

8 April 2026

To the Offer Shareholders

Dear Sir or Madam,

**UNCONDITIONAL MANDATORY CASH OFFER BY
AFG SECURITIES LIMITED FOR AND ON BEHALF OF
MR. WANG TINGFA TO ACQUIRE ALL THE ISSUED SHARES OF
INNOVAX HOLDINGS LIMITED (OTHER THAN THOSE ALREADY
OWNED OR AGREED TO BE ACQUIRED BY THE OFFEROR AND
PARTIES ACTING IN CONCERT WITH HIM)**

INTRODUCTION

References are made to (i) the Joint Announcement jointly published by the Offeror and the Company dated 10 October 2025 in relation to, among other things, the Sale and Purchase Agreement and the Offer; (ii) the joint announcements jointly published by the Offeror and the Company dated 31 October 2025, 28 November 2025, 28 December 2025, 28 January 2026, 27 February 2026 and 25 March 2026 in relation to the monthly update on the Offer; and (iii) the joint announcement jointly published by the Offeror and the Company dated 31 March 2026 in relation to, among other things, the Completion and the Offer.

As disclosed in the joint announcement dated 31 March 2026, Completion took place on the Completion Date. Pursuant to the Sale and Purchase Agreement, the Offeror (through Billion Shine) acquired 45,000,000 Shares, representing 75% of the total issued share capital of the Company as at the date of the Joint Announcement and at Completion. Immediately before Completion, the Offeror and parties acting in concert with him did not hold any Shares, convertible securities, warrants, options or derivatives in issue which may confer any rights to subscribe for, convert or exchange into the Shares.

Immediately upon Completion, the Offeror (through Billion Shine) and parties acting in concert with him held 45,000,000 Shares, representing 75% of the entire issued share capital of the Company. Accordingly, the Offeror is required to make a mandatory general offer in cash for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with him). Therefore, AFG Securities, on behalf of the Offeror, makes the Offer pursuant to Rule 26.1 of the Takeovers Code.

The purpose of this Composite Document is to provide you with, among others, details of the Offer, the recommendation from the Independent Board Committee to the Offer Shareholders, and the advice from the Independent Financial Adviser in respect of the Offer, together with the Form of Acceptance.

THE OFFER

As set out in the “Letter from Alpha Financial” in this Composite Document:

AFG Securities, for and on behalf of the Offeror and in compliance with the Takeovers Code, is making the Offer on the following basis:

For each Offer Share HK\$6.00 in cash

Given the sole asset of Billion Shine is the 45,000,000 Shares held by it, the Offer Price of HK\$6.00 per Offer Share under the Offer is equivalent to the Consideration of HK\$270,000,000 divided by 45,000,000 Shares held by Billion Shine, which was arrived after arm’s length negotiations between the Offeror and the Vendor.

The Offer is extended to all Offer Shareholders in accordance with the Takeovers Code. The Offer Shares to be acquired under the 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 Offer is made, being the date of despatch of this Composite Document.

As at the Latest Practicable Date, no outstanding dividend declared by the Company remained unpaid, and the Board advised that the Company has no intention to make, declare or pay any future dividend or make other distributions until after the close of the Offer.

The Offer is unconditional in all aspects when made, and is not conditional upon any minimum level of acceptances being received or any other conditions.

Comparison of value

The Offer Price of HK\$6.00 per Offer Share represents:

- (i) a discount of approximately 50.4% to the closing price of HK\$12.1 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a premium of approximately 6.0% over the closing price of HK\$5.66 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a premium of approximately 19.2% over the average closing price of approximately HK\$5.03 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a premium of approximately 20.8% over the average closing price of approximately HK\$4.97 per Share as quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a premium of approximately 25.9% over the average closing price of approximately HK\$4.76 per Share as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day;
- (vi) a premium of approximately 37.1% over the average closing price of approximately HK\$4.38 per Share as quoted on the Stock Exchange for the last 60 trading days immediately prior to and including the Last Trading Day;
- (vii) a premium of approximately 92.6% over the audited consolidated net asset value attributable to the owners of the Company of approximately HK\$3.115 per Share as at 28 February 2025 calculated based on audited equity attributable to owners of the Company of approximately HK\$186,873,000 as at 28 February 2025 and 60,000,000 Shares in issue as at the Latest Practicable Date; and
- (viii) a premium of approximately 75.5% over the unaudited consolidated net asset value attributable to the owners of the Company of approximately HK\$3.419 per Share as at 31 August 2025 calculated based on audited equity attributable to owners of the Company of approximately HK\$205,152,000 as at 31 August 2025 and 60,000,000 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 as quoted on the Stock Exchange was HK\$16.31 per Share on 16 January 2026, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$1.2 per Share during the period from 14 April 2025 to 22 April 2025.

Value of the Offer

Your attention is drawn to the section headed “Value of the Offer” in the “Letter from Alpha Financial” contained in this Composite Document which sets out the value of the Offer.

