a view to achieving business growth of the Group. Notwithstanding the above, as at the Latest Practicable Date, the Offeror has no specific proposal and has not entered into any specific agreement or arrangement with the Group. In the event that any suitable opportunity for such corporate actions arises, further announcement(s) will be made by the Company in accordance with the GEM Listing Rules as and when appropriate.

Save for the potential changes to the members of the Board as described below, the Offeror has no intention to (i) discontinue the employment of any employees of the Group or change the remuneration structure of any of them; or (ii) dispose of or re-deploy the fixed assets of the Group other than in its ordinary and usual course of business.

PROPOSED CHANGE IN BOARD COMPOSITION

As at the Latest Practicable Date, the Board comprises five executive Directors, namely Mr. Sabine, Mr. Cheung, Mr. Chow, Ms. Leung and Mr. Wong, and three independent non-executive Directors, namely Mr. Cheng, Mr. Yuen and Ms. Khoo.

Pursuant to the terms of the Sale and Purchase Agreement, the Seller undertakes with the Purchaser to use all its powers of control over the Company to procure that, at the earliest possible time permitted by the Takeovers Code and other rules or regulations applicable to the Company, all existing Directors except Mr. Sabine and Mr. Chow shall offer to resign as a Director. Save and except for Mr. Sabine, Mr. Chow and Ms. Khoo, all other existing Directors will resign with effect from a date which is no earlier than such date as permitted under the Takeovers Code, the GEM Listing Rules and other laws, regulations and rules applicable to the Company. It is the intention of the Offeror that Mr. Sabine will remain as Chairman of the Company. The Offeror intends to nominate Mr. Ng as an executive Director and the vice chairman of the Company, Ms. Zhu Yuchen as non-executive Director and Mr. Lee Siu Hang Foster, and Mr. Li Shoushuang as independent non-executive Directors for appointment to the Board with effect from after the Composite Document is posted on the date of dispatch of this Composite Document

(being the earliest date as permitted under the Takeovers Code). Any changes to the members of the Board will be made in compliance with the Takeovers Codes and/or the GEM Listing Rules and further announcement(s) (including the biographies of the new Directors) will be made as and when appropriate.

The biographical information of the proposed Directors nominated by the Offeror is set out below:

Proposed executive Director

Mr. Ng Hoi Kam (吳海淦) (“Mr. Ng”)

Mr. Ng, aged 53, has over 25 years of experience in the investment banking and financial industry focusing on the areas of initial public offerings, mergers and acquisitions, corporate restructuring and other financial advisory services to listed companies and listing applicants in Hong Kong. Mr. Ng is currently the executive director of Hong Kong Gold Industry Group Limited (formerly known as Add New Energy Investment Holding Group Limited) (stock code: 2623). Mr. Ng also served as an executive director of CMBC Capital Holdings Limited (stock code: 1141, “CMBC”) between October 2017 and October 2025. He served as the managing director of corporate finance in Haitong International Capital Limited before joining CMBC. From July 1997 to December 2000, he worked in Arthur Anderson & Co.

Mr. Ng is a member of the Hong Kong Institute of Certified Public Accountants. He received his Master of Economics from the University of Hong Kong and Bachelor of Business Administration from the Chinese University of Hong Kong. Mr. Ng was a Responsible Officer and a director of each of CMBC International Capital Limited (a company licensed by the SFC to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities) and CMBC Securities Company Limited (a company licensed by the SFC to carry out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities), both of which, are wholly-owned subsidiaries of CMBC.

Save as disclosed herein, as at the Latest Practicable Date, Mr. Ng (i) does not hold any position in the Company or other members of the Group; (ii) has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas; (iii) does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the GEM Listing Rules) of the Company; and (iv) does not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO. As at the Latest Practicable Date, Mr. Ng is indirectly interested in 75,959,948 Shares (being the Sale Shares acquired pursuant to the Sale and Purchase Agreement) held by the Offeror, which is wholly owned by Mr. Ng.

Proposed non-executive Director

Ms. Zhu Yuchen (祝雨晨) (“Ms. Zhu”)

Ms. Zhu, aged 33, has over six years of experience in investment management. She has been a partner and risk control manager of Shanghai Yingke Zhide Private Equity Fund Management Co., Ltd.* (上海盈科值得私募基金管理有限公司) (“Shanghai Yingke Zhide Private Equity Fund”) since July 2024 and a director of ZhiDe Capital Limited (值得資管香港有限公司) since October 2025.

From July 2019 to March 2020, Ms. Zhu worked at Nanjing Culture Investment Holding Group Co., Ltd.* (南京市文化投資控股集團有限公司). From March 2020 to March 2021, she was the deputy general manager of Jiangsu Shengan Tianxin Energy Trading Co., Ltd.* (江蘇晟安天信能源貿易有限公司). From April 2021 to July 2024, she was an investment director of Shanghai Yingke Zhide Private Equity Fund.

Ms. Zhu obtained a bachelor’s degree in management and a master’s degree in law from Shanghai Jiao Tong University (上海交通大學) in 2016 and 2019 respectively. She obtained her Legal Profession Qualification Certificate of the PRC in 2018 and her securities practitioner license in 2020 accredited by the Securities Association of China.

As at the Latest Practicable Date, Ms. Zhu (i) does not hold any position in the Company or other members of the Group; (ii) has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas; (iii) does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the GEM Listing Rules) of the Company; and (iv) does not have any interests in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Proposed independent non-executive Directors

Mr. Li Shoushuang (李壽雙) (“Mr. Li”)

Mr. Li, aged 48, has over 20 years of experience in the legal industry. He is currently the vice chairman of the board of directors and a senior partner at Dacheng Law Offices, focusing on capital markets transactions and mergers and acquisitions. He obtained his Legal Profession Qualification Certificate of the PRC in 2005.

