

Executive Directors:

Mr. Ho Chi Hong
Mr. Chang Tin Duk Victor

Non-Executive Director:

Mr. Law Ka Wing Eric

Independent Non-Executive Directors:

Mr. Li Tao
Mr. Tam Tak Kei Raymond
Ms. Chen Yunxia

Registered Office:

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

Principal Place of Business in Singapore:

16 Kian Teck Way
Singapore 628749

Principal Place of Business in Hong Kong:

Unit A, 12th Floor
China Overseas Building
139 Hennessy Road
Wanchai, Hong Kong

4 September 2025

To the Shareholders

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED
FOR AND ON BEHALF OF EVER REALM CAPITAL LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
CHINA NEXT-GEN COMMERCE AND SUPPLY CHAIN LIMITED
(OTHER THAN THOSE ALREADY OWNED BY EVER REALM CAPITAL LIMITED
AND PARTIES ACTING IN CONCERT WITH IT)**

INTRODUCTION

Reference is made to the Joint Announcement jointly published by the Offeror and the Company in relation to the Sale and Purchase Agreement and the Offer. Unless otherwise specified, capitalised terms used in this letter shall have the same meaning as those defined in this Composite Document.

As disclosed in the Joint Announcement, on 29 July 2025, the Vendor and the Offeror, entered into the Sale and Purchase Agreement pursuant to which the Vendor agreed to sell and the Offeror agreed to purchase an aggregate of 360,000,000 Shares, representing 75% of the total issued share capital of the Company as at the Latest Practicable Date. The total consideration for the Sale Shares is HK\$222,800,000, representing approximately HK\$0.6189 per Sale Share. Completion of the Sale and Purchase Agreement took place on 8 August 2025.

Immediately prior to Completion, none of the Offeror and the parties acting in concert with it was interested in any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

Immediately after Completion, the Offeror and parties acting in concert with it owned an aggregate of 360,000,000 Shares, representing 75% of the total issued share capital of the Company.

Pursuant to Rule 26.1 of the Takeovers Code, immediately following Completion, the Offeror is required to make an unconditional mandatory cash offer for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it).

The purpose of this Composite Document of which this letter forms part is to provide you with, among other matters, the terms of the Offer, information relating to the Group and the Offeror, as well as to set out the letter from the Independent Board Committee containing its recommendations to the Independent Shareholders in respect of the Offer; and the letter from the Independent Financial Adviser containing its advice to the Independent Board Committee in respect of the Offer.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

Pursuant to Rule 2.1 and Rule 2.8 of the Takeovers Code, the Independent Board Committee comprising all the non-executive Directors who have no direct or indirect interest in the Offer, namely Mr. Law Ka Wing Eric, Mr. Li Tao, Mr. Tam Tak Kei Raymond and Ms. Chen Yunxia, has been established to advise the Independent Shareholders as to whether the Offer is, or is not, fair and reasonable and as to the acceptance of the Offer.

As announced in the Company's announcement dated 25 August 2025, Capital 9 Limited has been appointed by the Company, with the approval of the Independent Board Committee, to advise the Independent Board Committee in connection with the Offer and, in particular, as to whether the Offer is fair and reasonable and as to the acceptance of the Offer.

You are advised to read the “Letter from the Independent Board Committee” addressed to the Independent Shareholders, the “Letter from the Independent Financial Adviser” and the additional information contained in the appendices to this Composite Document before taking any actions in respect of the Offer.

THE OFFER

Principal terms of the Offer

The “Letter from Huatai” of this Composite Document and the Form of Acceptance contain the information in respect of the Offer. The principal terms of the Offer are extracted below.

Huatai, on behalf of the Offeror and in compliance with the Takeovers Code, is making the Offer on the following basis:

For each Offer ShareHK\$0.6189 in cash

The Offer Price of HK\$0.6189 per Offer Share under the Offer is same as the price per Sale Share of HK\$0.6189 paid by the Offeror pursuant to the Sale and Purchase Agreement.

