



RAINBOW.

RAINBOW CAPITAL (HK) LIMITED
泓博資本有限公司

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Hong Kong

To the Independent Shareholders and the Optionholders

8 January 2026

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFERS BY
CINDA INTERNATIONAL CAPITAL LIMITED AND
RAINBOW CAPITAL (HK) LIMITED FOR AND ON BEHALF OF
YAEL CAPITAL MANAGEMENT LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
QUALI-SMART HOLDINGS LIMITED AND
TO CANCEL ALL OUTSTANDING OPTIONS OF
QUALI-SMART HOLDINGS LIMITED (OTHER THAN THOSE
ALREADY OWNED AND/OR AGREED TO BE ACQUIRED BY
YAEL CAPITAL MANAGEMENT LIMITED AND
PARTIES ACTING IN CONCERT WITH IT)**

INTRODUCTION

Reference is made to the Joint Announcement jointly published by the Offeror and the Company dated 18 December 2025 in relation to, among other things, the Sale and Purchase Agreement and the Offers.

On 12 December 2025 (after trading hours), the Offeror (as purchaser) and the Selling Shareholders (as vendors) entered into the Sale and Purchase Agreement, pursuant to which the Selling Shareholders agreed to sell, and the Offeror agreed to acquire, the full legal and beneficial title and interest in the Sale Shares (being an aggregate of 887,418,000 Shares), representing approximately 60.20% of the total issued share capital of the Company as at the Latest Practicable Date, at a total consideration of HK\$95,841,144, which is equivalent to HK\$0.108 per Sale Share. Completion of the Sale and Purchase Agreement took place immediately after the entering into of the Sale and Purchase Agreement by the Offeror and the Selling Shareholders on the Completion Date, being 12 December 2025.

Immediately prior to Completion, none of the Offeror, Mr. Liu, and the parties acting in concert with any of them was interested in any Shares or voting rights of the Company or 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, Mr. Liu and the parties acting in concert with any of them are interested in a total of 887,418,000 Shares, representing approximately 60.2% of the entire issued share capital of the Company. In addition, immediately following Completion and as at the Latest Practicable Date, the Company had 20,300,000 outstanding Options with an exercise price of HK\$0.748 each and the Convertible Notes.

Pursuant to Rules 26.1, 13.1 and 13.5 of the Takeovers Code, upon Completion, the Offeror is required to make the mandatory unconditional cash offers (i) to acquire all of the Shares in the issued share capital of the Company (other than those Shares already owned and/or agreed to be acquired by the Offeror and parties acting in concert with it); and (ii) to cancel all outstanding Options. Given Benefit Global has given the CN Irrevocable Undertaking, details of which are set out in paragraph headed “CN Irrevocable Undertaking” below, taking into account of which, no comparable offer will be made for the Convertible Notes.

Cinda International and Rainbow Capital are, on behalf of the Offeror, making the Offers in compliance with the Takeovers Code on the terms set out in this Composite Document.

This letter forms part of this Composite Document and sets out, among other things, details of the terms of the Offers, the information of the Offeror and the intention of the Offeror in relation to the Group. Further details of the terms and the procedures of acceptance of the Offers are set out in Appendix I to this Composite Document, and in the accompanying Forms of Acceptance.

The Independent Shareholders and the Optionholders are strongly advised to consider carefully the information contained in the “Letter from the Board”, the “Letter from the Independent Board Committee” and the “Letter from the Independent Financial Adviser”, the accompanying Forms of Acceptance and the appendices which form part of this Composite Document and to consult their professional advisers if in doubt before reaching a decision as to whether or not to accept the Offers.

THE OFFERS

The Share Offer

Cinda International and Rainbow Capital, for and on behalf of the Offeror and in compliance with the Takeovers Code, are making the Share Offer on the following basis:

For each Offer Share HK\$0.108 in cash

The Share Offer Price of HK\$0.108 per Offer Share under the Share Offer is equal to the price per Sale Share paid by the Offeror for the Sale Shares under the Sale and Purchase Agreement.

The Share Offer is extended to all Shareholders other than the Offeror, Mr. Liu and parties acting in concert with any of them in accordance with the Takeovers Code. The Offer Shares to be acquired under the Share Offer shall be fully paid and free from all Encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Share Offer is made, being the date of despatch of this Composite Document.

