

15 January 2026

*To: The Independent Board Committee and the Independent Shareholders of
Dowway Holdings Limited*

Dear Sirs or Madams,

**MANDATORY CONDITIONAL CASH OFFER BY
RAINBOW CAPITAL (HK) LIMITED
FOR AND ON BEHALF OF THE OFFEROR TO ACQUIRE ALL
THE ISSUED SHARES OF DOWWAY HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED AND/OR
AGREED TO BE ACQUIRED BY THE OFFEROR AND/OR
PARTIES ACTING IN CONCERT WITH HIM)**

INTRODUCTION

We refer to our appointment as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Offer, details of which are set out in the composite offer and response document jointly issued by the Offeror and the Company dated 15 January 2026 (the “**Composite Document**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Composite Document unless the context requires otherwise.

References are made to the Joint Announcement dated 26 November 2025. On 20 November 2025 (after trading hours), (i) the Offeror, as purchaser, and A&B, as vendor, entered into the A&B Sale and Purchase Agreement relating to the sale and purchase of the A&B Sale Shares, for a total consideration of HK\$14,322,500; (ii) CN BASE, as purchaser, and LHG, as vendor, entered into the LHG Sale and Purchase Agreement relating to the sale and purchase of the LHG Sale Shares, for a total consideration of HK\$7,000,000; and (iii) CN BASE, as purchaser, and WKY, as vendor, entered into the WKY Sale and Purchase Agreement relating to the sale and purchase of the WKY Sale Shares, for a total consideration of HK\$5,993,750.

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Pursuant to the A&B Sale and Purchase Agreement, the Offeror agreed to purchase, and A&B agreed to sell, the A&B Sale Shares, representing approximately 18.60% of total issued share capital of the Company as at the date of the A&B Sale and Purchase Agreement, for a total consideration of HK\$14,322,500, representing HK\$0.50 per A&B Sale Share.

Pursuant to the LHG Sale and Purchase Agreement, CN BASE agreed to purchase, and LHG agreed to sell, the LHG Sale Shares, representing approximately 9.09% of total issued share capital of the Company as at the date of the Joint Announcement, for a total consideration of HK\$7,000,000, representing HK\$0.50 per LHG Sale Share.

Pursuant to the WKY Sale and Purchase Agreement, CN BASE agreed to purchase, and WKY agreed to sell, the WKY Sale Shares, representing approximately 7.78% of total issued share capital of the Company as at the date of the Joint Announcement, for a total consideration of HK\$5,993,750, representing HK\$0.50 per WKY Sale Share.

Each of the Sale and Purchase Agreements is unconditional. Completion of the sale and purchase of the LHG Sale Shares and the WKY Sale Shares have taken place simultaneously upon signing the LHG Sale and Purchase Agreement and the WKY Sale and Purchase Agreement respectively, and Completion of the A&B Sale Shares has taken place on 25 November 2025.

CN BASE is owned as to 40% by the Offeror and as to 60% by Ms. Xiao Fenfen. CN BASE is a party acting in concert with the Offeror. Upon Completion, the Offeror and the Offeror's Concert Parties are interested in an aggregate of 54,632,500 Shares (of which the Offeror is interested in 28,645,000 Shares and CN BASE is interested in 25,987,500 Shares), representing approximately 35.48% of total issued share capital of the Company as at the date of the Joint Announcement.

Immediately following Completion, A&B owns 5,000,000 Shares, representing approximately 3.25% of the issued share capital of the Company as at the date of the Joint Announcement, being the A&B Remaining Shares. LHG owns 3,000,000 Shares, representing approximately 1.94% of the issued share capital of the Company as at the date of the Joint Announcement, being the LHG Remaining Shares.

Pursuant to the A&B Sale and Purchase Agreement, A&B has given the A&B Undertaking in favour of the Offeror, among other matters, A&B has irrevocably and unconditionally undertaken that, following Completion, it (a) will not tender or otherwise make any of the A&B Remaining Shares available for acceptance under the Offer; and (b) will not whether directly or indirectly dispose of, charge, pledge, grant any option over or otherwise dispose of or create any Encumbrance in respect of the A&B Remaining Shares during the offer period under the Takeovers Code.

Pursuant to the LHG Sale and Purchase Agreement, LHG has given the LHG Undertaking in favour of CN BASE, pursuant to which LHG has irrevocably and unconditionally undertaken that, following Completion, he (a) will not tender or otherwise

make any of the LHG Remaining Shares available for acceptance under the Offer; and (b) will not whether directly or indirectly dispose of, charge, pledge, grant any option over or otherwise dispose of or create any Encumbrance in respect of the LHG Remaining Shares during the offer period under the Takeovers Code.

CT Vision owns 11,212,000 Shares, representing approximately 7.28% of the issued share capital of the Company as at the date of the Joint Announcement, being the CT Vision Shares. Pursuant to the CT Vision Undertaking, CT Vision has given the irrevocable undertaking in favour of the Offeror, pursuant to which it has irrevocably and unconditionally undertaken that, from the date of CT Vision Undertaking until the close of Offer (both days inclusive), it (a) will not tender or otherwise make any of the CT Vision Shares available for acceptance under the Offer; and (b) will not whether directly or indirectly dispose of, charge, pledge, grant any option over or otherwise dispose of or create any Encumbrance in respect of the CT Vision Shares.

Immediately before Completion, the Offeror and the Offeror's Concert Parties did not own, control or have direction over any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

Immediately following Completion and as at the Latest Practicable Date, the Offeror and the Offeror's Concert Parties are interested in an aggregate of 54,632,500 Shares (of which the Offeror is interested in 28,645,000 Shares and CN BASE is interested in 25,987,500 Shares), representing approximately 35.48% of the issued share capital of the Company. Upon Completion, the Offeror is therefore required under Rule 26.1 of the Takeovers Code to make a mandatory conditional cash offer for all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror and/or the Offeror's Concert Parties), and accordingly, 99,367,500 Shares will be subject to the Offer. Pursuant to the A&B Undertaking, the LHG Undertaking and the CT Vision Undertaking, A&B, LHG and CT Vision had undertaken not to accept the Offer in respect of the A&B Remaining Shares, LHG Remaining Shares and CT Vision Shares respectively.

As at the Latest Practicable Date, there are 154,000,000 Shares in issue and the Company does not have any outstanding options, warrants, securities or derivatives which are convertible or exchangeable into Shares.