As at the Latest Practicable Date, the Company has 480,000,000 Shares in issue, and the Company does not have any other outstanding Shares, options, warrants, derivatives or other securities which are convertible or exchangeable into Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) and has not entered into any agreement for the issue of such options, derivatives, warrants or other relevant securities which are convertible or exchangeable into Shares.

As at the Latest Practicable Date, (a) no dividends or distributions had been declared but unpaid; and (b) there was no intention for the Company to make, declare or pay any dividends or distributions.

The Offer will be made in compliance with the Takeovers Code. The Shares to be acquired under the Offer shall be fully paid and shall be acquired free from all liens, charges, encumbrances, pre-emptive rights and any other third-party rights of any nature and together with all rights attaching to them or subsequently becoming attached to them, including the right to receive all dividends, other distributions and return of capital, if any, announced, declared, made or paid after the close of the Offer.

Further details of the Offer

Further details of the Offer including, among others, the expected timetable, terms and procedures of acceptance of the Offer, are set out in Appendix I to this Composite Document and the Form of Acceptance.

INFORMATION ON THE GROUP

The Company was incorporated in the Cayman Islands with limited liability and its issued shares have been listed on the Main Board of the Stock Exchange since 19 September 2019. The Group is principally engaged in construction services and property investment business in Singapore. The Group specialises in providing construction services and solutions in (i) civil engineering works e.g. road works, earthworks, drainage works, earth retaining stabilising structures works and soil improvement works; (ii) building construction works mainly for industrial buildings which include substructure works, piling works, addition and alteration works and electrical and mechanical works; and (iii) other ancillary services which include logistics and transportation services of construction materials, and properties investment business including residential and industrial properties leasing. The Group's property investment business primarily includes residential and industrial properties leasing.

Your attention is drawn to Appendices II and III to this Composite Document which contain further financial information and general information of the Group.

SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company immediately (i) before Completion and (ii) after Completion and as at the Latest Practicable Date:

Shareholders	Immediately before Completion		Immediately after Completion and as at the Latest Practicable Date	
	<i>Approximate</i>		<i>Approximate</i>	
	<i>Number of Shares</i>	<i>percentage of shareholding</i>	<i>Number of Shares</i>	<i>percentage of shareholding</i>
Offeror and parties acting in concert with it (<i>Note 1</i>)	—	—	360,000,000	75.00%
Vendor (<i>Note 2</i>)	360,000,000	75.00%	—	—
Public Shareholders	<u>120,000,000</u>	<u>25.00%</u>	<u>120,000,000</u>	<u>25.00%</u>
Total	<u>480,000,000</u>	<u>100.00%</u>	<u>480,000,000</u>	<u>100.00%</u>

Notes:

1. The Offeror is a company incorporated in the BVI with limited liability and is legally and beneficially wholly-owned by Ms. Wang.
2. The Vendor is a company incorporated in the BVI with limited liability and is legally and beneficially owned as to 20% and 80% by Mr. Chang Tin Duk Victor and Mr. Ho Chi Hong, respectively.
3. Certain percentage figures included in this table have been subject to rounding adjustments. Figures shown as total may not be an arithmetic aggregation of the figures preceding them.

INFORMATION ON THE OFFEROR

Your attention is drawn to the section headed “Information on the Offeror” in the “Letter from Huatai” of this Composite Document.

INTENTIONS OF THE OFFEROR REGARDING THE GROUP

Your attention is drawn to the section headed “Intentions of the Offeror regarding the Group” in the “Letter from Huatai” as set out in this Composite Document.

As set out in the said section, the Offeror intends to continue (i) the employment of existing management and employees of the Group (except for certain proposed changes to the members of the Board at a time no earlier than permitted under the Listing Rules and the Takeovers Code, or such later time as the Offeror considers to be appropriate) and (ii) the existing principal business of the Group. However, the Offeror also intends to review the operations and business activities of the Group to formulate a long-term business strategy for the Group. Subject to the results of such review, the Offeror may explore other business opportunities suitable for the Group and/or seek to expand the geographical coverage or offerings of the Group's principal business.