The Share Offer is unconditional in all respects.

The Option Offer

Cinda International and Rainbow Capital, for and on behalf of the Offeror, are making the Option Offer to the Optionholders in accordance with Rule 13 of the Takeovers Code to cancel all outstanding Options in exchange for cash on the following basis:

In respect of Options with an exercise price of HK\$0.748 each:

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

In accordance with the terms of the Share Option Scheme, Optionholders are entitled to exercise their Options (to the extent not already exercised) to its full extent at any time after the date on which the Offers are declared unconditional and up to the close of the Offers (or any revised offers), after which the Options will lapse automatically (to the extent not exercised).

Pursuant to Rule 13 of the Takeovers Code, the Offeror is making an appropriate cash offer to the Optionholders to cancel their Options. The consideration for the cancellation of each Option would normally be the see-through price which represents the excess of the Share Offer Price per Offer Share and the exercise price of each Option. Given that the exercise price of the Options is above the Share Offer Price, the “see-through” price is zero and the Option Offer Price is at HK\$0.0001 per Option.

The Option Offer is unconditional in all respects. Following acceptance of the Option Offer, the relevant Options together with all rights attaching thereto will be entirely cancelled and renounced.

The Offeror confirms that the Share Offer Price and the Option Offer Price are final and will not be increased.

Immediately following Completion and as at the Latest Practicable Date, the Company had (i) 1,474,232,000 Shares in issue, of which 887,418,000 Shares were held by the Offeror and parties acting in concert with it, representing approximately 60.2% of the entire issued share capital of the Company; (ii) 20,300,000 outstanding Options under the Share Option Scheme with an exercise price of HK\$0.748 each; and (iii) the Convertible Notes.

Save as disclosed above, the Company does not have any outstanding options, derivatives, warrants or other securities convertible or exchangeable into Shares or which confer rights to require the issue of Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares or which confer rights to require the issue of Shares. Save as disclosed above, as at the Latest Practicable Date, the Company had no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue.

The Company confirms that as at the Latest Practicable Date, (i) the Company had not declared any dividend which remained unpaid; and (ii) it did not have any intention to make, declare or pay any future dividend/make other distributions on or before the close of the Offers.

Further details of the terms of the Offers and the procedures for acceptance of the Offers are set out in Appendix I to this Composite Document and the accompanying Form(s) of Acceptance.

Comparison of value of the Share Offer Price

The Share Offer Price of HK\$0.108 per Offer Share represents:

- (i) a discount of approximately 14.3% to the closing price of HK\$0.126 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 34.9% to the closing price of HK\$0.166 per Share as quoted on the Stock Exchange on 4 December 2025, being the last trading day prior to the announcement made by the Company pursuant to Rule 3.7 of the Takeovers Code dated 4 December 2025;
- (iii) a discount of approximately 45.5% to the closing price of HK\$0.198 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iv) a discount of approximately 41.9% to the average closing price of approximately HK\$0.186 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a discount of approximately 39.3% to the average closing price of approximately HK\$0.178 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (vi) a discount of approximately 28.5% to the average closing price of approximately HK\$0.151 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 30 consecutive trading days up to and including the Last Trading Day; and

- (vii) a premium of approximately 315.4% over the audited consolidated net assets per Share of approximately HK\$0.026 as at 31 March 2025, which was calculated based on the audited consolidated net asset value attributable to owners of the Company of approximately HK\$38,297,000 as at 31 March 2025 (the date on which the latest audited financial results of the Group were made up) and 1,474,232,000 Shares in issue as at the Latest Practicable Date; and
- (viii) a premium of approximately 480.6% over the unaudited consolidated net assets per Share of approximately HK\$0.0186 as at 30 September 2025, which was calculated based on the unaudited consolidated net asset value attributable to owners of the Company of approximately HK\$27,455,000 as at 30 September 2025 and 1,474,232,000 Shares in issue as at the Latest Practicable Date.

