



7 August 2025

Dear Sir/Madam,

**MANDATORY UNCONDITIONAL CASH OFFERS BY**



**金利豐證券**  
KINGSTON SECURITIES

**ON BEHALF OF**

**LOONGLING CAPITAL LTD**

**FOR ALL THE ISSUED SHARES IN**

**CHINA NEW ECONOMY FUND LIMITED**

**(OTHER THAN THOSE ALREADY OWNED OR AGREED  
TO BE ACQUIRED BY LOONGLING CAPITAL LTD AND PARTIES  
ACTING IN CONCERT WITH IT)**

**AND**

**FOR ALL OUTSTANDING SHARE OPTIONS ISSUED BY**

**CHINA NEW ECONOMY FUND LIMITED**

**(OTHER THAN THOSE ALREADY OWNED OR AGREED  
TO BE ACQUIRED BY LOONGLING CAPITAL LTD AND PARTIES  
ACTING IN CONCERT WITH IT) FOR CANCELLATION**

**INTRODUCTION**

Reference is made to the Joint Announcement.

On 17 July 2025, the Offeror and the Company jointly announced, among others, that on 5 July 2025:

- (1) Vendor A, Vendor B and the Offeror entered into the SP Agreement 1, pursuant to which (a) Vendor A has agreed to sell and the Offeror has agreed to purchase the Sale Shares A (being all the Shares held by Vendor A immediately before Completion), being 45,485,000 Shares representing approximately 3.45% of the total number of Shares in issue as at the date of the Joint Announcement, at a total cash consideration of HK\$4,821,410.00 (equivalent to HK\$0.106 per Sale Share A) and (b) Vendor B has agreed to sell and the Offeror has agreed to purchase the Sale Shares B (being all the Shares held by Vendor B immediately before Completion), being 315,000,000 Shares representing approximately 23.87% of the total number of Shares in issue as at the date of the Joint Announcement, at a total cash consideration of HK\$33,390,000.00 (equivalent to HK\$0.106 per Sale Share B);

- (2) Vendor C, Vendor D and the Offeror entered into the SP Agreement 2, pursuant to which (a) Vendor C has agreed to sell and the Offeror has agreed to purchase the Sale Shares C (being all the Shares held by Vendor C immediately before Completion), being 61,150,000 Shares representing approximately 4.63% of the total number of Shares in issue as at the date of the Joint Announcement, at a total cash consideration of HK\$6,481,900.00 (equivalent to HK\$0.106 per Sale Share C) and (b) Vendor D has agreed to sell and the Offeror has agreed to purchase the Sale Shares D (being all the Shares held by Vendor D immediately before Completion), being 129,640,000 Shares representing approximately 9.82% of the total number of Shares in issue as at the date of the Joint Announcement, at a total cash consideration of HK\$13,741,840.00 (equivalent to HK\$0.106 per Sale Share D); and
- (3) Vendor E and the Offeror entered into the SP Agreement 3, pursuant to which Vendor E has agreed to sell and the Offeror has agreed to purchase the Sale Shares E (being all the Shares held by Vendor E immediately before Completion), being 117,898,595 Shares representing approximately 8.93% of the total number of Shares in issue as at the date of the Joint Announcement, at a total cash consideration of HK\$12,497,251.07 (equivalent to HK\$0.106 per Sale Share E).

Immediately after Completion which took place on 8 July 2025 and as at the Latest Practicable Date, the Offeror and parties acting in concert with it owned in aggregate 669,173,595 Shares, representing approximately 50.71% of the total number of Shares in issue. The Offeror is therefore required under Rule 26.1 of the Takeovers Code to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) and to make an appropriate offer for all the outstanding Share Options (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) for cancellation.

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

## THE OFFERS

### Principal terms of the Offers

Kingston Securities, on behalf of the Offeror and in compliance with the Takeovers Code, is making the Offers on the following basis:

#### *The Share Offer*

**For each Offer Share . . . . . HK\$0.106 in cash**

The Share Offer Price per Offer Share is the same as the purchase price per Sale Share of HK\$0.106 paid by the Offeror to the Vendors under the SP Agreements.

