
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to the contents of this Scheme Document and the accompanying forms of proxy and/or (if applicable) Form of Acceptance, or any aspect of the Proposal, the Option Offer or the Scheme or any action to be taken, you should consult a licensed securities dealer or registered institution in securities, stockbroker, bank manager, solicitor, professional accountant or other professional adviser and obtain independent professional advice.

This Scheme Document appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of the Offeror or the Company nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of securities of the Offeror or the Company in any jurisdiction in contravention of applicable law.

This Scheme Document and the accompanying forms of proxy and Form of Acceptance are not for release, publication or distribution, in whole or in part, in, into or from any jurisdiction where to do so would constitute a violation of the relevant laws or regulations of such jurisdiction.

If you have sold or transferred all your shares in the Company, you should at once hand this Scheme Document and the accompanying forms of proxy and/or (if applicable) Form of Acceptance to the purchaser or transferee or to the licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Scheme Document and the accompanying forms of proxy and Form of Acceptance, make no representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Scheme Document and the accompanying forms of proxy and Form of Acceptance.



TORIDOLL HOLDING LIMITED **Tam Jai International Co. Limited**
東利多控股有限公司 **譚仔國際有限公司**
(Incorporated in Hong Kong with limited liability) (Incorporated in Hong Kong with limited liability)
(Stock Code: 2217)

**(1) PROPOSAL FOR THE PRIVATISATION OF
TAM JAI INTERNATIONAL CO. LIMITED
BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 673 OF THE COMPANIES ORDINANCE
AND
(2) PROPOSED WITHDRAWAL OF LISTING OF
TAM JAI INTERNATIONAL CO. LIMITED**

Financial Adviser to the Offeror



Financial Adviser to the Company



Independent Financial Adviser to the Independent Board Committee



Unless the context otherwise requires, capitalised terms used in this Scheme Document (including this cover page) are defined in Part I of this Scheme Document. The actions to be taken by the Shareholders and Option Holders are set out in Part II of this Scheme Document. A letter from the Board is set out in Part IV of this Scheme Document. A letter from the Independent Board Committee containing its advice to the Independent Shareholders and the Option Holders in relation to the Proposal and the Option Offer is set out in Part V of this Scheme Document. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee in relation to the Proposal and the Option Offer is set out in Part VI of this Scheme Document. An Explanatory Statement regarding the Proposal is set out in Part VII of this Scheme Document.

Notices convening the Court Meeting and the EGM to be held at 24/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong on Monday, 30 June 2025, in the case of the Court Meeting at 10:00 a.m. and, in the case of the EGM at 10:15 a.m. (or as soon as practicable after the conclusion or adjournment of the Court Meeting) are set out in Appendix IV and Appendix V to this Scheme Document respectively. Whether or not you are able to attend the Court Meeting and/or the EGM or any adjournment thereof in person, if you are a Scheme Shareholder, you are strongly urged to complete and sign the enclosed **pink** form of proxy in respect of the Court Meeting and if you are a Shareholder, you are strongly urged to complete and sign the enclosed **white** form of proxy in respect of the EGM, in accordance with the instructions printed thereon and to lodge them at the office of the Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event no later than the respective times and dates as stated in Part II "Actions to be Taken" of this Scheme Document. Alternatively, the **pink** form of proxy may be handed to the chairman of the Court Meeting before the taking of the poll, who shall have absolute discretion as to whether or not to accept it. Completion and return of the forms of proxy for the Court Meeting and/or the EGM will not preclude you from attending and voting in person at the relevant meeting or any adjournment thereof, should you so wish. In the event that you attend and vote at the relevant meeting or any adjournment thereof after having lodged your forms of proxy, the returned forms of proxy shall be deemed to have been revoked. This Scheme Document is jointly issued by the Offeror and the Company.

In case of any inconsistency, the English language texts of this Scheme Document, the enclosed **pink** form of proxy in respect of the Court Meeting, the enclosed **white** form of proxy in respect of the EGM, the Option Offer Letter and the Form of Acceptance shall prevail over their respective Chinese language texts for the purpose of interpretation.

6 June 2025

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This Scheme Document contains important information and you should carefully read this Scheme Document in full, including the Appendices. A letter from the Independent Board Committee containing its advice to the Independent Shareholders and the Option Holders in relation to the Proposal and the Option Offer is set out in Part V of this Scheme Document. A letter from the Independent Financial Adviser, containing its advice to the Independent Board Committee in relation to the Proposal and the Option Offer is set out in Part VI of this Scheme Document. You are urged to carefully read such letters of advice before taking any action in respect of the Proposal and the Option Offer.

NOTICE TO OVERSEAS SCHEME SHAREHOLDERS AND OPTION HOLDERS

The making of the Proposal and the Option Offer to certain Scheme Shareholders and Option Holders, as the case may be, who are not resident in Hong Kong may be subject to the laws of jurisdictions other than Hong Kong. Scheme Shareholders, Beneficial Owners and Option Holders residing in jurisdictions other than Hong Kong should inform themselves about and observe all legal and regulatory requirements applicable to them. It is the responsibility of the Scheme Shareholders, Beneficial Owners and Option Holders to satisfy themselves as to the full observance of the laws of the relevant jurisdictions applicable to them in connection with the Proposal and the Option Offer, as the case may be, including obtaining any governmental, exchange control or other consents which may be required, and compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdictions.

Any action taken by such Scheme Shareholders or Beneficial Owners or Option Holders in respect of the Proposal, the Option Offer and the Scheme will be deemed to constitute a representation and warranty from such persons to the Company and the Offeror that those local laws and requirements have been complied with.

Scheme Shareholders, Beneficial Owners and Option Holders residing in jurisdictions other than Hong Kong should consult their professional advisers if they are in any doubt as to the potential applicability of, or consequence under, any provision of law or regulation or judicial or regulatory decisions or interpretations in any jurisdictions, territory or locality therein or thereof and, in particular, whether there will be any restriction or prohibition on the acquisition, retention, disposal or otherwise with respect to the Scheme Shares, as the case may be. Overseas Scheme Shareholders, Beneficial Owners and Option Holders are advised to read the section headed “*17. Overseas Scheme Shareholders and Option Holders*” in the Explanatory Statement in Part VII of this Scheme Document for further information.

NOTICE TO US HOLDERS OF SECURITIES

The Proposal is being made to cancel the securities of a company incorporated in Hong Kong by means of a scheme of arrangement provided for under the Companies Ordinance. The Option Offer is an offer to be made by the Offeror to the Option Holders as required under Rule 13 of the Takeovers Code. Any financial information included in this Scheme Document has been prepared in accordance with the accounting standards applicable in Hong Kong and thus may not be comparable to financial information of US companies or companies whose financial statements are

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prepared in accordance with the generally accepted accounting principles in the US. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules of the US Securities and Exchange Act of 1934, as amended.

Accordingly, the Proposal and the Option Offer are subject to the disclosure requirements and practices applicable in Hong Kong to schemes of arrangement and Rule 13 of the Takeovers Code which differ from the disclosure requirements of the US tender offer rules. The receipt of cash pursuant to the Proposal by a US holder of Scheme Shares as consideration for the cancellation and extinguishment of its Scheme Shares pursuant to the Scheme by a Scheme Shareholder (and the receipt of the Option Offer Price by a US holder of Share Options as consideration for the cancellation of his/her Share Options pursuant to the Option Offer by an Option Holder) may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other tax laws. Each holder of Scheme Shares and Share Options is urged to consult his independent professional adviser immediately regarding the tax consequences of the Proposal and the Option Offer (as the case may be) applicable to him. It may be difficult for US holders of the Scheme Shares and the Share Options (as the case may be) to enforce their rights and claims arising out of the US federal securities laws, since the Offeror and the Company are located in a country other than the US, and some or all of their officers and directors may be residents of a country other than the US. US holders of the Scheme Shares and the Share Options (as the case may be) may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a judgement of the US court.

NOTICE TO JAPANESE HOLDERS OF SECURITIES

The Proposal is being made to cancel the securities of a company incorporated in Hong Kong by means of a scheme of arrangement provided for under the Companies Ordinance. The Option Offer is an offer to be made by the Offeror to the Option Holders as required under Rule 13 of the Takeovers Code. Any financial information included in this Scheme Document has been prepared in accordance with the accounting standards applicable in Hong Kong and thus may not be comparable to financial information of Japanese companies or companies whose financial statements are prepared in accordance with the generally accepted accounting principles in Japan. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules of the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended) (the “FIEA”). Accordingly, the Proposal and the Option Offer (as the case may be) are subject to the disclosure requirements and practices applicable in Hong Kong to schemes of arrangement and Rule 13 of the Takeovers Code which differ from the disclosure requirements of the FIEA.

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This Scheme Document does not constitute an offer or invitation to purchase or subscribe for any securities of the Company nor the Offeror. None of the securities of the Company or the Offeror have been or will be registered under the FIEA. Any securities have not been offered or sold and will not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of Japanese Person (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others, for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person.

The receipt of cash pursuant to the Proposal by a Japanese holder of Scheme Shares as consideration for the cancellation and extinguishment of its Scheme Shares pursuant to the Scheme by a Scheme Shareholder (and the receipt of the Option Offer Price by a Japanese holder of Share Options as consideration for the cancellation of his/her Share Options pursuant to the Option Offer by an Option Holder) may be a taxable transaction for Japanese income tax purposes, as well as foreign and other tax laws. Each holder of Scheme Shares and Share Options is urged to consult his independent professional adviser immediately regarding the tax consequences of the Proposal and the Option Offer (as the case may be) applicable to him. It may be difficult for Japanese holders of the Scheme Shares and the Share Options (as the case may be) to enforce their rights and claims arising out of Japanese securities laws, since the Offeror and the Company are located in a country other than Japan, and some or all of their officers and directors may be residents of a country other than Japan. Japanese holders of the Scheme Shares and the Share Options (as the case may be) may not be able to sue a non-Japanese company or its officers or directors in a non-Japanese court for violations of Japanese securities laws. Further, it may be difficult to compel a non-Japanese company and its affiliates to subject themselves to a judgement of the Japanese court.

PAST PERFORMANCE AND FORWARD-LOOKING STATEMENTS

The performance and the results of operations of the Group contained in this Scheme Document are historical in nature and past performance is not a guarantee of the future results of the Group.