Highest and lowest Share prices

During the Relevant Period, the highest closing price of the Shares quoted on the Stock Exchange was HK\$0.201 per Share on 8 December 2025 and the lowest closing price of the Shares quoted on the Stock Exchange was HK\$0.060 per Share on 4 July 2025.

CN Irrevocable Undertaking

As at the Latest Practicable Date, Benefit Global holds the Convertible Notes in the outstanding principal amount of HK\$9,000,000 which is convertible into a maximum of 111,111,111 Shares (at the conversion price of HK\$0.081 per conversion Share).

On 12 December 2025, Benefit Global executed the CN Irrevocable Undertaking in favour of the Offeror, pursuant to which Benefit Global has irrevocably agreed and undertaken to the Offeror that at any time during the period between the date of the CN Irrevocable Undertaking and the end of the offer period of the Offers: (a) it will not, whether directly or indirectly, offer, sell, transfer, pledge, encumber, grant any right over or otherwise dispose of any of the Convertible Notes beneficially owned by it; (b) it will not exercise the conversion right under the terms of the Convertible Notes to subscribe for any conversion Shares; and (c) no offer has to be extended to it in relation to the Convertible Notes; and even if such offer is extended to it, it will not accept the offer in respect of any of the Convertible Notes. The CN Irrevocable Undertaking will be terminated by the end of the offer period of the Offers. Given Benefit Global has given the CN Irrevocable Undertaking, no comparable offer will be made for the Convertible Notes.

Value of the Offers

As at the Latest Practicable Date, the Company had (i) 1,474,232,000 Shares in issue; (ii) 20,300,000 outstanding Options under the Share Option Scheme with an exercise price of HK\$0.748 each; and (iii) the Convertible Notes. Taking into consideration of the Share Offer Price being HK\$0.108 per Offer Share, the price of HK\$0.0001 for cancellation of each outstanding Option and the CN Irrevocable Undertaking, all issued Shares and the outstanding Options of the Company would be valued at HK\$159,219,086.

Upon Completion and as at the Latest Practicable Date, save for the 887,418,000 Shares which the Offeror holds (i) the value of the Share Offer will be approximately HK\$63,375,912 (with 586,814,000 Shares subject to the Share Offer); and (ii) the value of the Option Offer will be approximately HK\$2,030. Therefore, the total cash consideration payable by the Offeror under the Offers would be HK\$63,377,942 in the event that the Offers are accepted in full.

Confirmation of financial resources available for the Offers

The maximum payment obligations payable for the Offers shall be payable in cash. The maximum aggregate amount payable by the Offeror for the Offers would be HK\$63,377,942 based on the Share Offer Price of HK\$0.108 per Offer Share and the price of HK\$0.0001 for cancellation of each outstanding Option.

Cinda International and Rainbow Capital, being the joint financial advisers to the Offeror in respect of the Offers, are satisfied that sufficient financial resources are and will remain available to the Offeror to satisfy the maximum payment obligations upon full acceptance of the Offers. The Offeror has sufficient cash funding and intends to finance the consideration payable by the Offeror under the Offers by a guarantee obtained from Get Nice Securities for the sole purpose of satisfying the settlement of the consideration under acceptance of the Offers until the date falling on the seventh (7th) Business Day following the close of the Offers.

Effect of accepting the Offers

Acceptance of the Share Offer by any Shareholder will be deemed to constitute a warranty by such person that all Offer Shares sold by such person under the Share Offer are free from all Encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Share Offer is made, being the date of the despatch of this Composite Document. The Company confirms that as at the Latest Practicable Date, (i) the Company had not declared any dividend which is not paid; and (ii) it did not have any intention to make, declare or pay any future dividend/make other distributions on or before the close of the Offers.

By accepting the Option Offer, the Optionholders will agree to the cancellation of their tendered Options and all rights attached thereto with effect from the date on which the Option Offer is made, being the date of the despatch of this Composite Document. In accordance with the Share Option Scheme, the Options will lapse automatically (to the extent not exercised) upon the close of the Offers.

The Offers are unconditional in all respects and will not be conditional upon acceptances being received in respect of a minimum number of Offer Shares and in respect of a minimum number of Options to be cancelled. Acceptances of the Offers shall be irrevocable and not capable of being withdrawn, except as otherwise permitted under the Takeovers Code, details of which are set out in the paragraph headed "8. Right of Withdrawal" in Appendix I to this Composite Document.