Save for above, (i) the Offeror has no intention to make material changes to the employment of employees of the Group; (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.

The Board is aware of the Offeror's intentions in respect of the Group and its employees and is willing to cooperate with the Offeror and act in the best interests of the Company and the Shareholders as a whole.

PROPOSED CHANGES IN COMPOSITION OF THE BOARD

As at the Latest Practicable Date, the Board comprised two executive Directors, namely, Mr. Ho Chi Hong and Mr. Chang Tin Duk Victor; one non-executive Director, namely, Mr. Law Ka Wing Eric; and three independent non-executive Directors, namely, Mr. Li Tao, Mr. Tam Tak Kei Raymond and Ms. Chen Yunxia.

Pursuant to the Sale and Purchase Agreement, (i) Mr. Ho Chi Hong and Mr. Chang Tin Duk Victor shall resign as executive Directors, (ii) Mr. Law Ka Wing Eric shall resign as non-executive Director; and (iii) all independent non-executive shall resign, all with effect from the day immediately after the close of the Offer.

Pursuant to Rule 7 of the Takeovers Code, except with the consent of the Executive, no resignation of Directors shall take effect until after the publication of the closing announcement on the first closing date of an offer, or the publication of the announcement that an offer has become or been declared unconditional, whichever is later. For the avoidance of doubt, such resignations under the the Sale and Purchase Agreement shall not take effect until after the publication of the closing announcement on the Closing Date.

As disclosed in the section headed “Proposed changes in composition of the Board” in the “Letter from Huatai” of this Composite Document, the Offeror intends to nominate Ms. Wang and Ms. Ding as executive Directors to the Board, with effect from the day after the despatch of this Composite Document. The Offeror is in the course of identifying additional candidates for the Board subject to compliance with the Takeovers Code and the Listing Rules. Further announcement(s) will be made by the Company regarding changes in the Board composition when such changes come into effect, and as and when appropriate.

For details of the biography of Ms. Wang and Ms. Ding, please refer to the section headed “Information on the Offeror” in the “Letter from Huatai” of this Composite Document.

PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

As mentioned in the section headed “Public float and maintaining the listing status of the Company” in the “Letter from Huatai” of this Composite Document, the Offeror has no intention to privatize the Company and intends to maintain the listing of the Shares on the Stock Exchange following the close of the Offer.

The Stock Exchange has stated that if, at the close of the Offer, 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.

Therefore, it should be noted that upon close of the Offer, there may be insufficient public float of the Shares and the trading in the Shares may be suspended until sufficient public float exists for the Shares.

Each of the sole director of the Offeror and the new directors proposed to be appointed to the Board have jointly and severally undertaken to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares after the Offer closes. Further announcement(s) will be made in accordance with the requirements of the Listing Rules and the Takeovers Code as and when appropriate.

RECOMMENDATION

Your attention is drawn to the “Letter from the Independent Board Committee” and the “Letter from the Independent Financial Adviser” in this Composite Document, which contains, among other things, their advice in relation to the Offer and the principal factors considered by them in arriving at their recommendation.

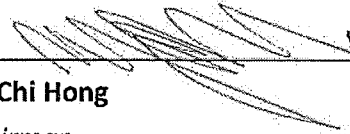
You are urged to read these letters and the additional information contained in the appendices to this Composite Document carefully before taking any action in respect of the Offer.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information contained in the appendices to this Composite Document. You are also recommended to read carefully the “Letter from Huatai” in this Composite Document and the accompanying Form(s) of Acceptance for further details in respect of the procedures for acceptance of the Offer.

If you are in doubt about your position in connection with the Offer, you should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

By order of the Board of
**China Next-Gen Commerce and
Supply Chain Limited**



Ho Chi Hong
Chairman