INDEPENDENT BOARD COMMITTEE

In accordance with Rule 2.1 of the Takeovers Code, the Company has established the Independent Board Committee comprising all non-executive Directors with no direct or indirect interest in the Offer, to make recommendation to the Independent Shareholders in respect of the Offer. As a result, the Independent Board Committee, comprising (i) the non-executive Director, namely Mr. Lian Mingcheng; and (ii) the independent non-executive Directors, namely Ms. Xu Shuang, Mr. Ma Lin, Mr. Tam Chak Chi and Ms. Yau Yin Tan, has been established to advise the Independent Shareholders as to whether the Offer is fair and

reasonable and whether the Offer is in the interests of the Independent Shareholders as a whole and as to the acceptance of the Offer. All members of the Independent Board Committee have no direct or indirect interest in the Offer.

OUR INDEPENDENCE

We, INCU Corporate Finance Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the Offer is fair and reasonable and as to the acceptance of the Offer. Our appointment as the Independent Financial Adviser has been approved by the Independent Board Committee in accordance with Rule 2.1 of the Takeovers Code.

During the past two years, we did not act as a financial adviser and has not provided any other services to the Company, the Offeror, CN BASE, Ms. Xiao Fenfen, A&B, Mr. Huang Xiaodi, Mr. Li Huaguo, WKY, Mr. Dong Kejia and any party acting, or presumed to be acting, in concert with any of the above, or any company controlled by any of them. We are independent from, and are not associated with the Company, the Offeror, CN BASE, Ms. Xiao Fenfen, A&B, Mr. Huang Xiaodi, Mr. Li Huaguo, WKY, Mr. Dong Kejia and any party acting, or presumed to be acting, in concert with any of the above, or any company controlled by any of them. Apart from normal professional fees payable to us in connection with this appointment as the Independent Financial Adviser, no arrangement exists whereby we will receive any fees or benefits from the abovementioned parties or any party acting, or presumed to be acting, in concert with any of them, any of their respective associates, close associates or core connected persons or other parties that could be regarded as relevant to our independence. Accordingly, we are considered eligible to give independent advice in respect of the Offer to the Independent Board Committee and the Independent Shareholders in accordance with Rule 2.1 of the Takeovers Code.

BASIS OF OUR OPINION

In formulating our opinion and recommendations, we have relied on the statements, information, opinions and representations relating to the operations, financial condition and prospects of the Group contained or referred to in the Composite Document and/or provided to us by the Directors and the Offeror (where applicable). We have reviewed the information of the Company, including but not limited to, the announcements of the Company, the annual report of the Company for the year ended 31 December 2024 (the “**Annual Report 2024**”), the interim report of the Company for the six months ended 30 June 2025 (the “**Interim Report 2025**”), the information contained in the Composite Document and certain published information from the public domain. We have assumed that all statements, information and representations provided by the Directors and the Offeror (where applicable) are true and accurate at the time when they were provided and continue to be so as at the Latest Practicable Date and the Shareholders will be notified of any material changes to such statements, information, representations and/or our opinion contained in this letter as soon as possible in accordance with Rule 9.1 of the Takeovers Code.

We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors and the Offeror respectively in the Composite Document were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Composite Document, or the reasonableness of the opinions expressed by the Directors and the Offeror (where applicable), which have been provided to us.

Your attention is drawn to the responsibility statements as set out in the paragraph headed “1. Responsibility Statement” under the section headed “General Information of the Group” in Appendix III to the Composite Document. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Composite Document, save and except for this letter of advice.

We have not carried out any independent verification of the information provided, nor have we conducted any independent investigation into the business and affairs of the Group. We have not considered the taxation implication on the Group or the Shareholders as a result of the Offer.

We have not considered the tax and regulatory implications on the Independent Shareholders of acceptance or non-acceptance of the Offer since these depend on their individual circumstances. In particular, the Independent Shareholders who are resident overseas or subject to overseas taxes or Hong Kong taxation on securities dealings should consider their own tax positions, and if in any doubt, should consult their own professional adviser.

Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Where information in this letter has been extracted from published or otherwise publicly available sources, the sole responsibility of us is to ensure that such information has been correctly and fairly extracted, reproduced or presented from the relevant stated sources and not be used out of context. Shareholders will be notified of any material changes to such statements, information, opinions and/or representation as soon as possible in accordance with Rule 9.1 of the Takeovers Code if there arises any material changes of information previously provided to us by the Company or of our opinion in which event this letter shall be amended and updated.

PRINCIPAL TERMS OF THE OFFER

Rainbow Capital, for and on behalf of the Offeror and in compliance with the Takeovers Code, is making the Offer to acquire all the Offer Shares on terms to be set out in the Composite Document on the following basis:

For each Offer Share HK\$0.50 in cash

The Offer Price of HK\$0.50 per Offer Share is equal to the purchase price per Sale Share paid by the Offeror for the Sale Shares.

The Offer is conditional upon valid acceptances of the Offer having been received, and (where permitted, not withdrawn) on or before 4:00 p.m. on the Closing Date (or such later time or date as the Offeror may, subject to the Takeovers Code, decide) in respect of the Offer Shares, which together with the Shares already held by the Offeror and the Offeror's Concert Parties, would result in the Offeror and the Offeror's Concert Parties holding more than 50% of the voting rights of the Company as at the Closing Date. This Condition cannot be waived.

As at the Latest Practicable Date, there are 154,000,000 Shares in issue. Assuming that there is no change in the issued share capital of the Company and based on the Offer Price of HK\$0.50 per Offer Share, the issued share capital of the Company is valued at HK\$77,000,000.

Immediately following Completion and as at the Latest Practicable Date, the Offeror and the Offeror's Concert Parties are interested in an aggregate of 54,632,500 Shares (of which the Offeror is interested in 28,645,000 Shares and CN BASE is interested in 25,987,500 Shares), and accordingly 99,367,500 Shares will be subject to the Offer, and the Offer is valued at HK\$49,683,750. After excluding (i) the A&B Remaining Shares pursuant to the A&B Undertaking; (ii) the LHG Remaining Shares pursuant to the LHG Undertaking; and (iii) the CT Vision Shares pursuant to the CT Vision Undertaking, and based on the Offer Price of HK\$0.50 per Offer Share, and assuming that there is no change in the issued share capital of the Company, in the event that the Offer is accepted in full, the aggregate value of the Offer is HK\$40,077,750. The Offeror intends to fund the consideration payable under the Offer in full by (i) the Facility made available by Quam Securities to the Offeror; and (ii) his own financial resources.