Taxation advice

Independent Shareholders and Optionholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offers. None of the Offeror and the parties acting in concert with it, the Company, Cinda International, Rainbow Capital, Ignite Capital, the Independent Financial Adviser, and (as the case may be) their respective ultimate beneficial owners, directors, officers, agents or associates or any other person involved in the Offers accepts any responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offers.

Hong Kong stamp duty

In Hong Kong, seller's ad valorem stamp duty arising in connection with acceptance of the Share Offer will be payable by the relevant Independent Shareholders at a rate of 0.1% of (i) the market value of the Offer Shares; or (ii) the consideration payable by the Offeror in respect of the relevant acceptance of the Share Offer, whichever is higher, and will be deducted from the cash amount payable by the Offeror to the Independent Shareholders who accept the Share Offer.

The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the Independent Shareholders accepting the Share Offer and will pay the buyer's ad valorem stamp duty in connection with the acceptance of the Share Offer and the transfer of the relevant Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

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

Payment

Payment in cash in respect of acceptance of the Share Offer and the Option Offer will be made as soon as possible but in any event no later than seven (7) Business Days after the date on which the duly completed acceptance of the Share Offer and/or the Option Offer (as the case may be) are/is received. Relevant documents evidencing title in respect of such acceptance must be received by or on behalf of the Offeror (or its agent) to render each such acceptance of the Share Offer and/or the Option Offer (as the case may be) complete and valid in accordance with Rule 20.1 and Note 1 to Rule 30.2 of the Takeovers Code.

No fractions of a Hong Kong cent will be payable and the amount of the consideration payable to an Independent Shareholder who accepts the Share Offer and an Optionholder who accepts the Option Offer will be rounded up to the nearest Hong Kong cent.

Dealing and interests in the Company's Securities

Save for the acquisition of the Sale Shares by the Offeror under the Sale and Purchase Agreement, none of the Offeror, Mr. Liu nor the parties acting in concert with any of them has dealt for value in nor owned any Shares, options, derivatives, warrants or other securities convertible into Shares during the Relevant Period.

Availability of the Offers

The Offeror intends to make the Share Offer and the Option Offer available to all the Independent Shareholders and the Optionholders, respectively. As the Share Offer and the Option Offer to persons with a registered address in a jurisdiction outside Hong Kong may be affected by the laws of the relevant overseas jurisdictions, Independent Shareholders and Optionholders who 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. Persons who are residents, citizens or nationals outside Hong Kong should inform themselves about and observe, at their own responsibility, any applicable laws, regulations, requirements and restrictions in their own jurisdictions in connection with the acceptance of the Offers, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with the other necessary formalities and the payment of any issue, transfer or other taxes due in respect of such jurisdiction.

Any acceptance by the Overseas Shareholders or Overseas Optionholders will be deemed to constitute a representation and warranty from such Overseas Shareholders or Overseas Optionholders to the Offeror that the local laws and requirements have been complied with and such acceptance shall be valid and binding in accordance with all applicable laws. Such Overseas Shareholders and Overseas Optionholders should consult their respective professional advisers if in doubt.

There were no Overseas Shareholders or Overseas Optionholders as at the Latest Practicable Date.

INFORMATION OF THE GROUP

The Company is an exempted company incorporated in the Cayman Islands with limited liability on 14 March 2012. The Group is principally engaged in the manufacture and trading of toy products. Further information on the Group is set out in the paragraph headed “Information of the Group” in the “Letter from the Board” as contained in this Composite Document. Financial Information on the Group is set out in Appendix II to this Composite Document.

INFORMATION OF THE OFFEROR

The Offeror is a company incorporated in the British Virgin Islands with limited liability on 11 June 2018, which is an investment holding company. As at the Latest Practicable Date, the Offeror was wholly and beneficially owned by Mr. Liu who was also the sole director of the Offeror.

