



RAINBOW CAPITAL (HK) LIMITED
流博資本有限公司

15 January 2026

To the Independent Shareholders

Dear Sirs or Madam,

**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

Reference is made to the Joint Announcement.

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.

Completion of the sale and purchase of the A&B Sale Shares has taken place on 25 November 2025. Completion of the sale and purchase of the LHG Sale Shares has taken place upon signing the LHG Sale and Purchase Agreement. Completion of the sale and purchase of the WKY Sale Shares has taken place upon signing the WKY Sale and Purchase Agreement.

Immediately following Completion of the Sale and Purchase Agreements 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).

This letter forms part of this Composite Document and sets out, among others, details of the Offer, information of the Offeror, and the Offeror's intention in relation to the Group. Further details on the terms and procedures for acceptance and settlement of the Offer are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

MANDATORY CONDITIONAL CASH OFFER

The Offer

Immediately following Completion and as at the Latest Practicable Date, the Offeror and the Offeror's Concert Parties own in aggregate 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 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.

We, Rainbow Capital, for and on behalf of the Offeror, and in compliance with the Takeovers Code, are making the Offer 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.

Condition of the Offer

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.

The Offeror will issue an announcement in relation to the revision, extension or lapse of the Offer or the fulfilment of such condition in accordance with the Takeovers Code and the GEM Listing Rules.

The Offeror reserves the right to revise the terms of the Offer in accordance with the Takeovers Code.

The Offer may or may not become unconditional. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the Shares. Those who are in doubt about their position or as to the action they should take should consult a licensed securities dealer or registered institutions in securities, bank manager, solicitor, professional accountant or other professional advisers.

Closing of the Offer

In accordance with Rule 15.1 of the Takeovers Code, the Closing Date will fall on or after the 21st day from the date of the Composite Document. Where the Offer becomes or is declared unconditional (whether as to acceptances or in all respects), the Offer should remain open for acceptance for not less than 14 days thereafter and, at least 14 days' notice must be given before the Offer is closed to those Shareholders who have not accepted the Offer. The Offeror has the right, subject to the Takeovers Code, to extend the Offer until such date as the Offeror may determine or as permitted by the Executive, in accordance with the Takeovers Code.

The latest time on which the Offeror can declare the Offer unconditional as to acceptances is 7:00 p.m. on the 60th day after the posting of the initial offer document (or such later date to which the Executive may consent). The Offeror will issue an announcement in relation to any extension of the Offer, which will state the next Closing Date or, if the Offer has become or is at that time unconditional in all respects, that the Offer will remain open until further notice. In the latter case, at least 14 days' notice will be given before the Offer is closed to those Independent Shareholders who have not accepted the Offer and an announcement will be published.

Comparison of value

The Offer Price of HK\$0.50 per Offer Share represents:

- (i) a discount of approximately 74.75% to the closing price of HK\$1.980 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 HK\$1.460 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior 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 ten (10) consecutive trading days immediately prior to and including the Last Trading Day;

- (v) a discount of approximately 66.87% to the average closing price of approximately HK\$1.509 per Share as quoted on the Stock Exchange for the thirty (30) consecutive trading days prior 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: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:RMB0.91195 quoted by the People's Bank of China as at 30 June 2025).

Highest and lowest Share Prices

During the Relevant Period, the highest and lowest closing prices of the Shares as quoted on the Stock Exchange was HK\$1.98 per Share on 3 July 2025, 4 July 2025 and 12 January 2026 and HK\$1.05 per Share on 9 June 2025, respectively.

Total value of the Offer

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, 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.

Irrevocable undertakings

A&B Undertaking

Pursuant to the A&B Sale and Purchase Agreement, A&B has given the A&B Undertaking in favour of the Offeror, pursuant to which:

- (i) it has irrevocably and unconditionally undertaken that,
 - (a) 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;
 - (b) it shall procure the Group to recoup all the account receivables and the contract assets as shown in the unaudited balance sheet of the Company as at 30 September 2025 (the “**Receivables**”) by 30 September 2026;
 - (c) it shall procure the Group to use the recouped Receivables to repay all the trade payables and the contract liabilities as shown in the unaudited balance sheet of the Company as at 30 September 2025 (the “**Trade Payables**”) by 30 September 2026; and
 - (d) in the event that the recouped Receivables are inadequate to repay the Trade Payables, it shall use its own fund to repay all the Trade Payables on a dollar-to-dollar basis; and
- (ii) it has further irrevocably and unconditionally warranted and undertaken to the Offeror that from 1 October 2025 onwards, the aging of all trade receivables and the contract assets of the Group should not be more than 365 days.