The Offeror does not intend to exercise any right which may be available to it to compulsorily acquire any outstanding Offer Shares not acquired under the Offer after the close of the Offer.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion and recommendation to the Independent Board Committee and the Independent Shareholders in respect of the Offer, we have taken into account the following principal factors and reasons:

1. Background and financial information of the Group

General information of the Group

The Company was incorporated in the Cayman Islands on 28 April 2017 as an exempted company with limited liability and its issued Shares have been listed on GEM since 12 June 2018. The Company is an investment holding company and the Group is

principally engaged in design, planning, coordination, and management of comprehensive exhibitions and events, selling consumer products, and the provision of digital platform services in the PRC. According to the Annual Report 2024, the operating segments of the Group in financial statements are classified as follows: (i) exhibition and event related business (“**Exhibition and Event Related Services**”); (ii) advertisement related business (“**Advertisement Related Services**”); and (iii) E-commerce business (“**E-commerce Services**”). As stated in the Interim Report 2025, the Group developed a new business segment of rental income (“**Rental Income**”).

Financial performance of the Group

Set out below is a summary of the financial performance of the Group for the financial years ended 31 December 2023 (“**FY2023**”) and 31 December 2024 (“**FY2024**”) respectively as extracted from the Annual Report 2024 and for the six months ended 30 June 2024 (“**HY2024**”) and 30 June 2025 (“**HY2025**”) respectively as extracted from the Interim Report 2025:

	FY2023 (RMB'000) audited	FY2024 (RMB'000) audited	HY2024 (RMB'000) unaudited	HY2025 (RMB'000) unaudited
Revenue				
Exhibition and Event Related Services	107,399	122,716	50,245	34,798
Advertisement Related Services	10,047	—	—	—
E-commerce Services	—	17,448	8,171	9,987
Rental Income	—	—	—	81
Total Revenue	<u>117,446</u>	<u>140,164</u>	<u>58,416</u>	<u>44,866</u>
Profit/(Loss) before taxation	<u>(17,905)</u>	<u>(6,582)</u>	<u>6,064</u>	<u>(12,639)</u>
Profit/(Loss) for the year/ period attributable to owners of the Company	<u>(16,918)</u>	<u>(5,746)</u>	<u>4,540</u>	<u>(12,025)</u>

FY2023 vs FY2024

According to the Annual Report 2024, majority of the revenue of the Group was generated from Exhibition and Event Related Services, representing approximately 91.4% and 87.6% of the total revenue of the Group for FY2023 and FY2024 respectively. As shown in the above table, the Group’s revenue for FY2024 was approximately

RMB140.16 million, representing an increase of approximately RMB22.71 million or 19.3%, compared to the revenue of approximately RMB117.45 million for FY2023. The increase in revenue was mainly due to the increase in revenue of Exhibition and Event Related Services as the Group managed and coordinated 133 exhibition and event projects and 13 exhibition showroom projects during FY2024 as compared with 117 exhibition and event projects, 3 exhibition showroom projects, and 3 advertisement projects managed and coordinated by the Group during FY2023. As discussed with the management of the Company, in response to the post-pandemic economic environment where business models of advertising business have increasingly shifted towards online and digital platforms, the Group has prioritized strengthening its E-commerce Services in FY2024 in order to acclimate to the changes and new trends of the consumer market and the service industry, and to cope with the new economic environment and changes in the consumer behaviour. Therefore, no revenue of Advertisement Related Services was recorded for FY2024 while the revenue of E-commerce Services contributed approximately 12.4% of the total revenue of the Group for FY2024.

As a result of the increase in revenue of the Group, the loss before taxation decreased from approximately RMB17.91 million for FY2023 to approximately RMB6.58 million for FY2024, representing a decrease of approximately RMB11.33 million or 63.3%. The loss attributable to owners of the Company also decreased from approximately RMB16.92 million for FY2023 to approximately RMB5.75 million for FY2024, representing a decrease of approximately RMB11.17 million or 66.0%.

HY2024 vs HY2025

The revenue generated from Exhibition and Event Related Services remained the major income source of the Group, representing approximately 86.0% and 77.6% of the total revenue of the Group for HY2024 and HY2025 respectively. As shown in the above table, the Group's revenue for HY2025 was approximately RMB44.87 million, representing a decrease of approximately RMB13.55 million or 23.2%, compared to the revenue of approximately RMB58.42 million for HY2024. The decrease in revenue was mainly due to the decrease in revenue of Exhibition and Event Related Services as the Group managed and coordinated 38 exhibition and event projects and 2 exhibition showroom projects for HY2025 as compared with 50 exhibition and event projects and 22 exhibition showroom projects managed and coordinated by the Group for HY2024.

The Group recorded profit before taxation of approximately RMB6.06 million for HY2024 but loss before taxation of approximately RMB12.64 million for HY2025 mainly due to the decrease in revenue of the Group and the decrease in recovery from expected credit loss of trade receivables of approximately RMB8.24 million in HY2025. As such, the profit attributable to owners of the Company also decreased from approximately RMB4.54 million for HY2024 to loss attributable to owners of the Company of approximately RMB12.03 million for HY2025.

Financial position of the Group

Set out below is a summary of the financial position of the Group as at 31 December 2024 and 30 June 2025 respectively as extracted from the Interim Report 2025:

	As at 31 December 2024 (RMB'000) audited	As at 30 June 2025 (RMB'000) unaudited
Non-current assets		
Property, plant and equipment	263	272
Intangible assets	—	750
Goodwill	—	7,243
Right-of-use assets	<u>1,343</u>	<u>767</u>
	<u>1,606</u>	<u>9,032</u>
Current assets		
Trade receivables	49,868	28,273
Contract assets	53,365	52,175
Deposits, prepayments and other receivables	19,066	19,921
Restricted bank balances	1,000	1,000
Cash and cash equivalents	<u>6,211</u>	<u>15,382</u>
	<u>129,510</u>	<u>116,751</u>
Total assets	<u><u>131,116</u></u>	<u><u>125,783</u></u>

	As at 31 December 2024 (RMB'000) audited	As at 30 June 2025 (RMB'000) unaudited
Current liabilities		
Trade payables	73,689	53,693
Contract liabilities	2,097	5,493
Accruals and other payables	17,583	16,920
Tax payables	3,827	2,563
Bank borrowings	15,313	22,000
Short-term loan	11,250	12,157
Lease liabilities	<u>1,332</u>	<u>682</u>
	<u>125,091</u>	<u>113,508</u>
Non-current liabilities		
Interest-bearing borrowings	2,000	—
Deferred tax liabilities	<u>336</u>	<u>336</u>
	<u>2,336</u>	<u>336</u>
Total liabilities	<u>127,427</u>	<u>113,844</u>
Net current assets	<u>4,419</u>	<u>3,243</u>
Net assets	<u>3,689</u>	<u>11,939</u>

As shown in the above table, the non-current assets of the Group increased from approximately RMB1.61 million as at 31 December 2024 to approximately RMB9.03 million as at 30 June 2025. The increase in non-current assets was mainly due to the goodwill of approximately RMB7.24 million recorded as at 30 June 2025, which was resulted from the acquisition of the entire share capital of Yi-Commerce Holding Limited, a technology-driven company specializing in e-commerce platforms and supply chain management systems, for the development of the Group's E-commerce Services.