Mr. Liu, aged 31, is the sole beneficial owner and sole director of the Offeror. He graduated from Imperial College London with a bachelor's and master's degree in materials science and engineering. Mr. Liu has been the sole shareholder of the Offeror since 2021. Over the past years, Mr. Liu has been mostly involved in investments in companies in Hong Kong and the PRC, from angel investments to pre-IPO investments. The investment focus of Mr. Liu was mainly in companies involved in innovative technologies, such as biotechnology companies, AI companies and agricultural related technology companies.

Mr. Liu is of the view that the Consideration is fair and reasonable, considering the recent market price of the Shares. He also considered that the acquisition of the Shares to be a good opportunity to broaden his investment portfolio. He believed that obtaining control of the Company will enable him to efficiently formulate and implement business plans and strategies for the Group's long-term development in the future. The Consideration for the purchase of the Sale Shares and the consideration for the Offers are funded by Mr. Liu's personal savings and earnings through his investments. No borrowing was made to fund the Consideration or to make the Offers.

The Offeror and its ultimate beneficial owner are Independent Third Parties.

Immediately after Completion and as at the Latest Practicable Date, none of the Offeror, Mr. Liu and the parties acting in concert with any of them is interested in any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company, save for the Sale Shares acquired by the Offeror.

THE OFFEROR'S INTENTION ON THE GROUP

Following the close of the Offers, it is the intention of the Offeror that the Group will continue with its existing principal business. The Offeror does not intend to introduce any major changes to the existing operations and business of the Group immediately after close of the Offers and will neither redeploy nor dispose of any of the assets (including fixed assets) of the Group other than in the ordinary course of business. As at the Latest Practicable Date, the Offeror did not have any intention, understanding, negotiation, arrangement, and agreements (formal or informal, express or implied) to downsize or dispose of any existing business or assets of the Group.

Nevertheless, following the close of the Offers, the Offeror will conduct a detailed review on the existing principal operations and business, and the financial position of the Group for the purpose of formulating business plans and strategies for the Group's long-term business development and will explore other business opportunities for the Group. Subject to the results of the review and having regard to the then market conditions, and should suitable investment or business opportunities arise, the Offeror may consider whether any assets and/or business acquisitions or disposals by the Group will be appropriate in order to enhance its growth, including opportunities in different sectors (whether within or outside the existing principal business of the Group), such as innovative and emerging technologies including biotechnology, AI and agricultural-related technology and solutions. The Offeror does not rule out the possibility of pursuing other investment or business opportunities as and when they arise if such opportunities are considered to be in the interests of the Group and the Shareholders as a whole. Any acquisition or disposal of the assets or business of the Group, if any, will be in compliance with the Listing Rules and the Takeovers Code.

As at the Latest Practicable Date, no investment or business opportunity had been identified nor had the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to (a) the injection of any assets or business into the Group; or (b) the disposal of any assets or business of the Group.

Save for the proposed change(s) to the composition of the Board as mentioned below, as at the Latest Practicable Date, the Offeror had no plan to terminate the employment of any other employees or other personnel of the Group. However, the Offeror reserves the right to make any changes that they deem necessary or appropriate to the benefit of the Group.

PROPOSED CHANGE TO THE BOARD COMPOSITION OF THE COMPANY

As at the Latest Practicable Date, the Board comprises Mr. Poon Pak Ki Eric, Mr. Hau Yiu Por and Ms. Tang Yuen Ching Irene as executive Directors; and Mr. Leung Po Wing Bowen Joseph, *GBS, JP*, Mr. Chan Siu Wing Raymond, Mr. Wong Wah On Edward and Ms. Yeung Wai Ling as independent non-executive Directors.

It is intended that all of the existing Directors, except Mr. Poon Pak Ki Eric, will resign from the Board with effect from a date no earlier than the date of the close of the Offers or at the earliest time permitted under the Takeovers Code and the Listing Rules.

The Offeror intends to nominate new Directors to the Board to facilitate the business operation, management and strategy of the Group with effect from the date immediately after the date on which this Composite Document is posted or such other date as permitted under the Takeovers Code, or such later date as the Offeror considers to be appropriate. It is currently intended that Mr. Liu (the ultimate beneficial owner of the Offeror) will be appointed as a new executive director of the Company. Save for the above, as at the Latest Practicable Date, the Offeror had not reached any final decision as to who will be nominated as new director(s) of the Company. Having considered that (i) Mr. Poon, who has been in charge of the existing principal operations and business of the Group for years, will continue to remain as an executive Director for Company after close of the Offers; and (ii) Mr. Liu has had management experience over the years and has been involved in investment with a focus on innovative technologies, it is expected that (i) the resignation of the existing directors will not have any material impact to the Group's operation; and (ii) the proposed change to the board composition of the Group may bring new business opportunities for, and create synergy with, the Group's existing businesses.