#### *The Option Offer*

**For each Share Option . . . . . HK\$0.0001 in cash**

Pursuant to Rule 13 of the Takeovers Code and Practice Note 6 to the Takeovers Code, the Option Offer Price would normally represent the difference between the exercise price of the Share Options and the Share Offer Price. Under the Option Offer, given that the exercise price of the outstanding Share Options of HK\$0.2759 per Share is above the Share Offer Price, the outstanding Share Options are out-of-money and the Option Offer Price for the cancellation of each outstanding Share Option is set at a nominal value of HK\$0.0001.

The Offers are unconditional in all respects.

The Share Offer is extended to all Offer Shareholders and the Option Offer is extended to all Optionholders (whether their respective Share Options are vested or not) in accordance with the Takeovers Code. Following acceptance of the Option Offer, the Share Options together with all rights attaching thereto will be entirely cancelled and renounced.

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

### Comparison of value

The Share Offer Price of HK\$0.106 per Offer Share represents:

- (a) a discount of approximately 69.71% to the closing price of HK\$0.350 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (b) a premium of approximately 19.10% over the closing price of HK\$0.089 per Share quoted on the Stock Exchange on 4 July 2025, being the Last Trading Day;



- (c) a premium of approximately 37.66% over the average closing price of approximately HK\$0.077 per Share quoted on the Stock Exchange for the 5 consecutive trading days immediately prior to and including the Last Trading Day;
- (d) a premium of approximately 49.30% over the average closing price of approximately HK\$0.071 per Share quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (e) a premium of approximately 51.43% over the average closing price of approximately HK\$0.070 per Share quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day;
- (f) a premium of approximately 53.62% over the average closing price of approximately HK\$0.069 per Share quoted on the Stock Exchange for the 60 consecutive trading days immediately prior to and including the Last Trading Day;
- (g) a premium of approximately 130.43% over the audited net assets attributable to owners of the Company per Share of approximately HK\$0.046 as at 31 December 2024, calculated based on the Company's audited net assets attributable to owners of the Company of approximately HK\$60,859,422 as at 31 December 2024 and 1,319,700,274 Shares in issue as at the Latest Practicable Date; and
- (h) a premium of approximately 165.00% over the unaudited net asset value per Share of approximately HK\$0.04 as at 30 June 2025 as disclosed in the Company's announcement dated 14 July 2025 as required under the Listing Rules, calculated based on the Company's unaudited net assets attributable to owners of the Company of approximately HK\$56,510,125 and 1,319,700,274 Shares in issue as at 30 June 2025.

#### **Highest and lowest Share Prices**

The highest closing price of the Shares quoted on the Stock Exchange during the Relevant Period was HK\$0.455 per Share on 23 July 2025.

The lowest closing price of the Shares quoted on the Stock Exchange during the Relevant Period was HK\$0.062 per Share on 28 April, 29 April, 30 April, 2 May, 7 May and 8 May 2025.

#### **Value of the Offers**

On the basis of 1,319,700,274 Shares in issue as at the Latest Practicable Date and based on the Share Offer Price of HK\$0.106 per Offer Share, the entire issued share capital of the Company is valued at HK\$139,888,229.04.

On the basis of 650,526,679 Offer Shares and assuming there is no change in the total number of Shares in issue from the Latest Practicable Date up to the close of the Offers, the consideration payable by the Offeror under the Share Offer is approximately HK\$68,955,827.97.

On the basis of 4,015,163 Share Options as at the Latest Practicable Date and assuming that no Share Option is exercised, cancelled or lapsed from the Latest Practicable Date up to the close of the Offers, the consideration payable by the Offeror under the Option Offer for the cancellation of all outstanding Share Options is approximately HK\$401.52.

Accordingly, the Offers are valued at approximately HK\$68,956,229.49 in aggregate.

Assuming all of the Share Options are exercised by the Optionholders before the close of the Offers, 4,015,163 Shares will be issued and based on the Share Offer Price of HK\$0.106 per Offer Share, an additional sum of approximately HK\$425,607.28 will be payable by the Offeror under the Share Offer. Accordingly, the Offers are valued at approximately HK\$69,381,435.25 in aggregate on a fully-diluted basis.