The current assets of the Group were approximately RMB129.51 million and RMB116.75 million as at 31 December 2024 and 30 June 2025 respectively. The decrease in current assets of the Group was the combined effect of (i) the decrease in

trade receivables, which was in line with the decrease in revenue in HY2025 as discussed above; and (ii) the increase in cash and cash equivalents resulted from the Group's equity fund raising activities during HY2025 as further discussed below.

The current liabilities of the Group were approximately RMB125.09 million and RMB113.51 million as at 31 December 2024 and 30 June 2025 respectively. The decrease in current liabilities of the Group was to the combined effect of (i) the decrease in trade payables, which was in line with the decrease in revenue in HY2025 as discussed above; and (ii) the increase in bank borrowings due to new borrowings from the bank as obtained by the Group in HY2025.

The non-current liabilities of the Group decreased from approximately RMB2.34 million as at 31 December 2024 to approximately RMB0.34 million as at 30 June 2025. The decrease in non-current liabilities of the Group was mainly due to the repayment of interest-bearing borrowings of approximately RMB2 million from internal resources.

Dividend payment

We note that the Company has not declared and distributed any dividend in FY2023 and FY2024. Given the loss-making performance of the Group during FY2023, FY2024 and HY2025 as discussed above, there is no guarantee that the Company will declare and distribute dividends to the Shareholders in future.

Going concern

With reference to the section headed “2. Material Accounting Policies” in the Annual Report 2024, we note that there was a material uncertainty relating to the ability of the Group to continue as a going concern for FY2024 as the Group has incurred a net loss of approximately RMB6.32 million and net cash outflow from operating activities of approximately RMB20.85 million for FY2024. As at 31 December 2024, the Group had total interest-bearing borrowings of approximately RMB28.56 million, out of which approximately RMB26.56 million were repayable within 12 months, while the Group's cash and bank balances amounted to approximately RMB6.21 million as at 31 December 2024. Also, the Group's current assets included contract assets of approximately RMB53.37 million which have yet to be reclassified as trade receivables upon the certification or confirmation by the customers.

As disclosed in the Annual Report 2024, the Directors considered that the Group would have sufficient working capital to finance its operations and to meet its financial obligations for at least the next twelve months from 31 December 2024 after taking into consideration of the following:

- (i) the Group continued to monitor the progress of the exhibition and event projects and ensured that they would be completed and the service fees would be received in the expected time frame;

- (ii) the Group was negotiating the repayment schedules with certain of its debtors and endeavouring to request them to repay the trade receivables in accordance with the repayment schedules agreed with them;
- (iii) the Group was taking measures to tighten cost controls with an aim to attain positive cash flows from operations;
- (iv) the Group was seeking for extension and renewal of its bank and other borrowings upon maturity;
- (v) the Directors were considering various alternatives to strengthen the capital base of the Company including but not limited to, seeking new investment and business opportunities. In particular, subsequent to 31 December 2024, the Company conducted several funding raising activities as further discussed below;
- (vi) Mr. Huang Xiaodi, the executive Director, has stated that he is willing to provide financial support to the Group to enable the Group to continue as a going concern and to settle its liabilities as and when they fall due. As confirmed by Mr. Huang Xiaodi, Mr. Huang Xiaodi has no intention to resign as executive Director or to discontinue his financial support as at the Latest Practicable Date.

Assuming the successful implementation of the above measures, the Directors were of the opinion that the Group would have sufficient financial resources to finance the operations and meet its financial obligations as and when they fall due. However, as stated in the Annual Report 2024, should the above measures not be able to implement successfully, the Group may not have sufficient funds to operate as a going concern, in which case adjustments might have to be made to reduce the carrying values of the Group's assets to their recoverable amounts, to reclassify the non-current assets and non-current liabilities as current assets and current liabilities, respectively, and to provide for any further liabilities which might arise. The effects of these potential adjustments have not been reflected in the consolidated financial statements in the Annual Report 2024. According to the Annual Report 2024, the Directors believed that the aforementioned measures would be successful, based on the continuous efforts by the management of the Group.

We note that the Group has conducted several equity fund raising activities during HY2025. On 19 March 2025, the Company entered into three subscription agreements (the “**March 2025 Subscription Agreements**”) with three subscribers, namely CT Vision Strategic Company Limited, Ms. Hu Zhixi and Mr. Xu Linxin (collectively, “**March 2025 Subscribers**”), respectively, pursuant to which the Company agreed to issue and March 2025 Subscribers agreed to subscribe for an aggregate of 9,000,000 new Shares at the subscription price of HK\$1.00 per Share (the “**March 2025**

Subscriptions”). Completion of the March 2025 Subscriptions took place on 9 April 2025. The net proceeds of the March 2025 Subscriptions amounted to approximately HK\$8.95 million would be used for general working capital.

On 27 May 2025, the Company entered into a placing agreement (as amended by a letter of agreement dated 13 June 2025) (the “**Placing Agreement**”) with Theia Securities Limited (the “**Placing Agent**”) as placing agent, pursuant to which the Company has conditionally agreed to place through the Placing Agent up to a total of 12,000,000 new Shares at the placing price of HK\$1.14 per Share (the “**May 2025 Placing**”). Completion of the May 2025 Placing took place on 17 June 2025 and the Placing Agent has successfully placed an aggregate of 12,000,000 Shares to not less than six independent placees. The net proceeds of the May 2025 Placing amounted to approximately HK\$12.88 million would be used for repayment of promissory note, research costs of the development of online trading platform and intelligent warehouse management systems and general working capital.

On 27 May 2025, the Company entered into a subscription agreement (as amended by an extension letter dated 10 July 2025) (the “**May 2025 Subscription Agreement**”) with Mr. Li Huaguo, the executive Director, pursuant to which the Company agreed to issue and Mr. Li Huaguo agreed to subscribe for an aggregate of 6,000,000 new Shares at the subscription price of HK\$1.14 per Share (the “**May 2025 Subscription**”). Completion of the May 2025 Subscription took place on 8 August 2025. The net proceeds of the May 2025 Subscription amounted to approximately HK\$6.6 million would be used for general working capital.