This Scheme Document includes certain “forward-looking statements”. These statements are based on the current expectations of the management of the Offeror and/or the Company (as the case may be) and are naturally subject to uncertainty and changes in circumstances. The forward-looking statements contained in this Scheme Document include statements about the expected effects of the Proposal on the Company, the expected timing and scope of the Proposal, the Option Offer and the Scheme, and all other statements in this Scheme Document other than historical facts.

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Forward-looking statements include, without limitation, statements typically containing words such as “intends”, “expects”, “anticipates”, “targets”, “estimates”, “envisages” and words of similar import. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to, the satisfaction of the Conditions to the Proposal, as well as additional factors, such as general, social, economic and political conditions in the countries in which the Offeror and/or the Group operate or other countries which have an impact on the Offeror’s and/or the Group’s business activities or investments, interest rates, the monetary and interest rate policies of the countries in which the Offeror and/or the Group operate, inflation or deflation, foreign exchange rates, the performance of the financial markets in the countries in which the Offeror and/or the Group operate and globally, changes in domestic and foreign laws, regulations and taxes, changes in competition and the pricing environments in the countries in which the Offeror and/or the Group operate and regional or general changes in asset valuations and disruptions or reductions in travel and operations due to natural or man-made disasters, pandemics, epidemics or outbreak of infections or contagious diseases such as novel coronavirus. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements.

All written and oral forward-looking statements attributable to the Offeror, the Company or persons acting on behalf of any of them are expressly qualified in their entirety by the cautionary statements above. The forward-looking statements included herein are made only as at the Latest Practicable Date. Any forward-looking statement contained in this Scheme Document based on past or current trends and/or activities of the Offeror and/or the Company should not be taken as a representation that such trends or activities will continue in the future. No statement in this Scheme Document is intended to be a profit forecast or to imply that the earnings of the Offeror and/or the Company for the current year or future years will necessarily match or exceed their respective historical or published earnings. Each forward-looking statement speaks only as at the date of the particular statement. Subject to the requirements of the Takeovers Code and other applicable laws and regulations, each of the Offeror and the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in their expectations with regard thereto or any change in events, conditions of circumstances on which any such statement is based.

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In this Scheme Document, the following expressions have the meanings set out below unless the context requires otherwise:

“Accounts Date”	31 March 2025, the date to which the latest published audited consolidated financial statements of the Group (as at the Latest Practicable Date) were made up
“acting in concert”	has the same meaning ascribed to it under the Takeovers Code, and “parties acting in concert” shall be construed accordingly
“Announcement”	the joint announcement dated the Announcement Date and jointly issued by the Offeror and the Company in relation to the Proposal
“Announcement Date”	17 February 2025, being the date of the Announcement
“associate(s)”	has the same meaning ascribed to it under the Takeovers Code
“associated company(ies)”	has the same meaning ascribed to it under the Takeovers Code
“Awarded Shares”	the Shares awarded by the Company under the Share Award Scheme
“Authorisation(s)”	all necessary authorisations, registrations, filings, rulings, consents, permissions, waivers, exemptions and approvals required from the Relevant Authorities or other third parties which are necessary for any member of the Group to carry on its business
“Beneficial Owner”	any beneficial owner of the Shares whose Shares are registered in the name of a Registered Owner other than himself/herself/itself
“Blessing Keen”	Blessing Keen Investing Limited, a company incorporated in the British Virgin Islands with limited liability and a direct wholly-owned subsidiary of the Trustee as at the Latest Practicable Date
“Board”	the board of Directors
“Business Day”	a day on which the Stock Exchange is open for the transaction of business

“Cancellation Price”	the cancellation price of HK\$1.58 for every Scheme Share cancelled and extinguished pursuant to the Scheme, which amount (less the Dividend Adjustment (if any)) will be payable by the Offeror to the Scheme Shareholders in the form of cash. Unless otherwise stated, reference to the Cancellation Price in this Scheme Document is to the amount of HK\$1.58 per Share, without taking into account any Dividend Adjustment
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Participant”	a person admitted to participate in CCASS as a participant, including an Investor Participant
“CO Disinterested Shares”	has the meaning ascribed to “disinterested shares” in section 674(3) of the Companies Ordinance
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (as amended from time to time)
“Company” or “Tam Jai International”	Tam Jai International Co. Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2217)
“Condition(s)”	the conditions to the implementation of the Proposal and the Scheme, as set out in the section headed “5. <i>Conditions of the Proposal and the Scheme</i> ” in the Explanatory Statement
“Court Hearing”	the hearing of the petition by the High Court to sanction the Scheme and to confirm the reduction of the share capital of the Company involved in the Scheme
“Court Meeting”	a meeting of the holders of Scheme Shares convened at the direction of the High Court to be held at 10:00 a.m. on Monday, 30 June 2025 at 24/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong at which the Scheme (with or without modification) will be voted upon, or any adjournment thereof

“Daiwa”	Daiwa Capital Markets Hong Kong Limited, a corporation licensed under the SFO to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, the financial adviser to the Offeror in relation to the Proposal
“Daiwa Group”	Daiwa and any of its parent, subsidiaries and fellow subsidiaries
“Daiwa Held Custodian Shares”	the Shares held by Daiwa or other members of the Daiwa Group as custodian for any client on a non-discretionary basis, where such client (i) controls the voting rights attaching to such Shares; (ii) if such Shares are voted, gives such instructions as to how such Shares are to be voted; and (iii) is not the Offeror or an Offeror Concert Party
“Director(s)”	the director(s) of the Company
“Dividend Adjustment”	an amount being all or any part of the per Share amount or value of any dividend, distribution and/or return of capital which may be announced, declared or paid in respect of the Scheme Shares after the Latest Practicable Date (provided that the record date to be announced by the Board for determining the entitlements to such dividend, distribution and/or return of capital falls on a day which is on or before the Effective Date), which the Offeror has reserved the right to reduce the Cancellation Price by subject to consultation with the Executive
“Effective Date”	the date on which the Scheme becomes effective in accordance with the Companies Ordinance
“EGM”	an extraordinary general meeting of the Company to be held at 10:15 a.m. (or if later, immediately after the conclusion or adjournment of the Court Meeting) on Monday, 30 June 2025 at 24/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong or any adjournment thereof, for the purpose of considering and, if thought fit, passing a special resolution to approve, among other matters, the reduction of the share capital of the Company involved in the Scheme and the implementation of the Scheme

“Employee Trust”	Tamjai International Employee Trust, being an employee trust established by the Company as the settlor with the Trustee as the trustee for the purpose of recognising and rewarding the contribution and performance of certain employees of the Group
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Explanatory Statement”	the explanatory statement in relation to the Proposal, the text of which is set out in Part VII of this Scheme Document, which constitutes the statement required under section 671 of the Companies Ordinance
“Form of Acceptance”	the form of acceptance despatched to the Option Holders in connection with the Option Offer
“Group”	the Company and its subsidiaries
“High Court”	the High Court of Hong Kong
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HKSCC Nominees”	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent committee of the Board formed to advise the Independent Shareholders and the Option Holders in connection with the Proposal, the Option Offer and the Scheme, and comprising all the independent non-executive Directors, namely Mr. Loo Kwok Wing, Mr. Lee Kwok Ming and Mr. Yeung Yiu Keung
“Independent Financial Adviser” or “Lego”	Lego Corporate Finance Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed to advise the Independent Board Committee in relation to the Proposal, the Option Offer and the Scheme

“Independent Shareholders”	all Shareholders, other than the Offeror and the Offeror Concert Parties, but including, for the avoidance of doubt, any member of the Daiwa Group acting as custodian in respect of any Daiwa Held Custodian Shares
“Investor Participant”	a person admitted to participate in CCASS as an investor participant
“Last Trading Day”	3 February 2025, being the last trading day immediately before the trading halt in the Shares on the Stock Exchange pending the publication of the Announcement
“Latest Practicable Date”	3 June 2025, being the latest practicable date prior to the date of this Scheme Document for the purpose of ascertaining certain information contained in this Scheme Document
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange on 7 October 2021
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
“Long Stop Date”	31 December 2025 (or such later date as the Offeror and the Company may agree or, to the extent applicable, as the High Court on application of the Company may allow and in all cases, as permitted by the Executive)
“Meeting Record Date”	Monday, 30 June 2025, or such other date as shall be announced to the Shareholders, being the record date for the purpose of determining the entitlements of the holders of the Scheme Shares to attend and vote at the Court Meeting and the entitlement of the Shareholders to attend and vote at the EGM
“Mr. Awata”	Mr. Awata Takaya (粟田貴也), the spouse of Mrs. Awata, and the president, chief executive officer and controlling shareholder of Toridoll Japan
“Mrs. Awata”	Mrs. Awata Toshimi (粟田利美), the spouse of Mr. Awata

“Offer Period”	has the meaning given to it in the Takeovers Code, being the period commencing on the Announcement Date until the latest of (i) the Effective Date; (ii) the date when the Scheme lapses; (iii) the time when the Offeror announces that the Scheme will not proceed; and (iv) the date when an announcement is made of the withdrawal of the Scheme
“Offeror”	Toridoll Holding Limited, a company incorporated under the laws of Hong Kong with limited liability, which was wholly-owned by Toridoll Japan as at the Latest Practicable Date
“Offeror Concert Party(ies)”	any party(ies) acting in concert, or presumed to be acting in concert, with the Offeror under the definition of “acting in concert” under the Takeovers Code including, without limitation, (a) Mr. Awata, Mrs. Awata and Toridoll Japan, and (b) members of the Daiwa Group (excluding members of the Daiwa Group which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code and are connected for the sole reason that they control, are controlled by or under the same control as Daiwa)
“Option Holder(s)”	the holder(s) of the Share Option(s)
“Option Offer”	the offer to be made by or on behalf of the Offeror to the Option Holders in relation to the cancellation of the Share Options, details of which are set out in the section headed “2.5 <i>The Option Offer</i> ” in the Explanatory Statement and in the Option Offer Letter
“Option Offer Letter”	the letter to the Option Holders setting out the terms and conditions of the Option Offer which is substantially in the form set out in Appendix VI to this Scheme Document
“Option Offer Price”	the price for cancellation of the Share Options pursuant to the Option Offer, being (i) in respect of the Pre-IPO Share Options, HK\$0.73 for every Pre-IPO Share Option to be cancelled; and (ii) in respect of the Post-IPO Share Options, HK\$0.0001 for every Post-IPO Share Option to be cancelled