As at the Latest Practicable Date, there are 1,319,700,274 Shares in issue and 4,015,163 outstanding Share Options, entitling the Optionholders to subscribe for an aggregate of 4,015,163 Shares at an exercise price of HK\$0.2759 per Share. Save as disclosed above, as at the Latest Practicable Date, the Company did not have any outstanding options, warrants, derivatives or other securities which are convertible or exchangeable into Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) and had not entered into any agreement for the issue of such options, warrants, derivatives or other relevant securities which are convertible or exchangeable into Shares.

The Company confirmed that as at the Latest Practicable Date, (i) it had not declared any dividend which is not yet paid; and (ii) it did not have any intention to declare or pay any future dividend or make other distributions prior to and including the date of closing of the Offers. If, after the date of this Composite Document, any dividend or other distribution is made or paid in respect of the Offer Shares, the Offeror reserves the right to reduce the Offer Price by an amount equal to the net amount of such dividend or other distribution, in which case any reference in the Joint Announcement, this Composite Document or any other announcement or document to the Offer Price will be deemed to be a reference to the Offer Price as so reduced.

#### **Financial resources available for the Offers**

The maximum amount of cash payable by the Offeror in respect of full acceptances of the Offers is approximately HK\$69,381,435.25, assuming all of the Share Options are exercised by the Optionholders before the close of the Offers and there is no other change in the total number of Shares in issue from the Latest Practicable Date up to the close of the Offers. The Offeror intends to finance the consideration payable under the Offers with its internal cash resources, without any external financing.

Kingston CF, being one of the joint financial advisers to the Offeror in respect of the Offers, is satisfied that sufficient financial resources are available to the Offeror to satisfy the consideration payable upon full acceptances of the Offers.

### **Closing of the Offers**

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

### **Effect of accepting the Offers**

Acceptance of the Share Offer by any Offer 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 and are sold together with all rights attaching to them, including 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 this Composite Document.

By accepting the Option Offer, Optionholders will result in the cancellation of their outstanding Share Options, together with all rights attaching thereto with effect from the date on which the Option Offer is made, being the date of this Composite Document.

Acceptance of the Offers will be irrevocable and will not be capable of being withdrawn, except as permitted under the Takeovers Code.

### **Settlement of consideration**

Payment (after deducting the accepting Offer Shareholder's share of stamp duty) in cash in respect of acceptances of the Offers will be made as soon as possible but in any event no later than 7 Business Days after the date on which the duly completed Form(s) of Acceptance and the relevant documents of title of the Offer Shares or the Share Options (as the case may be) are received by the Registrar in respect of the Share Offer or the Company in respect of the Option Offer to render each such acceptance under the Offers complete and valid pursuant to Rule 20.1 and Note 1 to Rule 30.2 of the Takeovers Code.

No fractions of a cent will be payable and the amount of cash consideration payable to any person who accepts the Offers will be rounded up to the nearest cent.



### **Hong Kong Stamp duty**

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

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

### **Taxation Advice**

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, parties acting in concert with it, the Company, Kingston Securities, Kingston CF, Octal Capital, Asian Capital, the Joint Independent Financial Advisers, the Registrar, their respective ultimate beneficial owners, directors, officers, agents or associates or any other person involved in the Offers accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offers.

### **Overseas Offer Shareholders and Overseas Optionholders**

The Offeror intends to make the Offers available to all Offer Shareholders and Optionholders, including those who are resident outside Hong Kong.

However, the availability of the Offers to persons with a registered address in a jurisdiction outside Hong Kong may be affected by the laws of the relevant overseas jurisdictions. The making of the Offers to persons with a registered address in jurisdictions outside Hong Kong may be prohibited or limited by the laws or regulations of the relevant jurisdictions. Overseas Offer Shareholders, overseas beneficial owners of Shares and Overseas Optionholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe relevant applicable legal or regulatory requirements and, where necessary, seek legal advice in respect of the Offers. It is the responsibility of Overseas Offer Shareholders, overseas beneficial owners of Shares and Overseas Optionholders who wish to accept the Offers to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offers (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due from the accepting Overseas Offer Shareholders and Overseas Optionholders in respect of such jurisdictions).

