

*To the Independent Shareholders*

4 September 2025

Dear Sir/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.

On 29 July 2025, the Vendor and the Offeror entered into the Sale and Purchase Agreement pursuant to which the Vendor conditionally agreed to sell, and the Offeror conditionally agreed to purchase, the Sale Shares, being 360,000,000 Shares (representing 75% of the total issued share capital of the Company as at the Latest Practicable Date), for a total cash consideration of HK\$222,800,000 (representing approximately HK\$0.6189 per Sale Share). Completion took place on 8 August 2025.

Immediately after Completion and as at the Latest Practicable Date, the Offeror and parties acting in concert with it owned 360,000,000 Shares, representing approximately 75% of the total issued share capital of the Company. The Offeror is therefore required to make a mandatory unconditional cash offer for all the issued Shares not already owned by it and parties acting in concert with it, pursuant to Rule 26.1 of the Takeovers Code.

This letter sets out (among other things) the principal terms of the Offer, together with the information on the Offeror and the Offeror's intentions regarding the Group. Further details of the Offer are also set out in Appendix I to this Composite Document and the accompanying Form of Acceptance. Your attention is also drawn to the "Letter from the Board", the "Letter from the Independent Board Committee" to the Independent Shareholders and the "Letter from the Independent Financial Adviser" to the Independent Board Committee, as contained in this Composite Document.

## THE OFFER

### Principal terms of the Offer

Huatai, on behalf of the Offeror and in compliance with the Takeovers Code, makes the Offer on the following terms:

**For each Offer Share .....HK\$0.6189 in cash**

The Offer Price of HK\$0.6189 per Offer Share is the same as the price per Sale Share of approximately HK\$0.6189 paid by the Offeror under the Sale and Purchase Agreement. The consideration in the aggregate sum of HK\$222,800,000, representing approximately HK\$0.6189 per Sale Share, paid by the Offeror to the Vendor for the sale and purchase of the Sale Shares under the Sale and Purchase Agreement, was agreed between the Offeror and the Vendor after arm's length negotiations, taking into account (i) the historical operating and financial performance of the Group; (ii) the Shares have historically experienced low trading volumes, resulting in limited market liquidity, which makes it difficult for the Vendor to dispose of a large number of Shares without a substantial price discount; (iii) the modest operating performance of the Group, evidenced by the total revenue of the Group of approximately S\$66.6 million, S\$55.6 million and S\$55.5 million for the three years ended 30 September 2024, respectively and the net loss of the Group of approximately S\$1.5 million, S\$1.0 million and S\$0.8 million for the three years ended 30 September 2024, respectively; (iv) the Vendor is of the view that the Sale Shares represent 75% of the entire issued share capital of the Company, a significant controlling interest that would attract very little interest in the open market; and (v) the Consideration remains at a significant premium over the Group's consolidated net assets value per Share as at 30 September 2024 and 31 March 2025 which provides the Vendor a reasonable exit from the Company to redeploy its resources elsewhere considering that performance of the Group has not demonstrated any meaningful improvement since the Vendor assuming control.

The Offer is made to the Independent Shareholders. It is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of Shares or any other condition.

The procedures for acceptance and further details of the Offer are set out in Appendix [I] to this Composite Document and the accompanying Form of Acceptance.

### Comparison of value

The Offer Price of HK\$0.6189 per Offer Share represents:

- (a) a discount of approximately 86.94% to the closing price of HK\$4.74 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (b) a discount of approximately 82.32% to the closing price of HK\$3.5 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (c) a discount of approximately 75.02% to the average closing price of approximately HK\$2.4780 per Share based on the daily closing prices as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- (d) a discount of approximately 71.84% to the average closing price of approximately HK\$2.1980 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (e) a discount of approximately 68.25% to the average closing price of approximately HK\$1.9493 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day;
- (f) a premium of approximately 78.63% over the Group's audited consolidated net assets attributable to the Shareholders per Share of approximately HK\$0.3465 as at 30 September 2024, calculated based on a total of 480,000,000 Shares as at the Latest Practicable Date and the Group's audited consolidated net assets attributable to the Shareholders of approximately S\$27.17 million (equivalent to approximately HK\$166.31 million) as at 30 September 2024; and
- (g) a premium of approximately 75.95% over the Group's unaudited consolidated net assets value attributable to the Shareholders per Share of approximately HK\$0.3517 as at 31 March 2025, calculated based on a total of 480,000,000 Shares as at the Latest Practicable Date and the Group's unaudited consolidated net assets value attributable to the Shareholders of approximately S\$27.59 million (equivalent to approximately HK\$168.84 million) as at 31 March 2025.

### **Highest and lowest Share prices**

During the six-month period immediately preceding the commencement of the Offer Period and up to and including the Latest Practicable Date, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$4.93 per Share on 12 August 2025, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$1.65 per Share on 3 July and 4 July 2025.

### **Value of the Offer**

Based on 480,000,000 Shares in issue as at the Latest Practicable Date and the Offer Price of HK\$0.6189 per Offer Share, the total issued share capital of the Company is valued at HK\$297,072,000.