Despite the continuous effort in the implementation of the measures by the Company as mentioned in the Annual Report 2024 to improve the Group’s operations in respect of the going concern issue of the Group, the operations and the financial position of the Group have not been improved in HY2025. We note that the Group has still incurred a net loss of approximately RMB12.79 million and net cash outflow from operating activities of approximately RMB8.15 million for HY2025. As at 30 June 2025, the Group had bank borrowings and short-term loan with an aggregate amount of approximately RMB34.16 million, but the Group’s cash and bank balances amounted to approximately RMB15.38 million as at 30 June 2025, leaving a cash deficit of approximately RMB18.78 million. Therefore, the ability of the Group to continue as a going concern remained uncertain.

The Independent Shareholders are advised to take into account the uncertainties relating to going concern in the Annual Report 2024. Those Independent Shareholders who decide to retain part or all of their investments in the Shares should be aware of the potential risks associated with the uncertainties relating to going concern and carefully monitor the Group’s financial performance and actions taken by the Group in respect of implementation of the above measures to address the going concern issue.

2. Prospect and outlook of the Group

We note that the revenue of the Group generated from the Exhibition and Event Related Services contributed 91.4%, 87.6%, 86.0% and 77.6% of the total revenue of the Group for FY2023, FY2024, HY2024 and HY2025 as discussed in the section headed “1. Background and financial information of the Group” above. As such, the prospect of the Group is largely dependent on the market outlook of the exhibition and event business in the PRC. Accordingly, our desktop research focuses on the Exhibition and Event Related Services.

We have reviewed the sections headed “Chairman’s Statement” and “Management Discussion and Analysis” in both the Annual Report 2024 and the Interim Report 2025 in respect of the operation and prospect of the Group. According to the Annual Report 2024, the exhibition market is evolving rapidly, and exhibitors must upgrade their technology to keep pace with market trends. The industry has also seen an accelerated market-oriented transformation, reducing the proportion of government-hosted exhibitions while increasing international alignment. According to the Interim Report 2025, China’s exhibition industry is undergoing a strategic shift from scale-led expansion to value-centric development. The integration of digital platforms and a focus on innovative sectors such as technology and consumer goods will be key growth drivers. Nonetheless, challenges such as potential U.S. tariffs and weakening domestic demand may temper the pace of recovery. The Group will adopt a selective approach, prioritizing high-value events to maximize returns amidst economic uncertainties.

With reference to China Exhibition Economy Development Report 2024 (中國展覽經濟發展報告2024) issued by the China Council for the Promotion of International Trade (中國國際貿易促進委員會), a national foreign trade and investment promotion agency under the Ministry of Commerce of the PRC, a total of 3,844 trade and economic exhibitions were held in the PRC in 2024, representing a slight decrease compared with 3,923 exhibitions in 2023. Nevertheless, the cumulative exhibition area increased to 155 million square meters in 2024 from 141 million square meters in 2023. A notable trend emerged in 2024 where the number of large-scale exhibitions increased, while smaller exhibitions decreased. In terms of the types of the exhibitions, industry and technology exhibitions in the PRC remained at the top in 2024 accounted for 27.7% of all exhibitions, outnumbered the other types of exhibitions. As stated in the Annual Report 2024, automobile-related exhibitions and events are one of the key drivers of the Group’s revenue. As such, we have reviewed the statistics on the website of the National Bureau of Statistics. The Purchasing Manager Index, which provides the indication of expansion (if over 50) or subtraction (if below 50) of manufacturing sectors in the nation, were below 50 in seven months out of nine months from January 2025 to September 2025, meaning that the manufacturing sectors in the PRC is under subtraction as hindered by the tariff policy of the United States government after President Trump returned to the administration in January 2025. Such subtracting economic trend was also reflected in the financial performance of the Group as discussed in the section “1. Background and financial information of the Group” above, which the revenue of the Group for HY2025 decreased by approximately 23.2% and the number of exhibition and event projects and exhibition

showroom projects managed and coordinated by the Group for HY2025 were also less than that for HY2024. Based on our desktop research, as at the Latest Practicable Date, we have not identified any publicly available market statistics relating to the exhibition and event management industry in the PRC for the year 2025 or any subsequent period. Therefore, after considering the factors as discussed above, we consider that the Group's business prospects and outlook remain uncertain.

3. Information of Offeror, CN BASE and his intention to the Group

Offeror

Mr. Sun Wei, aged 45, is a seasoned entrepreneur with nearly two decades of experience spanning retail, internet operations, eco-agriculture, and cultural tourism. He currently holds 70% equity interests in and serves as general manager of Jiangsu Defeng Su Lai Cultural Tourism Development Co., Ltd.[#] (江蘇德豐宿來文旅發展有限公司), a company focused on tourism services. In this role, he oversees strategic planning, directs daily operations, and leads the integration of regional tourism resources. Mr. Sun Wei also serves as director of Changzhou Detong Eco-Agriculture Co., Ltd.[#] (常州市德通生態農業有限公司), which is mainly engaged in chicken farming and the production and distribution of poultry products.

Upon Completion, the Offeror and the Offeror's Concert Parties became the controlling shareholders of the Company and are interested in approximately 35.48% of the issued share capital of the Company. Save for their interests in the Company, none of the Offeror and the Offeror's Concert Parties is a substantial shareholder of any listed company in Hong Kong nor a director of any listed company in Hong Kong.

CN BASE

CN BASE is an investment holding company incorporated in BVI and holds 100% of the equity in DEFENG RUNTONG (HONG KONG) INVESTMENT LIMITED[#] (德豐潤通(香港)投資有限公司) which in turn holds 10% equity interests in each Jiangsu Defeng Su Lai Cultural Tourism Development Co., Ltd.[#] (江蘇德豐宿來文旅發展有限公司) and Nanjing Laiye Tourism Development Co., Ltd.[#] (南京來野旅遊發展有限公司).

CN BASE is owned as to 40% by the Offeror and 60% by Ms. Xiao Fenfen. CN BASE is a party acting in concert with the Offeror. Ms. Xiao Fenfen, aged 37, has over ten years of experience across agriculture, tourism and supply chain businesses. She is the director and general manager of Zhejiang Xiangjian Agritourism Industry Development Group Co., Ltd.[#] (浙江鄉薦農文旅產業發展有限公司), a full-chain rural revitalization service provider specializing in rural industry planning, investment, construction, and operations.

Save as being shareholders of CN BASE, there is no other relationship between the Offeror and Ms. Xiao Fenfen.