Based on the register of members and the register of Optionholders of the Company, there is no Overseas Shareholder or Overseas Optionholder as at the Latest Practicable Date.

**Any acceptance by any Overseas Offer Shareholders, overseas beneficial owners of Shares and Overseas Optionholders will be deemed to constitute a representation and warranty from such Overseas Offer Shareholders, overseas beneficial owners of Shares or Overseas Optionholders, as applicable, to the Offeror that the local laws and requirements have been complied with. Overseas Offer Shareholders, overseas beneficial owners of Shares and Overseas Optionholders should consult their own professional advisers if in doubt.**

## **INFORMATION ON THE COMPANY**

The Company is an exempted company incorporated in the Cayman Islands with limited liability and its issued Shares are listed on the Main Board of the Stock Exchange. The Company is a close-ended investment company listed pursuant to Chapter 21 of the Listing Rules. The principal investment objective of the Company is to achieve long-term capital appreciation through investing globally in both private and public enterprises that have demonstrated the ability to manufacture a product or deliver a service that is supported by the economies of Mainland China, Hong Kong, Macau and Taiwan. As at the Latest Practicable Date, the Company does not have any subsidiaries.

Your attention is also drawn to the information on the Company set out in the section headed “Information on the Company” in the “Letter from the Board” and Appendix III as contained in this Composite Document.

## **INFORMATION ON THE OFFEROR AND MR. CAI**

The Offeror is an investment holding company incorporated in the British Virgin Islands with limited liability on 15 May 2009 and its issued share capital as at the Latest Practicable Date comprised one share of US\$1.00 which was beneficially owned by Mr. Cai. The Offeror is principally engaged in the business of capital investments in the PRC and other countries.

Mr. Cai is the chairman and sole director of the Offeror. He is an entrepreneur and renowned investor in the internet and technology industry in the PRC. Mr. Cai is the co-chairman (聯席主席) of the Early-stage Investment Committee of the Asset Management Association of China (中國證券投資基金業協會早期投資專委會) and an honorary chairman of the Angel Investment Union (天使聯合匯). Angel Investment Union (天使聯合匯) (previously known as China Angel Investment Association (中國天使投資聯合會)) is the largest angel investor organization in China. It was founded in 2013 and currently has more than 220 angel investment governing units. Angel Investment Union provides growth space for investors, opportunities for entrepreneurs, development opportunities for entrepreneurs, and encourages more people to join the angel investment business. Mr. Cai has been appointed by the



Government of Hong Kong as a new non-official member of the Task Force on Promoting Web3 Development for a term of two years, with effect from 1 July 2025.

In 2004, Mr. Cai established 265.com Inc. (北京二六五科技有限公司), a company that provides site navigation services. 265.com Inc. was sold to Google in 2007. Since then, Mr. Cai has become an influential figure in the internet start-up community in the PRC.

Mr. Cai is the founder and currently a substantial shareholder of Meitu, Inc. (Hong Kong Stock Exchange Stock Code: 1357). He is also the single largest shareholder of China Financial Leasing Group Limited (Hong Kong Stock Exchange Stock Code: 2312). Mr. Cai has invested in various technology start-ups in the PRC, including Baofeng Group Co., Ltd (暴風集團股份有限公司) (formerly listed on the Shenzhen Stock Exchange with a stock code of 300431), 58.com Inc. (NYSE: WUBA) and Feiyu Technology International Company Ltd. (Hong Kong Stock Exchange Stock Code: 1022). Mr. Cai is also the founder and chairman of Longling Capital Co., Ltd. From January 2009 to October 2013, Mr. Cai was the chairman of 4399 Network Co., Ltd (四三九九網絡股份有限公司), a software enterprise that provides Internet gaming applications and information services. He was also appointed as a part-time professor at the School of Management, Xiamen University in September 2015. From May 2011 to November 2015, Mr. Cai served as a director of 58.com Inc. Mr. Cai also held directorships in Xiamen Fei Bo Network Technology Co., Ltd (廈門飛博共創網絡科技股份有限公司) (National Equities Exchange and Quotations Stock Code: 834617) between June 2015 and October 2016, and TTG Fintech Limited (Australian Securities Exchange Ticker: TUP) between September 2012 and August 2017. Mr. Cai served as the chairman of Meitu, Inc. from July 2013 to June 2023.