Any changes to the members of the Board will be made in compliance with the Takeovers Code and the Listing Rules. Further announcement(s) (including the biographies of the new Directors) will be made immediately after their appointments.

PUBLIC FLOAT AND MAINTENANCE OF THE LISTING STATUS OF THE COMPANY

The Stock Exchange has stated that:

- (a) if, at the close of the offer, the 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 13.32F of the Listing Rules), then:
 - the Stock Exchange will add a designated marker to the stock name of the Shares; and
 - the Stock Exchange will cancel the listing of the Shares if the Company fails to re-comply with rule 13.32B of the Listing Rules for a continuous period of 18 months from the commencement of the Significant Public Float Shortfall.

The Offeror intends the Company to remain listed on the Stock Exchange. The sole director of the Offeror has undertaken and the new directors to be appointed to the Board will jointly and severally undertake to the Stock Exchange that if, at the close of the Offers, the Company fails to comply with the requirement of rule 13.32B of the Listing Rules, they will take appropriate steps to ensure the Company's compliance with rule 13.32B of the Listing Rules at the earliest possible moment.

Further announcement(s) regarding the restoration of public float will be made by the Company as and when appropriate.

ACCEPTANCE AND SETTLEMENT

Your attention is drawn to the further details regarding further terms and conditions of the Offers, the procedures for acceptance and settlement and the acceptance period as set out in Appendix I to this Composite Document and the accompanying Forms of Acceptance.

COMPULSORY ACQUISITION

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

GENERAL

This Composite Document has been prepared for the purposes of complying with the laws of Hong Kong, the Takeovers Code and the Listing Rules and the information disclosed may not be the same as which would have been disclosed if this Composite Document had been prepared in accordance with the laws of jurisdictions outside Hong Kong.

To ensure equality of treatment of all Independent Shareholders and Optionholders, those Independent Shareholders and/or Optionholders who hold Shares and/or Options as nominee on behalf of more than one beneficial owner should, as far as practicable, treat the holding of such beneficial owner separately. It is essential for the beneficial owners of the Shares and/or Options whose investments are registered in the names of nominees to provide instructions to their nominees of their intentions with regard to the Offers.

Attention of the Overseas Shareholders and Overseas Optionholders is drawn to the paragraph headed “9. Overseas Shareholders and Overseas Optionholders” in Appendix I to this Composite Document. All communications, notices, Forms of Acceptance, share certificate(s), transfer receipt(s), other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and remittances to settle the consideration payable under the Offers to be delivered by or sent to or from the Independent Shareholders and/or Optionholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk. None of the Offeror and the parties acting in concert with it, the Company, Cinda International, Rainbow Capital, Ignite Capital, the Independent Financial Adviser, the Registrar or their respective ultimate beneficial owners, directors, officers, agents and associates or any other person involved in the Offers will be responsible for any loss or delay in postage or any other liabilities that may arise as a result thereof or in connection therewith. Further details have been set out in Appendix I to this Composite Document and in the accompanying Forms of Acceptance.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this Composite Document and the accompanying Forms of Acceptance, which form part of this Composite Document. You are reminded to carefully read the “Letter from the Board”, the “Letter from the Independent Board Committee”, the “Letter from the Independent Financial Adviser” and other information about the Group, which are set out in this Composite Document and the accompanying Forms of Acceptance before deciding whether or not to accept the Offers.

In considering what action to take in connection with the Offers, you should consider your own tax or financial position and if you are in any doubt, you should consult your professional advisers.

Yours faithfully,
For and On behalf of
Cinda International Capital Limited



Pun Hung Ming
Executive Director

Yours faithfully,
For and On behalf of
Rainbow Capital (HK) Limited



Danny Leung
Managing Director