LHG Undertaking

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 Undertaking

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.

Confirmation of financial resources available to the Offeror

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 confirms that there is no arrangement in relation to the Facility pursuant to which the payment of interest on, repayment of or security for any liability (contingent or otherwise) will depend to any significant extent on the business of the Company. Pursuant to the Facility and Charges, the Offeror shall, among others, charge all its 28,645,000 Shares (i.e. the A&B Sale Shares) upon Completion and all those additional Shares (if any) to be acquired by him pursuant to the Offer, to Quam Securities as security for the Facility.

Given that Quam Securities is a person, other than an authorised institution within the meaning of the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) providing finance or financial assistance to the Offeror under the Facility, Quam Securities is presumed to be a party acting in concert with the Offeror under the presumption in class (9) of the definition of “acting in concert” under the Takeovers Code.

We, Rainbow Capital, as the financial adviser to the Offeror, are satisfied that sufficient financial resources are, and will remain, available to the Offeror to satisfy the consideration for full acceptance of the Offer.

Effect of accepting the Offer

As at the Latest Practicable Date, the Company has not declared any dividend and the Company does not intend to declare, make or pay any dividend or other distributions prior to the close of the Offer.

Subject to the Offer becoming unconditional, acceptance of the Offer by any Independent Shareholders will be deemed to constitute a warranty by such person that all the Shares sold by such person under the Offer are free from all Encumbrances and with all rights and benefits at any time accruing and attached to them, including the rights to receive all dividends and distributions declared, made or paid on or after the date on which the Offer is

made, that is, the date of despatch of the Composite Document. Acceptance of the Offer will be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Payment

Subject to the Offer having become, or having been declared, unconditional in all respects, settlement of the consideration in cash in respect of acceptances of the Offer will be made as soon as possible but in any event no later than seven (7) Business Days after the later of: (i) the date on which the Offer becomes, or is declared unconditional; and (ii) the date of receipt of a duly completed acceptance of the Offer. Relevant documents evidencing title must be received by or on behalf of the Offeror to render such acceptance of the Offer complete and valid.

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

Hong Kong stamp duty

In Hong Kong, the 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 Offer, whichever is higher, will be deducted from the amount payable to the relevant Independent Shareholder on acceptance of the Offer. The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the accepting Independent Shareholders and pay the buyer's ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares.

Overseas Shareholders

As the Offer to persons not being resident in Hong Kong may be affected by the laws and regulations of the relevant jurisdiction in which they are resident, Overseas Shareholders 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. It is the sole responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental, exchange control or other consents which may be required, or compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in respect of such jurisdictions).

If the receipt of the Composite Document by the Overseas Shareholders is prohibited by any applicable laws and regulations and may only be effected upon compliance with conditions or requirements in such overseas jurisdictions that would be unduly burdensome, the Composite Document, subject to the Executive's consent, may not be despatched to such Overseas Shareholders. In those circumstances, the Offeror will apply for any waivers as may

be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time. Based on the record in the register of members of the Company, there is no Overseas Shareholder as at the Latest Practicable Date.

Any acceptance of the Offer by such Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholders to the Offeror that the applicable local laws and requirements have been complied with. The Overseas Shareholders should consult their professional advisers if in doubt. The Overseas Shareholders who are in doubt as to the action they should take should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

Taxation advice

The Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, the Offeror's Concert Parties, the Company, the Vendors, Rainbow Capital, Quam Securities, INCU and their respective ultimate beneficial owners, directors, advisers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

INFORMATION ON THE 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 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 EcoAgriculture 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.

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.

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

INFORMATION ON THE GROUP

Details of the information on the Group are set out in the “Letter from the Board” in this Composite Document. Financial and general information of the Group are set out in Appendix II and Appendix III to this Composite Document, respectively.

INTENTIONS OF THE OFFEROR REGARDING THE GROUP

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.

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.

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.

As at the Latest Practicable Date, the Offeror intends to continue the employment of the existing management and employees of the Group except for a proposed change to the members of the Board. The Offeror intends to nominate new director(s) to the Board with effect from a date which is no earlier than such date as permitted under the GEM Listing Rules and the Takeovers Code or such later date as the Offeror considers to be appropriate.

BOARD COMPOSITION OF THE COMPANY

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 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 this Composite Document.

Please refer to the section headed “Information on the Offeror” for the biography of the Offeror. The biographies of Ms. Wang and Ms. Zhou are set out below:

Ms. Wang, aged 45, has more than 15 years of experience in financial management and strategic development. Ms. Wang is currently the finance general manager of Nanjing Sulai Information Technology Co., Ltd. (南京宿來信息技術有限公司), a company principally engaged in software and information technology services. Ms. Wang received a bachelor’s degree in accounting from Jilin University, the PRC through long distance learning in 2016.