“Options Latest Exercise Time”	3:30 p.m. on Thursday, 7 August 2025, being the expected latest time upon which the Option Holders must lodge notices of exercise (accompanied by full payment of the exercise price) of their vested Share Options in order for the Option Holders to become a Scheme Shareholder to be entitled for the Cancellation Price under the Scheme
“Other CCASS Participant”	a broker, custodian, nominee or other relevant person who is, or has deposited the Shares with, a CCASS participant
“Post-IPO Share Option(s)”	the outstanding share option(s) granted by the Company under the Post-IPO Share Option Scheme
“Post-IPO Share Option Scheme”	the post-IPO share option scheme conditionally approved and adopted by the Company on 25 March 2021
“PRC” or “Mainland China”	the People’s Republic of China
“Pre-IPO Share Option(s)”	the outstanding share option(s) granted by the Company under the Pre-IPO Share Option Scheme
“Pre-IPO Share Option Scheme”	the pre-IPO share option scheme conditionally approved and adopted by the Company on 25 March 2021, which had automatically terminated upon the Listing
“Proposal”	the proposal for the privatisation of the Company by the Offeror by way of the Scheme, and the withdrawal of listing of the Shares from the Stock Exchange, on the terms and subject to the Conditions set out in this Scheme Document
“Register”	the register of members of the Company
“Registered Owner”	any person (including without limitation a nominee, trustee, depositary or any other authorised custodian or third party) whose name is entered in the Register as a holder of the Shares
“Registrar of Companies”	the Registrar of Companies appointed under the Companies Ordinance
“Relevant Authorities”	applicable governments or governmental bodies, regulatory bodies, or courts including but not limited to the SFC and the Stock Exchange

“Relevant Period”	the period commencing on 17 August 2024, being the date falling six (6) months prior to the Announcement Date and commencement date of the Offer Period, and ending on and including the Latest Practicable Date
“Resumption Day”	18 February 2025, being the first full trading day upon resumption of trading in the Shares on the Stock Exchange after the publication of the Announcement
“SamGor”	TamJai SamGor Mixian (譚仔三哥米線)
“Scheme”	the scheme of arrangement proposed under section 673 of the Companies Ordinance for the implementation of the Proposal as set out in Appendix III to this Scheme Document, with or subject to any modification thereof or addition thereof or condition approved or imposed by the High Court
“Scheme Document”	this composite scheme document, including each of the letters, statements, appendices and notices herein
“Scheme Record Date”	Wednesday, 13 August 2025, or such other date as shall be announced to the Shareholders, being the record date for the purpose of determining the entitlements of the Scheme Shareholders to the Cancellation Price under the Scheme and the entitlements of the Option Holders to the Option Offer Price under the Option Offer
“Scheme Share(s)”	Share(s) in issue on the Scheme Record Date other than those held or beneficially owned by the Offeror
“Scheme Shareholder(s)”	registered holder(s) of the Scheme Shares as at the Scheme Record Date
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (as amended from time to time)
“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	registered holder(s) of the Shares
“Share Award Grantee(s)”	the grantee(s) of the Awarded Shares
“Share Award Scheme”	the share award scheme adopted by the Company on 25 March 2021

“Share Option(s)”	the Pre-IPO Share Option(s) and/or the Post-IPO Share Option(s)
“Share Option Schemes”	the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme
“Share Registrar”	the share registrar of the Company, being Computershare Hong Kong Investor Services Limited, which is situated at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong
“Somerley”	Somerley Capital Limited, a corporation licensed under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, the financial adviser to the Company in relation to the Proposal and the Scheme
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers (as amended from time to time)
“TamJai”	TamJai Yunnan Mixian (譚仔雲南米線)
“TC Disinterested Shares”	Shares in issue as at the Scheme Record Date, other than those beneficially owned by the Offeror and the Offeror Concert Parties
“Toridoll Japan”	Toridoll Holdings Corporation, a company established in Japan with limited liability whose shares are listed on the Tokyo Stock Exchange (stock code: 3397)
“trading day”	a day on which the Stock Exchange is open for the business of dealings in securities
“Trust Deed”	the trust deed entered into between the Company as the settlor and the Trustee for the purposes of the Employee Trust
“Trustee”	Trident Trust Company (HK) Limited, a company incorporated in Hong Kong with limited liability, being the trustee of the Employee Trust for the purposes of implementing and administering the Share Award Scheme and the Share Option Schemes which is independent of the Company and its connected persons, the Offeror and the Offeror Concert Parties

“Trustee Held Pool Shares”	the Shares held by Blessing Keen that are unutilised under the Share Award Scheme
“US”	the United States of America
“%”	per cent.

All references in this Scheme Document and the accompanying forms of proxy and Form of Acceptance to times and dates are references to Hong Kong times and dates, unless otherwise specified.

All percentages stated in this Scheme Document are approximations and certain amounts and percentage figures included in this Scheme Document have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

This Scheme Document and the accompanying forms of proxy and Form of Acceptance are prepared in both English and Chinese. In the event of inconsistency, the English texts of the aforementioned documents shall prevail.

1. ACTIONS TO BE TAKEN BY THE SHAREHOLDERS**Entitlements of the holders of the Scheme Shares and the Shareholders to attend and vote at the Court Meeting and the EGM**

Holders of the Scheme Shares who are entitled to attend and vote at the Court Meeting and Shareholders who are entitled to attend and vote at the EGM are those whose names appear on the Register as at the close of business on the Meeting Record Date, being Monday, 30 June 2025.

For the purpose of determining the entitlements of the holders of the Scheme Shares to attend and vote at the Court Meeting and the entitlements of the Shareholders to attend and vote at the EGM, the Register will be closed from Wednesday, 25 June 2025 to Monday, 30 June 2025 (both days inclusive) (or such other dates as the Shareholders may be notified by announcement). During such period, no transfer of Shares will be effected.

In order to qualify to attend and vote at the Court Meeting and/or the EGM, all transfers accompanied by the relevant share certificates must be lodged at the office of the Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Tuesday, 24 June 2025 (or such other date as the Shareholders may be notified by announcement).

Forms of proxy

A **pink** form of proxy for use at the Court Meeting and a **white** form of proxy for use at the EGM are enclosed with each copy of this Scheme Document despatched to the Registered Owners on Friday, 6 June 2025.

Any subsequent transferees of the Shares will need to obtain the relevant form(s) of proxy from the transferors. Alternatively, copies of the forms of proxy can be: (i) obtained from the Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong; or (ii) downloaded from the website of either the Stock Exchange at www.hkexnews.hk or the Company at www.tamjai-intl.com.

Whether or not you are able to attend the Court Meeting and/or the EGM or any adjournment thereof in person:

- (i) if you are a holder of the Scheme Shares, you are strongly urged to complete and sign the enclosed **pink** form of proxy in respect of the Court Meeting; and
- (ii) if you are a Shareholder, you are strongly urged to complete and sign the enclosed **white** form of proxy in respect of the EGM,

in accordance with the instructions printed on them, and to lodge them at the office of the Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

In order to be valid:

- (i) the **pink** form of proxy for use at the Court Meeting should be lodged no later than 10:00 a.m. on Friday, 27 June 2025 (or such other date as the holders of Scheme Shares may be notified by announcement). Alternatively, the **pink** form of proxy may be handed to the chairman of the Court Meeting before the taking of the poll, who shall have absolute discretion as to whether or not to accept it; and
- (ii) the **white** form of proxy for use at the EGM should be lodged no later than 10:15 a.m. on Friday, 27 June 2025 (or such other date as the Shareholders may be notified by announcement).

The completion and return of the relevant form(s) of proxy for the Court Meeting and/or the EGM will not preclude you from attending and voting in person at the relevant meeting or any adjournment thereof should you so wish. In the event that you attend and vote at the relevant meeting or any adjournment thereof after having lodged your form of proxy, the returned form of proxy will be deemed to have been revoked.

If you do not appoint a proxy and you do not attend and vote at the Court Meeting and/or the EGM, you will still be bound by the outcome of the Court Meeting and the EGM if, among other things, the resolutions are passed by the requisite majorities of the holders of Scheme Shares or the holders of Shares (as the case may be). You are therefore strongly urged to attend and vote at the Court Meeting and/or the EGM in person or by proxy.

Voting at the Court Meeting and the EGM will be taken by poll as required under the Listing Rules and the Takeovers Code.

Announcement of the results of the Court Meeting and the EGM

The Company and the Offeror will make an announcement in relation to the results of the Court Meeting and the EGM and, if all the resolutions are passed at those meetings, further announcements will be made in relation to, among other things, the results of the Court Hearing and (if the Scheme is sanctioned) the Effective Date and the date of withdrawal of the listing of the Shares from the Stock Exchange, in accordance with the requirements of the Takeovers Code and the Listing Rules.

Shareholders who have sold/transferred Shares should hand this Scheme Document and accompanying forms of proxy to the purchaser/transferee

If you have sold or transferred all of your Shares, you should at once hand this Scheme Document and the accompanying forms of proxy to the purchaser or the transferee or to the licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

2. ACTIONS TO BE TAKEN BY BENEFICIAL OWNERS WHOSE SHARES ARE HELD BY A REGISTERED OWNER OTHER THAN HKSCC NOMINEES

No person shall be recognised by the Company as holding any Shares on trust.

A Beneficial Owner whose Shares are registered in the name of a Registered Owner should contact such Registered Owner to give instructions to and/or to make arrangements with such Registered Owner as to the manner in which the Shares beneficially owned by the Beneficial Owner should be voted at the Court Meeting and/or the EGM.

A Beneficial Owner who wishes to attend and vote at the Court Meeting and/or the EGM personally should:

- (i) contact the Registered Owner directly to make the appropriate arrangements with the Registered Owner to enable the Beneficial Owner to attend and vote at the Court Meeting and/or the EGM and for such purpose the Registered Owner may appoint the Beneficial Owner as its proxy; or
- (ii) arrange for some or all of the Shares registered in the name of the Registered Owner to be transferred and registered in the name of the Beneficial Owner prior to the Meeting Record Date.

The appointment of a proxy by the Registered Owner at the Court Meeting and/or the EGM shall be in accordance with all **relevant** provisions in the articles of association of the Company.