Intention of the Offeror in relation to the Group

As stated in the Composite Document, following the close of the Offer, the Offeror intends that the Group will continue the principal business of the Group and will maintain the listing status of the Company. As at the Latest Practicable Date, the Offeror has no plan and has not entered into any memorandum or agreement to dispose of or downsize the Company's existing businesses. The Offeror will conduct a review of the business activities and assets of the Group for the purpose of formulating business plans and strategies for the future business development of the Group. Subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, business rationalisation, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group. As at the Latest Practicable Date, no investment or business opportunity has been identified nor has the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group.

Save for the Offeror's intention regarding the Group as set out above, the Offeror has no intention to redeploy any fixed assets of the Group (other than in the ordinary and usual course of business of the Group) or to discontinue the employment of the employees of the Group as at the Latest Practicable Date.

Proposed change of composition of the Board

As stated in the Composite Document, as at the Latest Practicable Date, the Board comprised Mr. Huang, LHG, Mr. Chen Xicheng, Mr. Yan Jinghui, Mr. Dong and Mr. Shum Ngok Wa as executive Directors, Mr. Lian Mingcheng as non-executive Director, and Ms. Xu Shuang, Mr. Ma Lin, Mr. Tam Chak Chi and Ms. Yau Yin Tan as independent non-executive Directors. It is intended that (i) LHG, Mr. Yan Jinghui and Mr. Dong, shall resign as executive Directors; (ii) Mr. Lian Mingcheng shall resign as non-executive Director; and (iii) Ms. Xu Shuang and Mr. Ma Lin shall resign as independent non-executive Directors, all with effect from the day immediately after the close of the Offer. In addition, Mr. Huang Xiaodi shall resign as the chairman of the Board. The Board considers that the resignation of the Directors, including three executive Directors, will not affect the daily operation of the existing business of the Company.

The Offeror intends to nominate (i) the Offeror and Ms. Wang Jinmei (汪金梅) (“**Ms. Wang**”) as executive Directors; and (ii) Ms. Zhou Yiyan (周逸燕) (“**Ms. Zhou**”) as independent non-executive Director, with effect from the first Business Day after the despatch of the Composite Document. Based on the biographies of the new Directors as set out in the Composite Document and the information provided by the management of the Company, none of the new Directors to be nominated by the Offeror have any experience in Exhibition and Event Related Services, the existing business of the Group that contributed the majority of the revenue for FY2023, FY2024 and HY2025.

We note that (i) the Offeror and Ms. Xiao Fenfen have no experience in managing exhibition and event related business; (ii) the Offeror has yet to provide any plan regarding the long term strategy for the future development of the Group or for improving the Group's business operation and financial condition; and (iii) the new Directors to be nominated by the Offeror have no experience in the existing business of the Group. Therefore, we consider that the Offeror's long-term strategy to the Group is unclear and the prospect of the Group is uncertain as at the Latest Practicable Date. **Those Independent Shareholders who decide to retain part or all of their investments in the Shares should carefully monitor the measures to be taken by the Offeror and the Group and their implementation in the future.**

4. Public float and maintaining the listing status of the Company

As stated in the Composite Document, the Offeror intends to maintain the listing status of the Shares on the Stock Exchange following the close of the Offer.

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 Company has a Significant Public Float Shortfall (as defined in Rule 17.37F of the GEM Listing Rules), 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 Shares if the Company fails to re-comply with Rule 17.37B of the GEM Listing Rules for a continuous period of 12 months from the commencement of the Significant Public Float Shortfall.

The Offeror and the new Director(s) to be appointed to the Board will jointly and severally undertake to the Stock Exchange that if, at the close of the Offer, the Company fails to comply with the requirement of Rule 17.37B of the GEM Listing Rules, they will take appropriate steps to ensure the Company's compliance with Rule 17.37B of the GEM Listing Rules at the earliest possible moment.

5. Principal terms of the Offer

According to the Joint Announcement and as discussed with the management of the Company, the Offer Price of HK\$0.50 per Offer Share is equal to the purchase price per Sale Share paid by the Offeror for the Sale Shares. The purchase price for each Sale Share under the Sale and Purchase Agreements was agreed between the Offeror or CN BASE (as the case may be) on one side and each of the Vendors on the other side after arm's length negotiations, having regard to (i) the loss making position of the Group for FY2023 and FY2024; (ii) the low liquidity of the Shares before entering into the Sale and Purchase Agreements; (iii) the Group's unaudited consolidated net asset value attributable to the Shareholders of approximately HK\$0.09 per Share as at 30 June 2025; and (iv) the existing financial position and operation prospects of the Group's business.

The Offer Price represents:

- (i) a discount of approximately 74.75% to the closing price of HK\$1.98 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 65.75% to the closing price of HK\$1.460 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 65.75% to the average closing price of approximately HK\$1.460 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 66.28% to the average closing price of HK\$1.483 per Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days up to and including the Last Trading Day;
- (v) a discount of approximately 66.87% to the average closing price of HK\$1.509 per Share as quoted on the Stock Exchange for the last thirty (30) consecutive trading days up to and including the Last Trading Day;
- (vi) a premium of approximately 1,566.67% over the Group's audited consolidated net asset value attributable to the Shareholders of approximately HK\$0.03 per Share as at 31 December 2024 (based on a total of 154,000,000 Shares were in issue, the Group's audited consolidated net asset value attributable to the Shareholders of approximately RMB4,266,000 as at 31 December 2024 and the exchange rate of HK\$1 to RMB0.92604 quoted by the People's Bank of China as at 31 December 2024); and
- (vii) a premium of approximately 455.56% over the Group's unaudited consolidated net asset value attributable to the Shareholders of approximately HK\$0.09 per Share as at 30 June 2025 (based on a total of 154,000,000 Shares were in issue, the Group's

unaudited consolidated net asset value attributable to the Shareholders of approximately RMB13,271,000 as at 30 June 2025 and the exchange rate of HK\$1 to RMB0.91195 quoted by the People's Bank of China as at 30 June 2025).