As at the Latest Practicable Date, the Offeror was a controlling Shareholder holding 669,173,595 Shares (representing approximately 50.71% of the total number of Shares in issue) and therefore each of the Offeror and Mr. Cai was a connected person of the Company.

## **INTENTIONS OF THE OFFEROR REGARDING THE COMPANY**

It is the Offeror's intention to further increase its interest in the Company pursuant to the Offers. As at the Latest Practicable Date, the Offeror intended to maintain the existing listed and unlisted equity investment business of the Company and also intended the Company to continue to invest in a diversified portfolio of financial products immediately after close of the Offers. In addition, it is intended that the Company will invest in licensed wealth management companies including licensed corporations to carry out Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO, and will invest in various financial products such as global financial markets, bonds and financial derivatives. The Company will focus on investing in Crypto-AI technology companies in the PRC, Hong Kong and globally, and increase early-stage equity investments by the Company in companies or projects that are still in the research and development phase or in the early commercialisation of artificial intelligence (AI) technologies (including development of innovative algorithms, machine learning models and data-driven solutions) and Web3 industries (including new decentralisation and blockchain-based technologies and cryptocurrencies), in conjunction with the Hong Kong government's initiative to develop a digital asset financial centre, the Company will increase its investment in a diverse

digital asset portfolio, striving to build the Company into a comprehensive investment holding group. In addition to the above, the Offeror will review the Company's operations and business activities and formulate a long-term business strategy for the Company. Depending on the results of the review, the Offeror may explore other investment opportunities for the Company, seek to expand the Company's business and consider any equity, debt and other appropriate fund raising, to enhance the long-term growth potential of the Company. In the implementation of the aforesaid intentions regarding the Company, the Offeror will ensure that the Company will comply with the requirements under Chapter 21 of the Listing Rules (including the restrictions under Rules 21.04(3)(a) and (b) of the Listing Rules).

As at the Latest Practicable Date, (i) the Offeror had no intention to make material changes to the employment of the employees of the Company (except for certain proposed changes to the members of the Board at a time no earlier than that permitted under the Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate, as mentioned below); (ii) the Offeror had no intention to dispose of or re-deploy the assets of the Company other than those in its ordinary course of business; and (iii) no investment or business opportunity had been identified nor had the Offeror entered into any agreement, arrangement, understandings or negotiation in relation to the injection of any assets or business into the Company.

#### **PROPOSED CHANGES IN COMPOSITION OF THE BOARD**

As at the Latest Practicable Date, the Board comprised of one executive Director, namely Mr. Chan Cheong Yee, three non-executive Directors, namely Mr. Chen Shengjie, Mr. Choi Koon Ming and Ms. Xiao Ruimei, and three independent non-executive Directors, namely Mr. Sze Tak Chi, Mr. Sui Fuxiang and Mr. Tong Yun Lung.

Mr. Sze Tak Chi, Mr. Sui Fuxiang and Mr. Tong Yun Lung, being all the existing independent non-executive Directors, have expressed their intention to resign from their directorship after the appointment of the new independent non-executive Directors and the later of (a) the first date on which they are permitted to resign under the Takeovers Code, and (b) the date after the despatch of the interim report for the six months ended 30 June 2025.