In the case of the appointment of a proxy by the Registered Owner, the relevant forms of proxy shall be completed and signed by the Registered Owner and shall be lodged in the manner and no later than the latest time for lodging the relevant forms of proxy as more particularly set out in this Scheme Document.

Completion and return of a form of proxy for the Court Meeting and/or the EGM will not preclude the Registered Owner from attending and voting in person at the relevant meeting or any adjournment thereof should he/she/it so wish, and, in such event, the relevant form of proxy will be deemed to have been revoked.

Instructions to and/or arrangements with the Registered Owner should be given or made in advance of the relevant latest time for the lodgement of form(s) of proxy in respect of the Court Meeting and/or the EGM, or, as applicable, the latest time for lodging transfers of Shares, in order

to provide the Registered Owner with sufficient time to complete his/her/its form(s) of proxy or transfer documents accurately and to submit them by the relevant deadlines. To the extent that any Registered Owner requires instructions from or arrangements to be made with any Beneficial Owner at a particular date or time in advance of the relevant latest time for the lodgement of the forms of proxy in respect of the Court Meeting and/or the EGM, such Beneficial Owner should comply with the requirements of such Registered Owner.

3. ACTIONS TO BE TAKEN BY BENEFICIAL OWNERS WHOSE SHARES ARE DEPOSITED IN CCASS

HKSCC Nominees may vote for and against the Scheme in accordance with instructions received from CCASS Participants.

Any Beneficial Owner whose Shares are deposited in CCASS and registered under the name of HKSCC Nominees must:

- (i) unless such Beneficial Owner is a person admitted to participate in CCASS as an Investor Participant, contact his/her/its broker, custodian, nominee or other relevant person who is, or has in turn deposited such Shares with, the Other CCASS Participant regarding voting instructions to be given to such persons if he/she/it wishes to vote in respect of the Scheme.

The procedure for voting in respect of the Scheme by the Investor Participants and the Other CCASS Participants with respect to the Shares registered under the name of HKSCC Nominees shall be in accordance with the “Operating Guide For Investor Participants”, “General Rules of HKSCC” and “HKSCC Operational Procedures” in effect from time to time; or

- (ii) if the Beneficial Owner wishes to vote (in person or by proxy) at the Court Meeting and/or the EGM, arrange for some or all of such Shares to be withdrawn from CCASS and transferred and registered in the name of the Beneficial Owner prior to the Meeting Record Date.

For withdrawal of Shares from CCASS and registration thereof, the relevant Beneficial Owner will be required to pay to CCASS a withdrawal fee per board lot withdrawn, a registration fee for each share certificate issued, stamp duty on each transfer instrument and, if his/her/its Shares are held through a financial intermediary, any other relevant fees charged by his/her/its financial intermediary. Such Beneficial Owner should contact his/her/its broker, custodian, nominee or other relevant person in advance of the latest time for lodging transfers of the Shares into his/her/its name so as to qualify to attend and vote at the Court Meeting and/or the EGM, in order to provide such broker, custodian, nominee or other relevant person with sufficient time to withdraw the Shares from CCASS and register them in his/her/its name.

4. ACTIONS TO BE TAKEN BY OPTION HOLDERS

The Option Offer Letter is being sent to each Option Holder, together with this Scheme Document and a Form of Acceptance. If you are an Option Holder and you wish to accept the Option Offer, you must complete and return the duly completed and executed Form of Acceptance together with the relevant certificate(s), document(s) of title or entitlement in respect of the Share Options and/or any other document(s) (if applicable) evidencing the grant of the Share Options to you (and/or any satisfactory indemnity or indemnities required in respect thereof) for your holding of the Share Options, so as to reach the Company at 8th Floor of D2 Place ONE, No. 9 Cheung Yee Street, Cheung Sha Wan, Kowloon, Hong Kong, for the attention of the company secretary of the Company and marked “Tam Jai International — Option Offer” by no later than 4:00 p.m. on Thursday, 7 August 2025 (or such later date and time as may be notified to you by the Offeror and the Company). No acknowledgement of receipt of any Form of Acceptance or any other document will be given.

The Offeror is making the Option Offer to the Option Holders in accordance with Rule 13 of the Takeovers Code, subject to and conditional upon the Scheme becoming effective. Under the Option Offer, the Offeror is offering the Option Holders the Option Offer Price (which is the “see-through” price, being the Cancellation Price minus the relevant exercise price of the relevant outstanding Share Option) in cash for the cancellation of each outstanding Share Option they hold as at the Scheme Record Date. Where the exercise price of the relevant Share Option exceeds the Cancellation Price, the “see-through” Option Offer Price is zero and a cash offer of a nominal amount of HK\$0.0001 per Share Option will be made by the Offeror for the cancellation of each outstanding Share Option held.

Further details are set out in the section headed “2.5. *The Option Offer*” in the Explanatory Statement and the Option Offer Letter.

You are urged to read the instructions and other terms and conditions of the Option Offer in the Option Offer Letter, substantially in the form set out in Appendix VI to this Scheme Document, and the enclosed Form of Acceptance.

In the event that any of the outstanding Share Options are exercised on or prior to the Scheme Record Date in accordance with the relevant terms and conditions of the Share Option Schemes, any Shares issued as a result of the exercise of such outstanding Share Options will be subject to and eligible to participate in the Scheme as Scheme Shares.

If any Option Holder does not: (i) exercise his or her outstanding Share Options before the Options Latest Exercise Time to become a Scheme Shareholder before the Scheme Record Date in accordance with the rules of the Share Option Schemes and the Scheme Document; or (ii) accept the Option Offer, his or her Share Options will lapse on the Effective Date in accordance with the rules of the Share Option Schemes without any payment made to him or her if the Scheme becomes effective.

5. EXERCISE YOUR RIGHT TO VOTE

If you are a Shareholder or a Beneficial Owner, the Offeror and the Company strongly encourage you to exercise your right to vote or give instructions to the relevant Registered Owner to vote in person or by proxy at the Court Meeting and at the EGM.

If you keep any Shares in a share lending programme, the Offeror and the Company urge you to recall any outstanding Shares on loan to avoid market participants using borrowed stock to vote.

If you are a Beneficial Owner whose Shares are deposited in CCASS, the Offeror and the Company encourage you to provide HKSCC Nominees with instructions or make arrangements with HKSCC Nominees in relation to the manner in which those Shares should be voted at the Court Meeting and at the EGM without delay and/or arrange for some or all of such Shares to be withdrawn from CCASS and transferred and registered in your name (as detailed in the paragraph headed “3. *Actions to be taken by Beneficial Owners whose Shares are deposited in CCASS*” above).

If you are a Registered Owner holding Shares on behalf of Beneficial Owners, the Offeror and the Company would be grateful if you would inform the relevant Beneficial Owners about the importance of arranging for such Shares to be voted.

If the Scheme becomes effective, it will be binding on all of the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the EGM.

If you are in doubt as to the contents of this Scheme Document, any aspect of the Proposal or any action to be taken, you are encouraged to consult a licensed securities dealer or registered institution in securities, stockbroker, bank manager, solicitor, professional accountant or other professional adviser and obtain independent professional advice.

The timetable set out below is indicative only and is subject to change. Any change to the timetable will be jointly announced by the Offeror and the Company. Unless otherwise specified, all times and dates refer to Hong Kong local times and dates.

Date of despatch of this Scheme Document..... Friday, 6 June 2025

Date of despatch of the Option Offer Letter..... Friday, 6 June 2025

Latest time for Option Holders to lodge notices of exercise
(accompanied by full payment of the exercise price) of
their vested Share Options in order to become
a Scheme Shareholder entitled to attend and vote
at the Court Meeting and/or the EGM..... 3:30 p.m. on Tuesday, 24 June 2025

Latest time for lodging transfers of Shares
in order to become entitled to attend and vote at
the Court Meeting and/or the EGM 4:30 p.m. on Tuesday, 24 June 2025

Closure of the Register for determining the entitlements of the
holders of the Scheme Shares to attend and vote at the Court Meeting,
and for determining the entitlements of the Shareholders
to attend and vote at the EGM (*Note 1*) from Wednesday, 25 June 2025
to Monday, 30 June 2025
(both days inclusive)

Latest time for lodging the respective forms of proxy in respect of (*Note 2*):

- the Court Meeting 10:00 a.m. on Friday, 27 June 2025
- the EGM 10:15 a.m. on Friday, 27 June 2025

Meeting Record Date..... Monday, 30 June 2025

Court Meeting (*Note 3*)..... 10:00 a.m. on Monday, 30 June 2025

EGM (*Note 3*) 10:15 a.m. on Monday, 30 June 2025
(or if later, immediately after the conclusion or
adjournment of the Court Meeting)

Announcement of the results of the Court Meeting and
the EGM posted on the website of
the Stock Exchange by 7:00 p.m. on Monday, 30 June 2025

Expected latest time for trading in the Shares on
the Stock Exchange 4:10 p.m. on Monday, 28 July 2025

Latest time for Option Holders to lodge notice of exercise of their vested Share Options to qualify for entitlements under the Scheme (<i>Note 4</i>) ...	3:30 p.m. on Thursday, 7 August 2025
Latest time for lodging the Form of Acceptance in relation to the Option Offer (<i>Note 5</i>)	4:00 p.m. on Thursday, 7 August 2025
Latest time for lodging transfers of Shares in order to qualify for entitlements under the Scheme	4:30 p.m. on Thursday, 7 August 2025
Closure of the Register for determining the entitlements of the Scheme Shareholders under the Scheme (<i>Note 6</i>).....	from Friday, 8 August 2025 onwards
Court Hearing to sanction the Scheme.....	Wednesday, 13 August 2025
Announcement of the results of the Court Hearing, the expected Effective Date and the expected date of the withdrawal of the listing of the Shares on the Stock Exchange	Wednesday, 13 August 2025
Scheme Record Date	Wednesday, 13 August 2025
Effective Date (<i>Note 7</i>)	Friday, 15 August 2025
Option Offer becomes unconditional	Friday, 15 August 2025
Announcement of (1) the Effective Date, (2) the results of the Option Offer, and (3) the expected date of withdrawal of the listing of the Shares on the Stock Exchange	by 8:30 a.m. on Monday, 18 August 2025
Withdrawal of the listing of the Shares on the Stock Exchange becomes effective (<i>Note 8</i>)	after 4:00 p.m. on Tuesday, 19 August 2025
Latest date to despatch cheques for payment of (1) the Cancellation Price to the Scheme Shareholders and (2) the Option Offer Price to the Option Holders who have accepted the Option Offer (<i>Note 9</i>)	On or before Tuesday, 26 August 2025

Notes:

- (1) The Register will be closed during such period for the purpose of determining the entitlements of the holders of the Scheme Shares to attend and vote at the Court Meeting and of the Shareholders to attend and vote at the EGM. For the avoidance of doubt, this book closure period is not for determining the entitlements of the holders of the Scheme Shares under the Scheme.
- (2) Forms of proxy should be lodged with the office of the Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event no later than the time and date stated above. In order to be valid, the **pink** form of proxy for the Court Meeting and the **white** form of proxy for the EGM must be lodged no later than the latest times and date stated above. Alternatively, the **pink** form of proxy may be handed to the chairman of the Court Meeting before the taking of the poll, who shall have absolute discretion as to whether or not to accept it.