Historical Share price performance

In order to assess the fairness and reasonableness of the Offer Price, we have reviewed the chart and table that illustrate the historical daily closing price as quoted on the Stock Exchange during (i) the period commencing from 20 November 2024 up to and including the Last Trading Day (the “**Pre-Announcement Period**”), being approximately one year prior to the Last Trading Day; and (ii) the period commencing from 27 November 2025 (i.e. the date of resumption of trading in the Shares after the Joint Announcement) to the Latest Practicable Date (the “**Post-Announcement Period**”) (collectively, the “**Review Period**”). We consider that the Review Period is adequate as it represents a reasonable period to reflect a general overview of the historical price movement of the Shares that (i) the Pre-Announcement Period covers a full year prior to the Last Trading Day, which includes the release of the interim results for HY2025 and the annual results for FY2024; (ii) the Post-Announcement Period covers the movement of the closing price of the Shares up to the Latest Practicable Date; and (iii) the length of the Review Period is sufficient to avoid any short-term fluctuation of the Share price, which may distort our analysis. The following chart sets out the daily closing price of the Shares on the Stock Exchange during the Review Period:

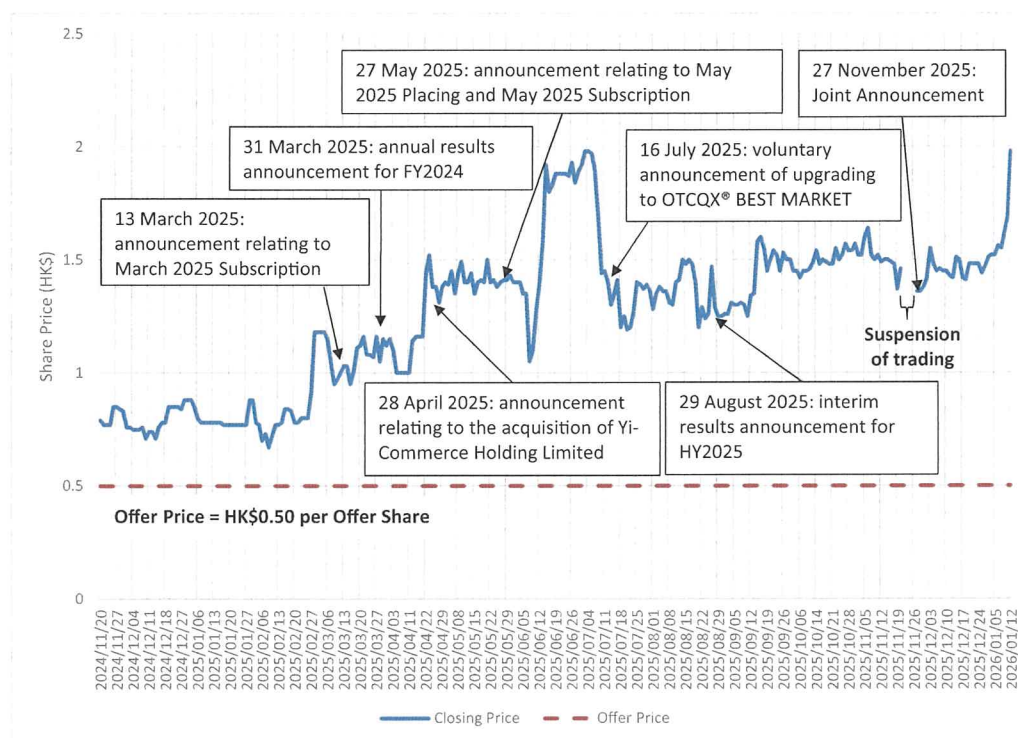


Chart 1: Historical Share price performance of the Company during the Review Period
Source: Website of the Stock Exchange (www.hkex.com.hk)

As shown in the above chart 1, the closing price of the Shares showed a rising trend in general during the Pre-Announcement Period. During the Pre-Announcement Period, the daily closing price of the Shares ranged from the lowest of HK\$0.67 per Share on 10 February 2025 to the highest of HK\$1.98 per Share on 3 July 2025 and 4 July 2025, with an average and median closing price of HK\$1.23 per Share and HK\$1.30 per Share respectively during the period. We note that the Offer Price of HK\$0.50 per Offer Share is below the closing price of Shares during the Pre-Announcement Period and represents a discount of approximately 59.3% and 61.5% to the average and median closing price of the Shares respectively during the Pre-Announcement Period.

We note that the closing price of the Shares fluctuated significantly in June and July 2025 with the lowest of HK\$1.05 per Share on 9 June 2025 and the highest of HK\$1.98 per Share on 3 July 2025 and 4 July 2025. Based on our discussion with the Company, we are advised that the Directors were not aware of the reasons for the fluctuation in price of the Shares during June and July 2025.

Trading in the Shares on the Stock Exchange has been halted on 21 November 2025 at the request of the Company pending the release of the Joint Announcement and has been subsequently resumed on 27 November 2025. During the Post-Announcement Period, the daily closing price of the Shares ranged from the lowest of HK\$1.36 per Share on 27 November 2025 and 28 November 2025 to the highest of HK\$1.98 per Share on 12 January 2026, with an average and median closing price of HK\$1.49 per Share and HK\$1.48 per Share respectively. The Offer Price represents a discount of approximately 66.4% and 66.2% to the average and median closing price of the Shares respectively during the Post-Announcement Period.

Although the Offer Price is below the closing price of the Shares during the Review Period and represents a discount of approximately 60.3% and 63.2% to the average and median closing price of approximately HK\$1.26 per Share and HK\$1.36 per Share respectively during the Review Period, after considering that (i) the Group was making loss for FY2023, FY2024 and HY2025; (ii) the unaudited consolidated net asset value attributable to the Shareholders was only approximately HK\$0.09 per Share as at 30 June 2025; (iii) the trading volume of the Shares remained low during the Review Period as further discussed below; and (iv) the outlook and prospect of the Group remain uncertain as discussed in the section headed “2. Prospect and outlook of the Group” above, the closing price of the Shares might not fairly reflect the true value of the Shares.

Trading volume of the Shares

In addition to the historical closing price of the Shares, we have also reviewed the trading volume of the Shares during the Review Period. The table below summarizes the trading volume of the Shares during the Review Period:

Month	Total trading volume of Shares (Shares)	Number of trading days (days)	Approximate average daily trading volume of the Shares (Shares)	Approximate percentage of average daily trading volume to the total number of issued Shares held by public Shareholders (Note 1)
Pre-Announcement Period				
2024				
November	96,000	8	12,000	0.015%
December	422,000	20	21,100	0.026%
2025				
January	422,000	19	22,211	0.028%
February	1,473,000	20	73,650	0.092%
March	1,030,000	21	49,048	0.061%
April	3,614,830	19	190,254	0.237%
May	2,503,000	20	125,150	0.156%
June	2,423,000	21	115,381	0.144%
July	2,880,000	22	130,909	0.163%
August	1,431,530	21	68,168	0.085%
September	1,132,000	22	51,455	0.064%
October	2,377,000	20	118,850	0.148%
1 November to Last Trading Day	1,715,100	14	122,507	0.153%

Month	Total trading volume of Shares (Shares)	Number of trading days (days)	Approximate average daily trading volume of the Shares (Shares)	Approximate percentage of average daily trading volume to the total number of issued Shares held by public Shareholders (Note 1)
Post-Announcement Period				
2025				
27 November to				
30 November	650,000	2	325,000	0.405%
December	2,000,000	21	95,238	0.119%
2026				
1 January to Latest				
Practicable Date	1,458,000	7	208,286	0.260%

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

Note:

1. The percentage is calculated based on the approximate average daily trading volume of the Shares divided by the total number of issued Shares held by public Shareholders, which represents the total number of issued Shares subtracted by the number of issued Shares held by the Offeror, CN BASE, A&B, LHG, WKY and CT Vision.