Ms. Zhou, aged 53, has been a practicing lawyer and partner of Jiangsu Liuyou Law Firm (江蘇六友律師事務所) since 2009 and 2015, respectively. Ms. Zhou was accredited as a PRC lawyer by the Ministry of Justice of the PRC in February 2008. She was a legal assistant of Jiangsu Liuyou Law Firm from 2007 to 2009. Ms. Zhou received a bachelor’s degree in law from Soochow University, the PRC in 2005.

Ms. Zhou has confirmed (a) her independence as regard to each of the factors contained in Rule 5.09 of the GEM Listing Rules; (b) that she had no past or present or other interest in the business of the Company or its subsidiaries or any connection with any core connected persons of the Company; and (c) that there are no other factors that may affect her independence as at the Latest Practicable Date.

Each of the Offeror, Ms. Wang and Ms. Zhou has not entered into any service contract with the Company nor has he/she been appointed for a specified length of service period but will be subject to retirement by rotation and eligible for re-election pursuant to the articles of association of the Company. Each of the Offeror and Ms. Wang will enter into a service contract, and Ms. Zhou will enter into a letter of appointment, with the Company, after the close of Offer. Prior to the entering into of the service contracts or letter of appointment (as

the case may be), each of the Offeror, Ms. Wang and Ms. Zhou will not be entitled to any fixed or variable remuneration. The remuneration committee of the Company has proposed and recommended, and the Board has approved, a fixed director's fee of HK\$600,000 per annum, HK\$240,000 per annum and HK\$60,000 per annum for the Offeror, Ms. Wang and Ms. Zhou respectively, and each of the Offeror, Ms. Wang and Ms. Zhou will not be entitled to any variable remuneration. The above remunerations were proposed and recommended with reference to their duties and responsibilities in the Company and the market benchmark, and will take effect upon the entering into of the service contracts or letter of appointment (as the case may be).

The appointment of each of the Offeror, Ms. Wang and Ms. Zhou has been recommended by the nomination committee of the Company having taken into consideration their respective qualifications and experiences, and has been approved by the Board, particularly having considered (i) the Offeror is a seasoned entrepreneur with over 20 years of experience spanning across various industries and has strong business acumen and network; (ii) Ms. Wang's experience in financial management can strengthen, among others, the Group's financial reporting function; and (iii) Ms. Zhou as a practicing lawyer can provide independent advices and insights to the Group's corporate governance and regulatory compliance functions.

Save as disclosed above, each of the Offeror, Ms. Wang and Ms. Zhou (i) does not hold any other position with the Company or any of its subsidiaries; (ii) has not held any other directorship in public companies the securities of which are listed on any security market in Hong Kong or overseas in the three years prior to the Latest Practicable Date; (iii) does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined under the GEM Listing Rules) of the Company; (iv) does not have any interest in the Shares or underlying Shares (within the meaning of Part XV of the SFO). There is no other information in relation to the appointments of the Offeror, Ms. Wang and Ms. Zhou that is required to be disclosed nor are/were they involved in any of the matters required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

The Stock Exchange has stated that:

- (a) if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares (excluding treasury Shares), are held by the public, or if the Stock Exchange believes that:
 - a 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 intends the Company to remain listed on the Stock Exchange following the close of the Offer. 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 at the earliest possible moment.

COMPULSORY ACQUISITION

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.

GENERAL

All communications, notices, Form of Acceptance, share certificates, transfer receipts, other documents of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and remittances to settle the consideration payable under the Offer to be delivered by or sent to or from the Independent Shareholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk, and none of the Offeror and parties acting in concert with it, Rainbow Capital, the Company, the Independent Financial Adviser and their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Offer accepts any liability for any loss or delay in postage or any other liabilities whatsoever which may arise as a result thereof. Further details in respect of the procedures for acceptance of the Offer are set out in Appendix I "Further Terms and Procedures for Acceptance of the Offer" to this Composite Document.

WARNING

Shareholders and potential investors of the Company should exercise caution when dealing in the Shares, and if they are in any doubt about their position or as to the action they should take, they should consult their stockbroker, bank manager, solicitor or other professional advisers.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this Composite Document and the accompanying Form of Acceptance, which form part of this Composite Document. You are reminded to carefully consider the information contained in the “Letter from the Board”, the “Letter from the Independent Board Committee” and the “Letter from the Independent Financial Adviser” set out in this Composite Document and to consult your professional advisers as you see fit, before deciding whether or not to accept the Offer.

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



Larry Choi
Managing Director