Completion and return of a form of proxy for the Court Meeting or the EGM will not preclude a holder of Scheme Shares and a Shareholder, respectively, from attending the relevant meeting and voting in person. In the event that the holder of Scheme Shares or the Shareholder attends and votes at the relevant meeting or any adjournment thereof after having lodged his/her/its form of proxy, the returned form of proxy shall be deemed to have been revoked.

- (3) The Court Meeting and the EGM will be held at 24/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong at the times and date specified above. Please see the Notice of the Court Meeting and the Notice of the EGM set out in Appendices IV and V to this Scheme Document, respectively, for details. If a tropical cyclone warning signal No. 8 or above is or is expected to be hoisted or "extreme conditions" announced by the Government of Hong Kong or a black rainstorm warning signal is or is expected to be in force at any time after 7:00 a.m. on the date of the Court Meeting and the EGM, the Court Meeting and the EGM will be postponed. The Company will post an announcement on the respective websites of the Stock Exchange and the Company to notify the holders of Scheme Shares and the Shareholders of the date, time and venue of the rescheduled Court Meeting and EGM.
- (4) If any Share Options are not exercised by the Options Latest Exercise Time, they shall lapse on the Effective Date in accordance with the rules of the Share Option Schemes if the Scheme becomes effective.
- (5) The Form of Acceptance, duly completed and executed in accordance with the instructions on it, and the relevant documents must be lodged with the Company at 8th Floor of D2 Place ONE, No. 9 Cheung Yee Street, Cheung Sha Wan, Kowloon, Hong Kong, for the attention of the company secretary of the Company and marked "Tam Jai International — Option Offer" by no later than 4:00 p.m. on Thursday, 7 August 2025 (or such later date and time as may be notified to you by the Offeror and the Company).
- (6) The Register will be closed during such period for the purposes of determining the Scheme Shareholders who are qualified for entitlements under the Scheme.
- (7) The Scheme will become effective upon all the Conditions set out in the section headed "5. *Conditions of the Proposal and the Scheme*" in the Explanatory Statement having been satisfied or waived (as applicable).
- (8) If the Scheme becomes effective on Friday, 15 August 2025, it is expected that the listing of the Shares on the Stock Exchange will be withdrawn after 4:00 p.m. on Tuesday, 19 August 2025.
- (9) Cheques for payment of the Cancellation Price to the Scheme Shareholders will be despatched no later than seven (7) Business Days after the Effective Date by ordinary post in postage pre-paid envelopes addressed to the person(s) entitled thereto at their respective addresses as appearing on the Register as at the Scheme Record Date or, in the case of joint holders, at the address appearing on the Register as at the Scheme Record Date of the joint holder whose name then stands first in the Register in respect of the relevant joint holding.

Cheques for payment of the Option Offer Price to the Option Holders who have accepted the Option Offer will be despatched no later than seven (7) Business Days after the Effective Date by ordinary post in postage pre-paid envelopes addressed to the person(s) entitled thereto at their respective last known addresses as notified by the Option Holders to the Group.

Cheques shall be posted at the risk of the person(s) entitled thereto and none of the Offeror, the Company, Daiwa, Somerley, the Independent Financial Adviser and the Share Registrar and their respective directors, employees, officers, agents, advisers, associates and affiliates and any other persons involved in the Proposal shall be responsible for any loss or delay in transmission.

- (10) If a tropical cyclone warning signal number 8 or above, or a black rainstorm warning, or “extreme conditions” as announced by the Government of Hong Kong is/are in force in Hong Kong on any of the following deadlines (the “**Key Deadline(s)**”):
- the latest date for lodging the Form of Acceptance for the acceptance of the Option Offer;
 - the submission and publication deadline for the announcement required under Rule 19.1 of the Takeovers Code; and
 - the latest date to dispatch cheques for payment of the Cancellation Price to the Scheme Shareholders and the Option Offer Price to the Option Holders under Rule 20 of the Takeovers Code,
 - (a) at any time before 12:00 noon but no longer in force at or after 12:00 noon on any Key Deadline, such Key Deadline will remain on the same Business Day; or
 - (b) at any time at or after 12:00 noon on any Key Deadline, such Key Deadline will be postponed to the next following Business Day which does not have any of those warnings in force at 12:00 noon and/or thereafter, or such other day as the Executive may approve in accordance with the Takeovers Code.



Tam Jai International Co. Limited

譚仔國際有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 2217)

Executive Directors:

Mr. Lau Tat Man (*Chairman*)

Ms. Chan Ping, Rita

Mr. Yeung Siu Cheong

Non-executive Directors:

Mr. Yamaguchi Satoshi

Mr. Hatamoto Toru

Mr. Someya Norifumi

Independent Non-executive Directors:

Mr. Lee Kwok Ming

Mr. Loo Kwok Wing

Mr. Yeung Yiu Keung

*Registered Office and Principal Place
of Business in Hong Kong:*

8th floor of D2 Place ONE

No. 9 Cheung Yee Street

Cheung Sha Wan

Kowloon

Hong Kong

6 June 2025

To the Shareholders and Option Holders

Dear Sir or Madam,

**(1) PROPOSAL FOR THE PRIVATISATION OF
TAM JAI INTERNATIONAL CO. LIMITED
BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 673 OF THE COMPANIES ORDINANCE
AND
(2) PROPOSED WITHDRAWAL OF LISTING OF
TAM JAI INTERNATIONAL CO. LIMITED**

1. INTRODUCTION

Reference is made to the Announcement.

On 3 February 2025 (after trading hours), the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the privatisation of the Company by way of the Scheme, being a scheme of arrangement under Section 673 of the Companies Ordinance, which, if implemented, would result in the Company becoming wholly-owned by the Offeror and the withdrawal of listing of the Shares from the Stock Exchange.

The purpose of this Scheme Document is to provide you with further information regarding the Proposal, the Option Offer and the Scheme, and to give you notices of the Court Meeting and the EGM (together with proxy forms in relation thereto).

Your attention is also drawn to (i) the letter from the Independent Board Committee set out in Part V of this Scheme Document; (ii) the letter from the Independent Financial Adviser set out in Part VI of this Scheme Document; (iii) the Explanatory Statement set out in Part VII of this Scheme Document; (iv) the terms of the Scheme set out in Appendix III to this Scheme Document; (v) the terms of the Option Offer set out in Appendix VI to this Scheme Document; and (vi) other appendices to this Scheme Document.

2. TERMS OF THE PROPOSAL

2.1 The Proposal

As at the Latest Practicable Date:

- (i) the issued share capital of the Company comprised 1,346,779,890 Shares, including 4,945,100 Shares that were held by Blessing Keen (representing approximately 0.37% of the issued share capital of the Company), of which (a) 2,931,600 Shares were Awarded Shares granted under the Share Award Scheme that were subject to vesting and were held by Blessing Keen on trust for the Share Award Grantees; and (b) 2,013,500 Shares were the Trustee Held Pool Shares;
- (ii) a total of 4,396,410 Share Options were outstanding, including: (i) 681,410 Pre-IPO Share Options granted under the Pre-IPO Share Option Scheme with an exercise price of HK\$0.85 per Share, all of which had vested; and (ii) 3,715,000 Post-IPO Share Options granted under the Post-IPO Share Option Scheme with an exercise price of HK\$2.638 per Share, all of which had vested;
- (iii) other than the 1,346,779,890 Shares in issue and the 4,396,410 Share Options that were outstanding, the Company had no outstanding options, warrants, derivatives, convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company that carried a right to subscribe for or which were convertible into the Shares;
- (iv) the Offeror held 1,000,000,000 Shares, representing approximately 74.25% of the issued share capital of the Company. Other than the Shares held by the Offeror and the Daiwa Held Custodian Shares, the Offeror Concert Parties did not hold or beneficially own any Shares. None of the Offeror and the Offeror Concert Parties held or beneficially owned any Awarded Shares or Share Options;
- (v) the Scheme Shares comprised a total 346,779,890 Shares held by the Scheme Shareholders, representing approximately 25.75% of the issued share capital of the Company; and

- (vi) if all of the outstanding Share Options are exercised and the relevant Option Holders have become Scheme Shareholders before the Scheme Record Date, the Scheme Shares would comprise a total of 351,176,300 Shares held by the Scheme Shareholders, representing approximately 25.99% of the enlarged issued share capital of the Company.

Shares held or beneficially owned by the Offeror will not form part of the Scheme Shares. For the avoidance of doubt, the Daiwa Held Custodian Shares will form part of the Scheme Shares.

If the Proposal is approved and implemented:

- (a) all the Scheme Shares held by the Scheme Shareholders will be cancelled and extinguished on the Effective Date in exchange for the payment by the Offeror to the Scheme Shareholders of the Cancellation Price of HK\$1.58 in cash, less the Dividend Adjustment (if any), for each Scheme Share;
- (b) upon the cancellation and extinguishment of the Scheme Shares, the issued share capital of the Company will be restored to its former number by the issuance to the Offeror, credited as fully paid, of the same number of new Shares as the number of Scheme Shares cancelled and extinguished. The reserve created in the Company's books of account as a result of any reduction in issued share capital will be applied to the paying up in full of the new Shares so issued, credited as fully paid, to the Offeror. The Offeror will directly hold 100% of the issued share capital of the Company; and
- (c) the listing of the Shares on the Stock Exchange will be withdrawn with effect after the Effective Date.