Mr. Li has been an independent director of Cambricon Technologies Corporation Limited (中科寒武紀科技股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 688256), since November 2025, and an independent director of China Satellite Communications Co., Ltd. (中國衛通集團股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 601698), since 28 August 2026.

Mr. Li obtained a bachelor’s degree in law and economics from Southwest University of Political Science and Law (西南政法大學) in the PRC in 2001, a master’s degree in international law from Peking University Law School (北京大學法學院) in the PRC in 2004, an Executive Masters in Business Administration from Tsinghua

University (清華大學) in the PRC in 2014, and a master's degree in law from the University of California, Berkeley, School of Law in the United States in 2018. He is a member of the China Academy of Arbitration Law (中國仲裁法學研究會).

Save as disclosed herein, as at the Latest Practicable Date, Mr. Li (i) does not hold any position in the Company or other members of the Group; (ii) has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas; (iii) does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the GEM Listing Rules) of the Company; and (iv) does not have any interests in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Mr. Lee Siu Hang Foster (李兆鏗) ("Mr. Lee")

Mr. Lee, aged 45, has over 20 years of experience in direct lending and structured finance across the Asia Pacific.

Mr. Lee is currently a managing director heading the private credit franchise for Gaw Capital Partners. Prior to joining Gaw Capital Partners, he served as managing director of the financing department in Fortune Fountain Capital Limited from April 2018 to September 2019 and as vice president and chief investment officer of Carnival Group (Hong Kong) Holdings Limited from 2017 to 2018. From May 2012 to October 2017, he worked at China Minsheng Bank, where he last served as head of syndicated finance department. From April 2011 to May 2012, he served as an assistant vice president in syndicated finance at DBS Bank Ltd. From June 2005 to March 2011, he worked at GE Capital, where he last served as an associate vice president in structured finance.

Mr. Lee has served as a non-executive director of ICO Group Limited, a company listed on the Stock Exchange (stock code: 1460), since April 2026, and previously served as an independent non-executive director of Icon Culture Global Company Limited, a company listed on the GEM board of the Stock Exchange (stock code: 8500), from December 2019 to January 2024. He also served on the board of directors of the Asia Pacific Loan Market Association from May 2016 to November 2017.

Mr. Lee obtained a bachelor's degree in commerce from the University of New South Wales in 2002 and is a certified practising accountant of CPA Australia.

Save as disclosed herein, as at the Latest Practicable Date, Mr. Lee (i) does not hold any position in the Company or other members of the Group; (ii) has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas, other than as disclosed above; (iii) does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the GEM Listing Rules) of the Company; and (iv) does not have any interests in the Shares or underlying Shares within the meaning of Part XV of the SFO.

COMPULSORY ACQUISITION

The Offeror does not intend to avail itself of any powers of compulsorily acquisition of any Shares outstanding after the close of the Offers.

PUBLIC FLOAT AND MAINTENANCE OF THE LISTING STATUS OF THE COMPANY

The Stock Exchange has stated that:

- (a) if, at the close of the offer, the Stock Exchange believes that:
 - a false market exists or may exist in the trading of the shares; or
 - an orderly market does not exist or may not exist;it will consider exercising its discretion to suspend dealings in the shares; and
- (b) if, at the close of the offer, the listed issuer has a Significant Public Float Shortfall, then:
 - the Stock Exchange will add a designated marker to the stock name of the listed shares; and
 - the Stock Exchange will cancel the listing of the issuer's shares if the issuer fails to re-comply with GEM Listing Rule 17.37B for a continuous period of 12 months from the commencement of the Significant Public Float Shortfall (as defined in GEM Listing Rule 17.37F).

The Offeror intends the issued Shares to remain listed on GEM of the Stock Exchange after the close of the Offers. The director of the Offeror and the new Directors to be appointed to the Board have jointly and severally undertaken to the Stock Exchange that if, at the close of the Offers, the Company fails to comply with the requirement of GEM Rule 17.37B, they will take appropriate steps to ensure the issuer's compliance with GEM Rule 17.37B at the earliest possible moment.

The Stock Exchange has stated that:

An issuer that fails to comply with GEM Listing Rule 17.37B will be regarded as having a "Significant Public Float Shortfall" unless a portion of its class of shares listed on the Stock Exchange and held by the public:

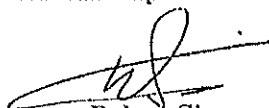
- (1) represents at least 15% of the issuer's total number of issued shares in that class of shares (excluding treasury shares) or, if the Initial Prescribed Threshold applicable to the issuer is less than 25%, at least 50% of the relevant Initial Prescribed Threshold; or
- (2) has a market value of at least HK\$500,000,000 and represents at least 5% of the issuer's total number of issued shares in that class of shares (excluding treasury shares).

ADDITIONAL INFORMATION

Your attention is drawn to the additional information regarding the Offers set out in the appendices to this Composite Document and the accompanying Forms of Acceptance, which form part of this Composite Document. In addition, your attention is also drawn to the "Letter from the Board", the "Letter from the Independent Board Committee" and the "Letter from the Independent Financial Adviser" as set out in this Composite Document and you are reminded to consult your professional advisers as you see fit, before deciding whether or not to accept the Offers.

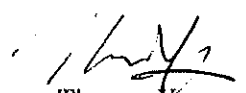
Yours faithfully,
For and on behalf of

Red Sun Capital Limited



Robert Siu
Managing Director

Eddld Capital Limited



Thomas Yu
Managing Director