On the basis of 120,000,000 Offer Shares (assuming there is no change in the issued share capital of the Company between the Latest Practicable Date and the Closing Date) and the Offer Price of HK\$0.6189 per Offer Share, the Offer is valued at HK\$74,268,000.

As at the Latest Practicable Date, there were 480,000,000 Shares in issue and the Company did not have any outstanding 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 had not entered into any agreement for the issue of such options, warrants, derivatives or other relevant securities which are convertible or exchangeable into Shares.

The Company confirms that as at the Latest Practicable Date, (i) it had not declared any dividend which is not yet paid and (ii) it did not have any intention to declare or pay any future dividend or make other distributions prior to, and including, the Closing Date. If, after the date of this Composite Document, any dividend or other distribution is made or paid in respect of the Offer Shares, the Offeror reserves the right to reduce the Offer Price by an amount equal to the gross amount of such dividend or other distribution.

### **Financial resources available for the Offer**

The maximum amount of cash payable by the Offeror in respect of full acceptance of the Offer is HK\$74,268,000, assuming there is no change in the issued share capital of the Company between the Latest Practicable Date and the Closing Date. The Offeror intends to finance the consideration payable under the Offer by its internal resources, which represent distributed entitlements of Ms. Wang as a beneficiary under Hua Sheng Trust (being a family trust established by Mr. Wang as settlor in favour of his family members), without any external financing support.

Huatai, the financial adviser to the Offeror in respect of the Offer, is satisfied that sufficient financial resources are, and will remain, available to the Offeror to satisfy the consideration payable upon full acceptance of the Offer.

### **Closing of the Offer**

In accordance with Rule 15.1 of the Takeovers Code, the Closing Date will fall on or after the 21st day from the date of this Composite Document.

### **Effect of accepting the Offer**

Acceptance of the Offer by any Independent Shareholder will be deemed to constitute a warranty by such person that all the Shares sold by such person under the Offer are fully paid and free from all encumbrances, and with all rights and benefits at any time accruing and attached to them, including the rights to receive all dividends and distributions declared, made or paid on or after the date on which the Offer is made, that is, the date of despatch of the Composite Document.

Acceptance of the Offer will be irrevocable and not capable of being withdrawn, except as stated under paragraph headed “5. Right of Withdrawal” in Appendix I to this Composite Document.

### **Payment**

Payment in cash in respect of acceptance of the Offer will be made as soon as possible, but in any event no later than seven Business Days after the date of receipt of a duly completed Form of Acceptance. Relevant document(s) evidencing title to the Offer Shares must be received by or on behalf of the Offeror to render such acceptance of the Offer complete and valid.

No fractions of a cent will be payable, and the amount of the consideration payable to an Independent Shareholder who accepts the Offer will be rounded up to the nearest cent.

### **Hong Kong stamp duty**

Seller's ad valorem stamp duty at the rate of 0.1% of the market value of the Shares or the consideration payable by the Offeror in respect of relevant acceptances of the Offer, whichever is higher, will be deducted from the amount payable to the relevant Independent Shareholder on acceptance of the Offer. The Offeror will arrange for payment of the sellers' ad valorem stamp duty on behalf of the accepting Independent Shareholders and pay the buyer's ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares.

## **Taxation advice**

Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer.

None of the Offeror, parties acting in concert with the Offeror, the Company, Huatai and their respective ultimate beneficial owners, directors, advisers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

## **Overseas Shareholder(s)**

As the Offer to persons not being resident in Hong Kong may be affected by the laws of the relevant jurisdiction in which they are resident, Overseas Shareholder(s) who is/are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice. It is the sole responsibility of the Overseas Shareholder(s) who wish(es) to accept the Offer to satisfy himself/themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental, exchange control or other consent which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes due from such Overseas Shareholder(s) in respect of such jurisdictions).

[Based on the register of members of the Company, as at the Latest Practicable Date, there was one Overseas Shareholder having his registered address in the PRC. Based on enquiries made in relation to the laws of the PRC, the sole director of the Offeror and the Directors consider that it is not unduly burdensome to despatch this Composite Document to said Overseas Shareholder.]

Any acceptance of the Offer by any Overseas Shareholder will be deemed to constitute a representation and warranty from such Overseas Shareholder to the Offeror that the applicable local laws and requirements have been complied with. Overseas Shareholder(s) should consult their professional advisers if in doubt.

## **INFORMATION ON THE COMPANY AND THE GROUP**

The Company was incorporated in the Cayman Islands with limited liability and its 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. It 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.

## **INFORMATION ON THE OFFEROR**

The Offeror was incorporated on 11 July 2025 in the BVI with limited liability for the purpose of making the Offer, and is principally engaged in investment holding. Save for entering into the Sale and Purchase Agreement, the Offeror did not engage in any business activity as at the Latest Practicable Date.