2.2 Cancellation Price

Under the Scheme, the Cancellation Price will be in the amount of HK\$1.58 per Scheme Share, which amount (less the Dividend Adjustment (if any)) will be payable by the Offeror to the Scheme Shareholders in the form of cash.

The Offeror will not increase the Cancellation Price and does not reserve the right to do so. Shareholders, Option Holders, Share Award Grantees and potential investors of the Company should be aware that, following the making of this statement, the Offeror will not be allowed under the Takeovers Code to increase the Cancellation Price.

As at the Latest Practicable Date, the Company had not announced or declared any dividend, distribution or other return of capital which remains unpaid. The Company does not intend to announce, declare and, or pay any dividend, distribution or other return of capital before the Effective Date, or the date on which the Scheme is not approved or the Proposal otherwise lapses or is withdrawn (as the case may be).

However, if, after the Latest Practicable Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Offeror expressly reserves the right to reduce the Cancellation Price by all or any part of the amount or value of such dividend and/or distribution and/or return of capital, as the case may be, per Share after consultation with the Executive, in which case any reference in this Scheme Document or any other announcement or document to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced.

2.3 Comparison of value

The Cancellation Price of HK\$1.58 in cash for every Scheme Share cancelled and extinguished under the Scheme represents:

- (i) a premium of approximately 8.97% over the closing price of HK\$1.450 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a premium of approximately 75.56% over the closing price of HK\$0.900 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a premium of approximately 80.37% over the average closing price of approximately HK\$0.876 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;
- (iv) a premium of approximately 88.32% over the average closing price of approximately HK\$0.839 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;
- (v) a premium of approximately 96.27% over the average closing price of approximately HK\$0.805 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- (vi) a premium of approximately 98.24% over the average closing price of approximately HK\$0.797 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Day;
- (vii) a premium of approximately 75.75% over the average closing price of approximately HK\$0.899 per Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Day;
- (viii) a premium of approximately 7.48% over the closing price of HK\$1.470 per Share as quoted on the Stock Exchange on the Resumption Day;

- (ix) a premium of approximately 7.48% over the average closing price of approximately HK\$1.470 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days from and including the Resumption Day;
- (x) a premium of approximately 7.56% over the average closing price of approximately HK\$1.469 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days from and including the Resumption Day;
- (xi) a premium of approximately 7.05% over the average closing price of approximately HK\$1.476 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days from and including the Resumption Day;
- (xii) a premium of approximately 6.97% over the average closing price of approximately HK\$1.477 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days from and including the Resumption Day;
- (xiii) a premium of approximately 47.25% over the unaudited consolidated net asset value per Share attributable to the Shareholders of approximately HK\$1.073 as at 30 September 2024 (calculated based on the unaudited consolidated net asset value of the Company attributable to Shareholders of approximately HK\$1,445.24 million as at 30 September 2024 as extracted from the Company's 2024/25 interim report and 1,346,698,490 Shares (being the number of Shares in issue as at 30 September 2024)); and
- (xiv) a premium of approximately 44.69% over the audited consolidated net asset value per Share attributable to the Shareholders of approximately HK\$1.092 as at 31 March 2025 (calculated based on the audited consolidated net asset value of the Company attributable to Shareholders of approximately HK\$1,470.14 million as at 31 March 2025 as extracted from the Company's annual results announcement for the year ended 31 March 2025 and 1,346,779,890 Shares (being the number of Shares in issue as at 31 March 2025)).

The Cancellation Price has been determined by the Offeror after taking into account, among other things, the following factors:

- (a) the recent and historical prices of the Shares, including (i) the highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the period from 18 February 2024 (being approximately one year prior to the Announcement Date) up to and including the Last Trading Day (the “**Pre-Announcement Period**”), being HK\$1.22 per Share on 27 May 2024, and HK\$0.74 per Share on 14 and 15 November 2024, respectively, (ii) the closing price of HK\$0.90 per Share as quoted on the Stock Exchange on the Last Trading Day, and (iii) the average closing prices of the Shares as quoted on the Stock Exchange for 5, 10, 30, 90 and 180 trading days before and up to the Last Trading Day;

- (b) the relatively low trading volume of the Shares during the Pre-Announcement Period, with the monthly average daily trading volume of the Shares to the total number of issued Shares held by the public being less than 1%; and
- (c) the premiums of the cancellation prices of other privatisation transactions relating to companies listed on the Stock Exchange in recent years.

The Directors (other than those on the Independent Board Committee whose views are set out in the letter from the Independent Board Committee in Part V of this Scheme Document) are of the view that the Cancellation Price is fair and reasonable after taking into account the factors set out in paragraph 4.1 of the section headed “4. *Reasons for and Benefits of the Proposal*” in the Explanatory Statement in Part VII of this Scheme Document, and the above factors.

2.4 Highest and lowest prices

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$1.52 per Share on 9 May 2025, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.74 per Share on 14 and 15 November 2024.

2.5 The Option Offer

As at the Latest Practicable Date, a total of 4,396,410 Share Options were outstanding under the Share Option Schemes, including:

- (i) 681,410 Pre-IPO Share Options granted under the Pre-IPO Share Option Scheme with an exercise price of HK\$0.85 per Share, all of which had vested; and
- (ii) 3,715,000 Post-IPO Share Options granted under the Post-IPO Share Option Scheme with an exercise price of HK\$2.638 per Share, all of which had vested.

The Pre-IPO Share Option Scheme had automatically terminated upon the Listing and no further Pre-IPO Share Options may be granted by the Company under the Pre-IPO Share Option Scheme.

The Company has no intention to grant further Post-IPO Share Options under the Post-IPO Share Option Scheme between (a) the Announcement Date and (b) (i) the Effective Date or (ii) if the Scheme is not approved or does not become effective, or the Proposal otherwise lapses or is withdrawn, the date on which the Scheme is not approved or does not become effective or the Proposal otherwise lapses or is withdrawn (as the case may be).

To the extent that the outstanding Share Options have not otherwise lapsed, been cancelled or exercised, the Offeror will make (or procure to be made on its behalf) the Option Offer to the Option Holders in accordance with Rule 13 of the Takeovers Code to cancel every outstanding Share Option, conditional upon the Scheme becoming effective.

Upon the Option Offer, the Offeror will offer the Option Holders the “see-through” Option Offer Price (being the Cancellation Price minus the relevant exercise price of the outstanding Share Option) for the cancellation of every Share Option. Where the exercise price of the relevant Share Option exceeds the Cancellation Price, the “see-through” Option Offer Price is zero and a cash offer of a nominal amount of HK\$0.0001 per Share Option will be made by the Offeror for the cancellation of each outstanding Share Option held. In this regard, the relevant Option Offer Price applicable to the Share Options is as follows:

For every Pre-IPO Share Option cancelled HK\$0.73 in cash

For every Post-IPO Share Option cancelled HK\$0.0001 in cash

Further information on the Option Offer is set out in the Option Offer Letter in substantially the form set out in Appendix VI to this Scheme Document.

Details of the Option Holders as at the Latest Practicable Date are set out in the section headed “6. *Shareholding Structure of the Company*” of the Explanatory Statement in Part VII of this Scheme Document.

None of the Offeror or the Offeror Concert Parties held any Share Options as at the Latest Practicable Date.

In the event that any of the outstanding Share Options are exercised on or prior to the Scheme Record Date in accordance with the relevant terms and conditions of the Share Option Schemes, any Shares issued as a result of the exercise of such outstanding Share Options will be subject to and eligible to participate in the Scheme as Scheme Shares.

If any Option Holder does not: (i) exercise his or her outstanding Share Options before the Options Latest Exercise Time to become a Scheme Shareholder before the Scheme Record Date in accordance with the rules of the Share Option Schemes and the Scheme Document; or (ii) accept the Option Offer, his or her Share Options will lapse on the Effective Date in accordance with the rules of the Share Option Schemes without any payment made to him or her if the Scheme becomes effective.

2.6 Awarded Shares subject to vesting under the Share Award Scheme

As at the Latest Practicable Date, there were a total of 4,945,100 Shares held by Blessing Keen (representing approximately 0.37% of the issued share capital of the Company), of which:

- (i) 2,931,600 Shares were Awarded Shares granted under the Share Award Scheme that were subject to vesting with vesting dates in October 2025 and 2026, as the case may be, and were held by Blessing Keen on trust for the Share Award Grantees; and

- (ii) 2,013,500 Shares were held by Blessing Keen as the Trustee Held Pool Shares that were unutilized under the Share Award Scheme.

Details of the Share Award Grantees as at the Latest Practicable Date are set out in the section headed “6. *Shareholding Structure of the Company*” of the Explanatory Statement in Part VII of this Scheme Document.

Blessing Keen is a special purpose vehicle which is wholly-owned by the Trustee for the sole purpose of holding Shares on trust for the grantees of the Share Award Scheme.

All of the Awarded Shares and Trustee Held Pool Shares which are still held by Blessing Keen as of the Scheme Record Date shall form part of the Scheme Shares and be cancelled upon the Scheme becoming effective. Conditional upon the Scheme becoming effective, the Offeror shall pay to Blessing Keen an amount equivalent to the Cancellation Price multiplied by the number of Awarded Shares and Trustee Held Pool Shares, which:

- (a) for the amount which corresponds to the Awarded Shares that are subject to vesting, such amount shall be held on trust by Blessing Keen and shall be payable to (if vested) the relevant Share Award Grantees on the vesting date(s) of the respective Awarded Shares, or (if not vested) the Company upon the termination of the Share Award Scheme; and
- (b) for the amount which corresponds to the Trustee Held Pool Shares, such amount shall be paid to the Company after Blessing Keen receives such amount from the Offeror under the Scheme and upon the termination of the Share Award Scheme.

Pursuant to the rules of the Share Award Scheme and the Trust Deed, the Share Award Grantees shall have no voting rights in respect of the unvested Awarded Shares, and Blessing Keen shall not exercise the voting rights in respect of the Shares held by it under trust. Accordingly, all of the Awarded Shares will not be voted at the Court Meeting and the EGM notwithstanding that such Shares form part of the Scheme Shares.