As at the Latest Practicable Date, the Offeror intends to nominate Mr. Cai for appointment as a non-executive Director and Chairman of the Company (the biographical details of Mr. Cai are set out in the section headed "Information on the Offeror and Mr. Cai" on pages 16 to 17 of this letter) and Prof. Wang Yang, Ms. Hsieh Yafang and Mr. Li Jian Bin for appointment as independent non-executive Directors at a time no earlier than that permitted under the Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate:



**Prof. Wang Yang (汪揚)**

Prof. Wang Yang (汪揚), aged 62, is a professor in mathematics, specializing in blockchain technology, data science, and applied mathematics. Prof. Wang joined The University of Hong Kong as the Vice President for Institutional Advancement since 1 August 2025. He served as the head of the Department of Mathematics of the Hong Kong University of Science and Technology (“HKUST”) from August 2014 to October 2016, the dean of the School of Science from November 2016 to September 2020, the director of the HKUST Big Data for Biological Intelligence Laboratory and an associate director of the HKUST Big Data Institute from 2015 to 2025, as well as the Vice-President for Institutional Advancement from October 2020 to March 2025. Prof. Wang has been awarded the title of Chair Professor of Department of Mathematics at HKUST since August 2014. His other previous working experience includes consecutively serving as an assistant professor, an associate professor and a professor in mathematics, an adjunct professor of The Logistics Institute, an undergraduate director of the School of Mathematics, and an associate chair of the School of Mathematics at Georgia Institute of Technology from July 1989 to May 2007, serving as the department chair of Mathematics at Michigan State University from August 2007 to August 2014, and serving as a program director at the United States National Science Foundation from September 2006 to August 2007. Prof. Wang was appointed as an independent non-executive director of Xunfei Healthcare Technology Co., Ltd., a company listed on the Main Board of the Stock Exchange (stock code : 2506) since 6 December 2024 and an independent director of Antalpha Platform Holding Company, a company listed on NASDAQ (Nasdaq: ANTA) since 14 May 2025.

Prof. Wang was appointed as the Chief Scientific Advisor of the Institute of Web 3.0 Hong Kong on 11 April 2023 and is the Founding Advisor for Blockchain Academy and Chairman of the Academic Executive Committee for the Hong Kong Web3.0 Association. Prof. Wang has made significant contributions to advancing digital technologies education, including launching the popular Big Data Technology MSc program. He is an internationally respected scholar with over 150 research publications in areas like wavelets, machine learning, and supply chain management.

Prof. Wang obtained his bachelor’s degree in mathematics from the University of Science and Technology of China (中國科學技術大學) in the PRC in July 1983, and his Master of Science degree and Doctorate of Philosophy degree in mathematics from Harvard University in the United States in June 1988 and March 1990, respectively.



**Ms. Hsieh Yafang (謝亞芳)**

Ms. Hsieh Yafang, aged 52, is a senior media worker, a former senior presenter and anchor for a channel of Phoenix Satellite Television Holdings Limited. She has close to 30 years of journalist experience in the Mainland China, Taiwan and Hong Kong. Since 2010, Ms. Hsieh has served as the Secretary-General and Executive Vice President to the board of the Hong Kong alumni association of the Cheung Kong Business School and currently serves as the Executive President. She was an independent non-executive director of China VAST Industrial Urban Development Company Limited (a company previously listed on the Stock Exchange with stock code 6166 and delisted on 6 December 2022) from 10 November 2017 to 6 December 2022. Ms. Hsieh has more than 25 years of investment experience in the financial market.

Ms. Hsieh received her EMBA from Cheung Kong Business School in 2007 and her Bachelor of Art with focus in Japanese studies from Soochow University in Taiwan in 1996.

**Mr. Li Jian Bin (李建濱)**

Mr. Li Jian Bin (李建濱), aged 47, has over 23 years of experience in tax advisory, investment matters and financial management. From April 2020 to September 2023, he served as the Managing Partner at the Strategic Investment Department of Beijing Xiaomi Mobile Software Co., Ltd. (北京小米移動軟件有限公司), a subsidiary of Xiaomi Corporation, a company listed on the Main Board of the Stock Exchange (stock code : 1810), and prior to that, between December 2017 and April 2020, he was the Vice President of the Finance Department where he was responsible for optimizing the capabilities of the group's Finance Department, managing its tax matters and overseeing its merger and acquisition projects. From July 2001 to November 2017, he held various positions at PricewaterhouseCoopers Consultants (Shenzhen) Limited Beijing Branch (普華永道諮詢深圳有限公司北京分公司), where his last position was Tax and Commercial Advisory Partner. Mr. Li was appointed as an independent non-executive director of Chaoju Eye Care Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code : 2219) since 7 July 2021 and an independent non-executive director of Beijing Fourth Paradigm Technology Co., Ltd., a company listed on the Main Board of the Stock Exchange (stock code : 6682) since 16 July 2021.