INFORMATION ON THE GROUP

The Company is incorporated in the Cayman Islands with limited liability and its issued shares have been listed on the Stock Exchange since 14 September 2018. The Company is an investment holding company and its subsidiaries are principally engaged in provision of financial and securities services including corporate finance advisory services, placing and underwriting services, securities dealing and brokerage services, securities financing services and asset management services. The Group is an integrated financial and securities services provider licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO. Prior to the Disposal Completion, the Group engaged in money lending services. Upon Disposal Completion and as at the Latest Practicable Date, the Group ceased its money lending services.

Your attention is drawn to Appendices II and III to this Composite Document which contain financial information and general information of the Group.

SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) immediately prior to Completion; and (ii) immediately after Completion and as at the Latest Practicable Date.

Shareholders	Immediately prior to Completion		Immediately after Completion and as at the Latest Practicable Date	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Billion Shine (Note)	45,000,000	75.00	45,000,000	75.00
Subtotal of the Offeror and parties acting in concert with him (Note)	-	-	45,000,000	75.00
Other Shareholders	<u>15,000,000</u>	<u>25.00</u>	<u>15,000,000</u>	<u>25.00</u>
Total	<u>60,000,000</u>	<u>100.00</u>	<u>60,000,000</u>	<u>100.00</u>

Note: Immediately prior to Completion, Billion Shine was wholly and beneficially owned by the Vendor. Immediately upon Completion, Billion Shine is wholly and beneficially owned by the Offeror.

INFORMATION ON THE OFFEROR

Your attention is drawn to the section headed “Information of the Offeror” in the “Letter from Alpha Financial” contained in this Composite Document.

INTENTION OF THE OFFEROR ON THE GROUP

Your attention is drawn to the section headed “The Offeror’s Intention on the Group” in the “Letter from Alpha Financial” contained in this Composite Document.

The Board noted that, save for the Disposal, it is the intention of the Offeror that the Company’s existing principal business activities will be maintained and continued after completion of the Offer. The Offeror confirms that there is no intention to divest the existing businesses of the Company during the Offer Period and after the end of the Offer Period unless appropriate opportunities arise. Leveraging Mr. Wang’s experience, industry knowledge and network, the Offeror intends to maintain the current business of the Group and to explore related business opportunities in the future. The Offeror will conduct a review of the existing principal businesses, operations, financial position, investments, proposed investments of the Group for the purpose of formulating long-term business plans and strategies for the future business development of the Group.

The Board is aware of the Offeror’s intentions in respect of the Group and its employees and is willing to cooperate with the Offeror and act in the best interests of the Company and the Shareholders as a whole.

Save for the Offeror’s intention as set out above, as at the Latest Practicable Date, the Offeror had no intention (i) to make any significant changes to any key employees of the Group (except for the proposed changes, if any, 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); (ii) to introduce any major changes to the existing operations and business of the Group, including any redeployment of fixed assets other than those in its ordinary and usual course of business; and (iii) to dispose of the Group’s fixed assets which are not in the ordinary and usual course of business of the Group as a result of completion of the Offer. However, the Offeror reserved the right to make any changes that it deems necessary or appropriate to the Group’s business and operations to optimise the value of the Group.

OFFEROR’S INTENTION REGARDING THE GROUP’S SENIOR MANAGEMENT AND EMPLOYEES

Your attention is drawn to the section headed “The Offeror’s Intention on the Group” in the “Letter from Alpha Financial” contained in this Composite Document.

As at the Latest Practicable Date, the Offeror has no plan to terminate the employment of any senior management personnel of the Group. Instead, the Offeror is inclined to work together with the senior management of the Company and to leverage on their expertise and experience to further promote the growth of the Group. The Offeror will, depending on the business operations and development of the Group in the future, constantly review the employee structure of the Group so as to meet the needs of the Group from time to time. However, the Offeror reserves the right to make any changes that it deems necessary or appropriate to the Group’s businesses and operations to increase the value of the Group.

PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

Your attention is drawn to the section headed “Public Float and Maintenance of the Listing Status of the Group” in the “Letter from Alpha Financial” contained in this Composite Document. The Board notes that the Offeror intends to remain listed on the Stock Exchange and the Offeror has undertaken to the Stock Exchange that if, at the close of the Offer, the Company fails to comply with the requirement of Rule 13.32B of the Listing Rules, he will take appropriate steps to ensure the Company’s compliance with Rule 13.32B of the Listing Rules at the earliest possible moment.

RECOMMENDATIONS

Your attention is drawn to the “Letter from the Independent Board Committee” and the “Letter from the Independent Financial Adviser” in this Composite Document, which contain, among others, the advice of the Independent Financial Adviser and the Independent Board Committee in relation to the Offer and the principal factors considered by them in arriving at their recommendations, and in particular, as to whether the Offer is fair and reasonable and as to the acceptance of the Offer.

ADDITIONAL INFORMATION

Your attention is drawn to additional information set out in the appendices to this Composite Document. You are also recommended to read carefully the “Letter from Alpha Financial” in this Composite Document and the accompanying Form of Acceptance.

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

By order of the Board
Innovax Holdings Limited



Chau Lok Yi
Company Secretary