The Company has no intention to grant further Awarded Shares under the Share Award Scheme between (a) the Announcement Date and (b)(i) the Effective Date or (ii) if the Scheme is not approved or does not become effective, or the Proposal otherwise lapses or is withdrawn, the date on which the Scheme is not approved or does not become effective or the Proposal otherwise lapses or is withdrawn (as the case may be).

3. FINANCIAL RESOURCES

Daiwa has been appointed as the financial adviser to the Offeror in connection with the Proposal.

As at the Latest Practicable Date, the Scheme Shareholders held 346,779,890 Scheme Shares. To the extent that all the outstanding Share Options are exercised and the relevant Option Holders have become Scheme Shareholders before the Scheme Record Date, and assuming that there is no

other change in the shareholding of the Company before the Scheme Record Date, the Scheme Shareholders will hold up to 351,176,300 Scheme Shares. In this regard, and on the basis of the Cancellation Price of HK\$1.58 per Scheme Share, the maximum amount of cash consideration required for the cancellation and extinguishment of the Scheme Shares is approximately HK\$554.9 million.

The Offeror intends to finance the cash requirement for the Proposal through its internal financial resources.

Daiwa, the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror to satisfy the maximum amount of cash consideration required to effect the Proposal.

4. REASONS FOR AND BENEFITS OF THE PROPOSAL

You are urged to read carefully the section headed “*4. Reasons for and Benefits of the Proposal*” in the Explanatory Statement in Part VII of this Scheme Document.

5. CONDITIONS OF THE PROPOSAL AND THE SCHEME

The implementation of the Proposal is, and the Scheme will become effective and binding on the Company and all the Scheme Shareholders, subject to the fulfilment or waiver (as applicable) of the Conditions as described in the section headed “*5. Conditions of the Proposal and the Scheme*” in the Explanatory Statement in Part VII of this Scheme Document, on or before the Long Stop Date. The Option Offer will be made conditional upon the Scheme becoming effective.

If the Scheme is approved by the Scheme Shareholders and sanctioned by the High Court, all requirements of the Companies Ordinance are complied with, and all other Conditions are fulfilled or waived (as the case may be), the Scheme will be binding on all the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting and/or the EGM.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under the Takeovers Code on the Offeror making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with it in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may, within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses, announce an offer or possible offer for the Company, except with the consent of the Executive.

Shareholders, Option Holders, Share Award Grantees and potential investors of the Company should be aware that the implementation of the Proposal, the Option Offer and the Scheme are subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal and the Option Offer may or may not be implemented, and the Scheme may or may not become effective. Shareholders, Option Holders, Share Award Grantees and potential investors of the Company should therefore exercise caution when dealing in the securities of

the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, licensed securities dealer, registered institution in securities, bank manager, solicitor or other professional advisers.

6. SHAREHOLDING STRUCTURE OF THE COMPANY

As at the Latest Practicable Date:

- (a) the issued share capital of the Company comprised 1,346,779,890 Shares, including 4,945,100 Shares that were held by Blessing Keen (representing approximately 0.37% of the issued share capital of the Company), of which (i) 2,931,600 Shares were Awarded Shares granted under the Share Award Scheme that were subject to vesting and were held by Blessing Keen on trust for the Share Award Grantees; and (ii) 2,013,500 Shares were the Trustee Held Pool Shares;
- (b) a total of 4,396,410 Share Options were outstanding, including (i) 681,410 Pre-IPO Share Options granted under the Pre-IPO Share Option Scheme with an exercise price of HK\$0.85 per Share, all of which had vested; and (ii) 3,715,000 Post-IPO Share Options granted under the Post-IPO Share Option Scheme with an exercise price of HK\$2.638 per Share, all of which had vested;
- (c) other than the 1,346,779,890 Shares in issue and the 4,396,410 outstanding Share Options, the Company had no outstanding options, warrants, derivatives, convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company that carried a right to subscribe for or which were convertible into the Shares;
- (d) the Offeror held 1,000,000,000 Shares, representing approximately 74.25% of the issued share capital of the Company;
- (e) except for Shares held by member(s) of the Daiwa Group acting in the capacity of exempt principal trader(s) and/or exempt fund manager(s), members of the Daiwa Group did not beneficially own, control or have direction over any Shares or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company;
- (f) the Daiwa Held Custodian Shares, being 78,000 Shares, representing approximately 0.006% of the issued share capital of the Company, were held by Daiwa as custodian for clients on a non-discretionary basis. Daiwa and other members of the Daiwa Group did not beneficially own, control or have direction over any of the Daiwa Held Custodian Shares;
- (g) save as disclosed in sub-paragraphs (d), (e) and (f) above, the Offeror and the Offeror Concert Parties did not hold or have control or direction over any other Shares or any options, warrants, derivatives or securities convertible into Shares or other derivatives in respect of securities in the Company;

- (h) the Scheme Shares comprised a total of 346,779,890 Shares held or beneficially owned by the Scheme Shareholders, representing approximately 25.75% of the issued share capital of the Company;
- (i) with reference to the closing price of HK\$1.450 per Share as quoted on the Stock Exchange on the Latest Practicable Date, the outstanding Post-IPO Share Options were out of the money. However, if all of the outstanding Share Options (including the Post-IPO Share Options) are exercised and the relevant Option Holders have become Scheme Shareholders before the Scheme Record Date, the Scheme Shares would comprise a total of 351,176,300 Shares held or beneficially owned by the Scheme Shareholders, representing approximately 25.99% of the enlarged issued share capital of the Company;
- (j) neither the Offeror nor the Offeror Concert Parties had entered into any outstanding derivative in respect of the securities in the Company;
- (k) neither the Offeror nor the Offeror Concert Parties had borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company;
- (l) save for the dealings in the Shares by any member of the Daiwa Group which are conducted on a non-discretionary basis for and on behalf of its clients, none of the Offeror, the directors of the Offeror and the Offeror Concert Parties had dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares during the Relevant Period;
- (m) as the Daiwa Held Custodian Shares were not held by or on behalf of (i) the Offeror or (ii) an associate of the Offeror (as defined under section 667(1) of the Companies Ordinance) or (iii) a person (or a nominee on behalf of such person) who is a party to an acquisition agreement (within the meaning of section 667(5) of the Companies Ordinance) with the Offeror, the Daiwa Held Custodian Shares were regarded as disinterested Shares for the purpose of the Companies Ordinance (i.e. the CO Disinterested Shares). In addition, as Daiwa and other members of the Daiwa Group did not beneficially own, control or have direction over any of the Daiwa Held Custodian Shares, the Daiwa Held Custodian Shares were regarded as disinterested Shares for the purpose of the Takeovers Code (i.e. the TC Disinterested Shares); and
- (n) subject to sub-paragraph (m) above, all Shareholders (other than the Offeror and the Offeror Concert Parties) were considered as Independent Shareholders for the purpose of the Takeovers Code and holders of CO Disinterested Shares for the purpose of the Companies Ordinance.

Shares held or beneficially owned by the Offeror will not form part of the Scheme Shares. For the avoidance of doubt, the Daiwa Held Custodian Shares will form part of the Scheme Shares.

Upon the Scheme becoming effective, the Offeror will directly hold 100% of the issued share capital of the Company.

All Shareholders will be entitled to vote on the special resolution to be proposed at the EGM to approve and give effect to the Scheme, including the approval of the reduction of the share capital of the Company by cancelling and extinguishing the Scheme Shares and the issue to the Offeror of such number of new Shares (credited as fully paid) as is equal to the number of the Scheme Shares cancelled, which is set out in the section headed “5. *Conditions of the Proposal and the Scheme*” in the Explanatory Statement in Part VII of this Scheme Document. The Offeror and the Offeror Concert Parties will also be entitled to vote on the special resolution to be proposed at the EGM to approve and give effect to the Scheme.

The table setting out the shareholding structure of the Company as at the Latest Practicable Date and immediately upon the Scheme becoming effective is set out in the section headed “6. *Shareholding Structure of the Company*” in the Explanatory Statement in Part VII of this Scheme Document.

7. INFORMATION ON THE GROUP

The Company is a company incorporated in Hong Kong with limited liability whose shares are listed on the Main Board of the Stock Exchange. The Company is principally engaged in investment holding, procurement and trading of food and processed food. The Group is a restaurant chain operator of the TamJai and SamGor branded fast casual restaurant chain in Hong Kong with operations also in Mainland China, Singapore and Japan, specialising in mixian (a type of rice noodle). The Group also operates restaurants under other licensed brands including Marugame Seimen and Yakiniiku Yamagyu.

Your attention is drawn to Appendix I to this Scheme Document, and the section headed “10. *Information on the Group*” in the Explanatory Statement in Part VII of this Scheme Document.

8. INFORMATION ON THE OFFEROR AND THE OFFEROR CONCERT PARTIES

Your attention is drawn to the section headed “9. *Information on the Offeror and the Offeror Concert Parties*” in the Explanatory Statement in Part VII of this Scheme Document.

9. THE INTENTIONS OF THE OFFEROR IN RELATION TO THE GROUP

Your attention is drawn to the section headed “11. *The Intentions of the Offeror in relation to the Group*” in the Explanatory Statement in Part VII of this Scheme Document.

The Board is pleased to note that as at the Latest Practicable Date, the Offeror had no intention, upon the Scheme becoming effective, to make any material changes to the business of the Group, or the continued employment of the employees of the Group (other than changes made in the ordinary course of business).

10. THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, which comprises all the independent non-executive Directors, namely Mr. Loo Kwok Wing, Mr. Lee Kwok Ming and Mr. Yeung Yiu Keung, has been established by the Board in accordance with Rule 2.1 of the Takeovers Code to make a recommendation to the Independent Shareholders and the Option Holders as to whether the terms of the Proposal, the Option Offer and the Scheme are, or are not, fair and reasonable and as to voting at the Court Meeting and the EGM and as to acceptance of the Option Offer.

Pursuant to Rule 2.8 of the Takeovers Code, members of the Independent Board Committee should comprise all non-executive Directors who have no direct or indirect interest in the Proposal and the Option Offer. Mr. Yamaguchi Satoshi, Mr. Someya Norifumi and Mr. Hatamoto Toru, all being non-executive Directors, are senior executives of Toridoll Japan, of which the Offeror is a wholly-owned subsidiary, therefore they have not been included as members of the Independent Board Committee.

The full text of the letter from the Independent Board Committee is set out in Part V of this Scheme Document.