Mr. Li obtained his bachelor's degrees in laws and economics from Peking University (北京大學) in Beijing, China in July 2001. He has been a member of The Chinese Institute of Certified Public Accountants since September 2010 and a member of the China Certified Tax Agents Association since March 2013 and received his PRC lawyer's practicing licence issued by the Ministry of Justice of the People's Republic of China in February 2007.

Each of Prof. Wang Yang, Ms. Hsieh Yafang and Mr. Li Jian Bin has confirmed that he or she meets the independence criteria as set out in Rule 3.13 of the Listing Rules.

## **MAINTAINING THE LISTING STATUS OF THE COMPANY**

The Stock Exchange has stated that if, at the close of the Offers, the Stock Exchange believes that:

- a false market exists or may exist in the trading of the Shares; or
- that there are insufficient Shares in public hands to maintain an orderly market,

it will consider exercising its discretion to suspend dealings in the Shares.

The Offeror intends to maintain the listing of the Shares on the Stock Exchange following the close of the Offers. Each of the sole director of the Offeror and the proposed new independent non-executive Directors has jointly and severally undertaken to the Stock Exchange to take appropriate steps as soon as possible following the close of the Offers to ensure that sufficient Shares will be in public hands after the close of the Offers. The Company and the Offeror will issue a separate announcement as and when necessary in this regard.

## **COMPULSORY ACQUISITION**

The Offeror does not intend to avail itself of any powers of compulsory acquisition of any Offer Share outstanding and not acquired under the Share Offer after the Closing Date.

## **ACCEPTANCE AND SETTLEMENT OF THE OFFERS**

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

## **GENERAL**

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

All documents and remittances will be sent to the Offer Shareholders and/or Optionholders by ordinary post at their own risk. These documents and remittances will be sent to them at their respective addresses as they appear in the register of members of the Company, or, in case of joint Offer Shareholders and/or joint Optionholders, to the Offer Shareholder and/or Optionholder whose name appears first in the register of members and/or the register of Optionholders of the Company. None of the Offeror, parties acting in concert with it, the Company, Kingston Securities, Kingston CF, Octal Capital, Asian Capital, the Joint Independent

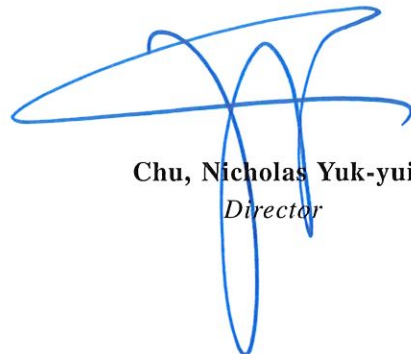
Financial Advisers, the Registrar, their respective ultimate beneficial owners, directors, officers, advisers, associates, agents or any persons involved in the Offers will be responsible for any loss or delay in transmission of such documents and remittances or any other liabilities that may arise as a result thereof.

#### **ADDITIONAL INFORMATION**

Your attention is drawn to the additional information regarding the Offers set out in the appendices to this Composite Document and the accompanying Form(s) of Acceptance, which form part of this Composite Document. In addition, your attention is also drawn to the “Letter from the Board”, the “Letter from the Independent Board Committee” and the letter of advice by the Joint Independent Financial Advisers to the Independent Board Committee in respect of the Offers as set out in the “Letter from the Joint Independent Financial Advisers” contained in this Composite Document, before deciding whether or not to accept the Offers.

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

Yours faithfully,  
For and on behalf of  
**Kingston Securities Limited**

A handwritten signature in blue ink, consisting of a large, stylized 'C' that loops around and ends with a vertical stroke.

**Chu, Nicholas Yuk-yui**  
*Director*