As at the Latest Practicable Date, the Offeror was wholly-owned by Ms. Wang. Ms. Wang, aged 26, is the sole shareholder and sole director of the Offeror. Since October 2024, she has served as a director of Astrum Apex Investments Limited, a private company engaged in investment holding, where she is mainly responsible for identifying and evaluating investment opportunities. Apart from her investment experience, Ms. Wang does not have direct experience in the principal business of the Group. As stated in "Intentions of the Offeror regarding the Group" below, 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, following the close of the Offer. Therefore, Ms. Wang's lack of relevant experience is not expected to have any material impact on the management and operations of the Group based on the Offeror's commitment to constituting a Board comprising individuals with appropriate skills and relevant professional backgrounds, as well as its intention to retain the existing employees of the Group, including members of senior management after the Offer closes.

Ms. Wang obtained a bachelor's degree of literature from Peking University in 2021, a master's degree in strategic public relations from the University of Sydney in 2023 and a master of arts with a major in digital media: education from the University College London in 2024.

Ms. Wang is the daughter of Mr. Wang, who is the settlor of Hua Sheng Trust. Chen Ting Sen (PTC) Limited in its capacity as trustee of Hua Sheng Trust, through its controlled corporations, is the controlling shareholder of two companies whose shares are listed on the Main Board of the Stock Exchange, namely, Seazen Group Limited (stock code: 1030) and S-Enjoy Service Group Co., Limited (stock code: 1755).

## **INTENTIONS OF THE OFFEROR REGARDING THE GROUP**

Immediately following the close of the Offer, 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 as disclosed, (i) the Offeror has no intention to make material changes to the employment of employees of the Group (including members of senior management); (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.

## **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. For the avoidance of doubt, such resignations shall not take effect until after the publication of the closing announcement on the Closing Date. The Offeror intends to nominate Ms. Wang and Ms. Ding Ziyi ("**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 and one of the considerations for

such potential candidates will be the requisite expertise, skillset and relevant work experience necessary to support the management and operations of the Group (which will continue to be in place), 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. Notwithstanding the proposed changes in the composition of the Board taking effect after the close of the Offer, the Offeror and the Company are mindful of their obligations under the Listing Rules and will take all steps necessary to ensure compliance with the relevant Listing Rules. The Board shall continue to be effectively discharge its duty to serve the best interest of the Company and all shareholders as a whole.

For details of the biography of Ms. Wang, please refer to the section headed “Information on the Offeror” above.

The biography of Ms. Ding is set out below:

Ms. Ding, aged 33, is currently a deputy general manager at Astrum Apex Investments Limited, where she is primarily responsible for conducting research and due diligence on investment projects, ensuring regulatory compliance and overseeing implementation of risk control measures. Prior to such, Ms. Ding worked for nine years at Sundial Law Firm from May 2016 to June 2025 with her last role serving as a partner, where she specialized in capital markets, mergers and acquisitions, corporate compliance, restructuring, financing and other securities transactions. Ms. Ding obtained a bachelor’s degree in law from University of International Relations in 2014 and a master’s degree in international economic law from City University of Hong Kong in 2016.

## **PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY**

The Offeror intends to maintain the listing of the Shares on the Stock Exchange after the close of the Offer.

The Stock Exchange has stated that if, at the Closing Date, 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.

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. The Company and the Offeror will issue announcement(s) as and when necessary in this regard.

## **COMPULSORY ACQUISITION**

The Offeror does not intend to avail itself of any power of compulsory acquisition of any Offer Shares not acquired under the Offer, after the close of the Offer as it intends to maintain the listing of the Shares as state above.

## **ACCEPTANCE AND SETTLEMENT OF THE OFFER**

Your attention is drawn to the details regarding the procedures for acceptance and settlement of the Offer, as set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

## **GENERAL**

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

All documents and remittances will be sent to the Independent Shareholders by ordinary post at their own risk. These documents and remittances will be sent to them at their respective addresses as they appear in the register of members of the Company or, in case of joint Independent Shareholders, to the Independent Shareholder whose name appears first in the register of members of the Company. None of the Offeror, parties acting in concert with the Offeror, the Company, Huatai and their respective ultimate beneficial owners, directors, advisers, agents or associates or any other person involved in the Offer accept responsibility for any loss or delay in transmission of such documents and remittances or any other liabilities that may arise as a result thereof.

## **ADDITIONAL INFORMATION**

Your attention is drawn to the additional information regarding the Offer set out in the appendices to this Composite Document and the accompanying Form 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” to the Independent Shareholders and the “Letter from the Independent Financial Adviser” to the Independent Board Committee, as contained in this Composite Document, before deciding whether or not to accept 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.

Yours faithfully,

For and on behalf of

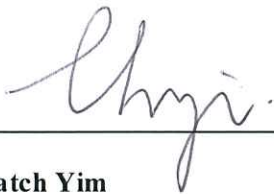
**Huatai Financial Holdings (Hong Kong) Limited**



**Gene Liu**

*Executive Director*

*Head of M&A Division*



**Match Yim**

*Vice President*