During the Pre-Announcement Period, the average daily trading volume of the Shares ranged between 12,000 Shares and 190,254 Shares, representing approximately 0.015% and 0.237% of the total number of issued Shares held by the public Shareholders respectively. During the Post-Announcement Period, the average daily trading volume of the Shares ranged between 95,238 Shares and 325,000 Shares, representing approximately 0.119% and 0.405% of the total number of issued Shares held by the public Shareholders respectively. Therefore, we consider the trading of the Shares of the Company was thin during the Review Period.

Given the overall thin historical trading volume of the Shares during the Review Period, the Independent Shareholders, in particular for those who hold relatively sizeable shareholdings, might not be able to dispose of their Shares in the open market at a fixed cash price within a short period of time without exerting downward pressure on the Share price.

Comparable analysis

To further evaluate the fairness and reasonableness of the Offer Price, we have attempted to carry out comparable analysis to compare the Offer Price against the market valuation of other comparable companies using the commonly adopted comparison benchmarks in the evaluation of a company, namely the price-to-earnings ratio and price-to-book ratio. However, as the Group recorded net losses in the latest two financial years as disclosed in the Annual Report 2024, the analysis of the price-to-earnings ratio is not applicable. Therefore, we have considered to adopt price-to-book ratio (“**P/B Ratio**”) and price-to-sale ratio (“**P/S Ratio**”) in our analysis.

We have attempted to identify the comparable companies for purpose of our analysis, which (i) are listed on the Stock Exchange and their shares are not in prolonged suspension; (ii) at least 70% of their total revenue is contributed from exhibition and event related business in any countries; (iii) at least 70% of their total revenue is generated from the customers in the PRC; and (iv) their market capitalisation is less than HK\$400 million, with reference to the implied market capitalisation of the Company of approximately HK\$77.00 million based on the Offer Price and the actual market capitalisation of the Company of HK\$304.92 million based on the closing price of the Share of HK\$1.98 per Share as at the Latest Practicable Date. However, we could not identify any listed company that has fulfilled the above criteria. Therefore, we relaxed our selection criteria by deleting criteria (iii) and (iv) and we could only identify one listed company, namely Pico Far East Holdings Limited (Stock code: 752) with market capitalisation of approximately HK\$3,386.28 million based on its closing price as at the Latest Practicable Date, that have fulfilled the criteria (i) and (ii). We consider that such sample size is insufficient for our analysis and using comparable analysis to evaluate the fairness and reasonableness of the Offer Price is not meaningful. Therefore, Independent Shareholders are advised to focus on our other analysis of the Offer Price stated in this letter.

RECOMMENDATION

Although the Offer Price is below the closing price of the Shares during the Review Period and the Offer Price represents a deep discount of approximately 60.3% and 74.7% to the average closing price during the Review Period and the closing price of the Shares as at the Latest Practicable Date respectively, after considering that:

- (i) given the thin trading of the Shares during the Review Period, Independent Shareholders who intend to dispose of their Shares in the open market, might not be able to dispose of their Shares in the open market;
- (ii) the Offer Price represents a premium of approximately 455.56% over the Group's unaudited consolidated net asset value attributable to Shareholders of approximately HK\$0.09 per Share as at 30 June 2025;
- (iii) the uncertainties relating to the going concern basis of the Group for FY2024 in the Annual Report 2024 and the Group continued to make loss in HY2025 after the loss for FY2023 and FY2024;
- (iv) outlook and prospect of the Group remain uncertain as discussed in the section headed "2. Prospect and outlook of the Group" above;
- (v) the Offeror does not have experience in exhibition and event related business and no business plan is provided by the Offeror for the future business development of the Group in the Composite Document; and
- (vi) the new Directors to be nominated by the Offeror have no experience in the existing business of the Group,

the trading price of the Shares might not reflect the true value of the Shares. Therefore, we are of the view that the Offer (including the Offer Price) is fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we advise the Independent Board Committee to recommend the Independent Shareholders to accept the Offer (subject to the following warning statements). The Independent Shareholders should read carefully the procedures for acceptance of the Offer as detailed in the Composite Document, the appendices to the Composite Document and the Form of Acceptance, if they wish to accept the Offer.

Nonetheless, we note that the Shares have been trading substantively above the Offer Price during the Review Period. The Independent Shareholders, other than those who hold large block of Shares, having regard to their own circumstances, in particular their purchase cost of the Shares, could consider selling their Shares in the open market before accepting the Offer in the event that the net sale proceeds, net of all transaction costs, exceed the amount receivable under the Offer. The Independent Shareholders are reminded to monitor the trading price and liquidity of the Shares during the Offer Period if they wish to realise their investments in the Company in the open market.

We would like to remind the Independent Shareholders that, if they consider retaining their Shares under the Offer, they should (i) carefully consider the potential difficulties they may encounter in disposing their investments in the Shares after the close of the Offer due to the historical low liquidity of the Shares; and (ii) closely monitor the development of the Group and any announcements of the Company regarding the Offeror's business strategies during and after the Offer Period, in particular, the potential risks associated with the uncertainties relating to going concern and actions taken by the Group in respect of implementation of the measures relating to the going concern.

As different Independent Shareholders would have different investment criteria, objectives, risk preference and tolerance level and/or circumstances, we would recommend any Independent Shareholder who may require advice in relation to any aspect of the Composite Document, or as to the action to be taken, to consult a licensed securities dealer, bank manager, solicitor, professional accountant, tax adviser or other professional adviser before making the decision to, whether or not, accept the Offer or dispose of any of their Shares in the open market.

Yours faithfully,
For and on behalf of
INCU CORPORATE FINANCE LIMITED



Gina Leung
Managing Director



Psyche So
Associate Director

Ms. Gina Leung is a licensed person registered with the SFC and a responsible officer of INCU Corporate Finance Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. She has over 20 years of experience in the corporate finance industry and has participated in the provision of independent financial advisory services for various transactions involving companies listed in Hong Kong.

Ms. Psyche So is a licensed person registered with the SFC and a responsible officer of INCU Corporate Finance Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. She has over nine years of experience in the corporate finance industry and has participated in the provision of independent financial advisory services for various transactions involving companies listed in Hong Kong.