11. INDEPENDENT FINANCIAL ADVISER

The Company has, with the approval of the Independent Board Committee, appointed Lego Corporate Finance Limited as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Proposal, the Option Offer and the Scheme.

The full text of the letter from the Independent Financial Adviser is set out in Part VI of this Scheme Document.

12. OVERSEAS SCHEME SHAREHOLDERS AND OPTION HOLDERS

If you are an overseas holder of the Scheme Shares or Share Options, your attention is drawn to the section headed “*17. Overseas Scheme Shareholders and Option Holders*” in the Explanatory Statement in Part VII of this Scheme Document.

13. COURT MEETING AND EGM

For the purpose of exercising your right to vote at the Court Meeting and the EGM, you are requested to read carefully the section headed “*19. Court Meeting and EGM*” in the Explanatory Statement in Part VII of this Scheme Document, the notices of the Court Meeting and the EGM in Appendix IV and Appendix V, respectively, to this Scheme Document, and Part II “Actions to be Taken” of this Scheme Document.

14. VOTING AT THE COURT MEETING AND THE EGM

All Scheme Shareholders whose names appear on the Register as at the Meeting Record Date will be entitled to attend and vote on the Scheme at the Court Meeting.

As at the Latest Practicable Date, the Offeror held 1,000,000,000 Shares, representing approximately 74.25% of the issued share capital of the Company, and the Offeror Concert Parties did not hold any Shares. Shares held by the Offeror will not form part of the Scheme Shares and will not be cancelled and extinguished upon the Scheme becoming effective.

Each of the Offeror and the Offeror Concert Parties will procure that any Shares in respect of which they are beneficially interested will not be represented or voted at the Court Meeting. The Offeror will undertake to the High Court that it will be bound by the Scheme and will execute and do all things as may be necessary or desirable to be executed and done by it for the purposes of the Scheme.

All Shareholders are entitled to attend the EGM and vote on the special resolution to be proposed at the EGM to approve and give effect to the reduction of capital and the implementation of the Scheme. The Offeror has indicated that, if the Scheme is approved at the Court Meeting, the Offeror will vote in favour of the special resolution to be proposed at the EGM to approve and give effect to the Scheme, including the approval of the reduction of the issued share capital of the Company by cancelling and extinguishing the Scheme Shares and of the issue to the Offeror of such number of new Shares as is equal to the number of the Scheme Shares cancelled.

Notwithstanding the above:

- (a) Blessing Keen, which held 4,945,100 Shares (representing approximately 0.37% of the issued share capital of the Company) as at the Latest Practicable Date under trust for the purpose of the Share Award Scheme, is a Scheme Shareholder and eligible to attend and vote the Shares held by it as at the Meeting Record Date at the Court Meeting and the EGM, but pursuant to the Trust Deed and the rules of the Share Award Scheme, Blessing Keen shall not exercise the voting rights in respect of such Shares at the Court Meeting and the EGM.
- (b) Shares held by any member of the Daiwa Group acting in the capacity of an exempt principal trader connected with the Offeror shall not be voted at the Court Meeting or the EGM in accordance with the requirement of Rule 35.4 of the Takeovers Code. Shares held by such exempt principal traders may be allowed to be voted at the Court Meeting and the EGM if: (i) such member of the Daiwa Group holds the relevant Shares as a simple custodian for and on behalf of non-discretionary clients; (ii) there are contractual arrangements in place between such member of the Daiwa Group and such non-discretionary client that strictly prohibit such member of the Daiwa Group from exercising any voting discretion over such Shares; (iii) all voting instructions shall

originate from such non-discretionary client only (if no instructions are given, then no votes shall be cast for the relevant Shares held by such member of the Daiwa Group); and (iv) such non-discretionary client is not the Offeror or an Offeror Concert Party.

As at the Latest Practicable Date, the Daiwa Held Custodian Shares, being 78,000 Shares (representing approximately 0.006% of the issued share capital of the Company), were held by Daiwa as custodian for clients on a non-discretionary basis, and such Shares shall be part of the Scheme Shares. As the Daiwa Held Custodian Shares fulfil the requirements under (i) to (iv) above, the Daiwa Held Custodian Shares are regarded as disinterested Shares for the purpose of the Takeovers Code (i.e. the TC Disinterested Shares) and may be voted at the Court Meeting and the EGM.

In addition, as the Daiwa Held Custodian Shares are not held by or on behalf of (a) the Offeror or (b) an associate of the Offeror (as defined under section 667(1) of the Companies Ordinance) or (c) a person (or a nominee on behalf of such person) who is a party to an acquisition agreement (within the meaning of section 667(5) of the Companies Ordinance) with the Offeror, the Daiwa Held Custodian Shares are regarded as disinterested Shares for the purpose of the Companies Ordinance (i.e. the CO Disinterested Shares).

15. ACTIONS TO BE TAKEN

The actions which you are required to take in relation to the Proposal and the Option Offer (as the case may be) are set out under Part II “Actions to be Taken” on pages 11 to 16 of this Scheme Document.

16. RECOMMENDATIONS

The Independent Financial Adviser has advised the Independent Board Committee that it considers the terms of the Proposal and the Option Offer are fair and reasonable so far as the Independent Shareholders and the Option Holders are concerned, and accordingly, advises the Independent Board Committee to recommend (i) the Independent Shareholders to vote in favour of the relevant resolution(s) to be proposed at the Court Meeting and the EGM to approve and implement the Proposal and the Scheme; and (ii) the Option Holders to accept the Option Offer.

The Independent Board Committee, having considered the terms of the Proposal and the Option Offer, and having taken into account the advice of the Independent Financial Adviser, considers that the terms of the Proposal and the Option Offer are fair and reasonable so far as the Independent Shareholders and the Option Holders are concerned and recommends (i) the Independent Shareholders to vote in favour of the relevant resolution(s) to be proposed at the Court Meeting and the EGM to approve and implement the Proposal and the Scheme; and (ii) the Option Holders to accept the Option Offer.

Your attention is drawn to the recommendations of the Independent Financial Adviser to the Independent Board Committee, in respect of the Proposal and the Option Offer as set out in Part VI of this Scheme Document. Your attention is also drawn to the recommendations of the Independent Board Committee in respect of the Proposal and the Option Offer as set out in Part V of this Scheme Document.

17. SHARE CERTIFICATES, DEALINGS, LISTING, REGISTRATION AND PAYMENT

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and the share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title. In that case, the Company does not intend to maintain its listing on the Stock Exchange and will make an application for the listing of the Shares to be withdrawn from the Stock Exchange in accordance with Rule 6.15(2) of the Listing Rules, with effect after the Effective Date. The Shareholders will be notified by way of an announcement of the exact dates of the last day for dealing in the Shares and the day on which the Scheme and the withdrawal of listing of the Shares on the Stock Exchange will become effective. An indicative expected timetable in relation to the Proposal is included in Part III of this Scheme Document.

Subject to the requirements of the Takeovers Code, the Proposal will lapse if any of the Conditions described in the section headed “*5. Conditions of the Proposal and the Scheme*” in the Explanatory Statement set out in Part VII of this Scheme Document has not been fulfilled or waived, as applicable, on or before the Long Stop Date.

If the Scheme is withdrawn or is not approved at the Court Meeting or is not sanctioned by the High Court or does not become effective or the Proposal otherwise lapses, (a) the listing of the Shares on the Stock Exchange will not be withdrawn; (b) neither the Offeror nor any person who acted in concert with it in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may, except with the consent of the Executive, within 12 months thereafter, announce an offer or possible offer for the Company; and (c) the Company will publish an announcement to update the Shareholders and Option Holders in respect of the status of the Proposal and the Option Offer.

Your attention is drawn to the sections headed “*12. Withdrawal of the Listing of the Shares*” and “*16. Registration and Payment*” in the Explanatory Statement set out in Part VII of this Scheme Document.

18. TAXATION, EFFECTS AND LIABILITIES

It is emphasised that none of the Offeror, the Company, Daiwa, Somerley, the Independent Financial Adviser and the Share Registrar and their respective directors, employees, officers, agents, advisers, associates and affiliates and any other persons involved in the Proposal and/or the Option Offer accepts responsibility (other than in respect of themselves, if applicable) for any taxation effects on, or liabilities of, any person or persons as a result of their acceptance or rejection, or the implementation, of the Proposal. You are urged to read the section headed “*18.*”

Taxation” in the Explanatory Statement set out in Part VII of this Scheme Document and if you are in any doubt as to any aspect of this Scheme Document or as to the action to be taken, you should consult an appropriately qualified professional adviser.

19. FURTHER INFORMATION

You are urged to read carefully the letters from the Independent Board Committee and from the Independent Financial Adviser, as set out in Part V and Part VI of this Scheme Document, respectively, the Explanatory Statement as set out in Part VII of this Scheme Document, the terms of the Scheme as set out in Appendix III to this Scheme Document, the notice of the Court Meeting as set out in Appendix IV to this Scheme Document, the notice of the EGM as set out in Appendix V to this Scheme Document, the terms of the Option Offer in Appendix VI to this Scheme Document and the other appendices to this Scheme Document. In addition, a **pink** form of proxy for the Court Meeting and a **white** form of proxy for the EGM are enclosed with this Scheme Document.

By order of the Board

Tam Jai International Co. Limited

Lau Tat Man

Chairman of the Board and Chief Executive Officer

**Tam Jai International Co. Limited****譚 仔 國 際 有 限 公 司***(Incorporated in Hong Kong with limited liability)***(Stock Code: 2217)**

6 June 2025

To the Independent Shareholders and the Option Holders

Dear Sir or Madam,

**(1) PROPOSAL FOR THE PRIVATISATION OF
TAM JAI INTERNATIONAL CO. LIMITED
BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 673 OF THE COMPANIES ORDINANCE
AND
(2) PROPOSED WITHDRAWAL OF LISTING OF
TAM JAI INTERNATIONAL CO. LIMITED**

INTRODUCTION

We refer to the composite scheme document dated 6 June 2025 jointly issued by the Offeror and the Company in relation to the Proposal, the Option Offer and the Scheme (the “**Scheme Document**”), of which this letter forms part. Terms defined in this Scheme Document shall have the same meanings in this letter unless the context otherwise requires.

We have been appointed by the Board as the Independent Board Committee to make a recommendation to the Independent Shareholders and the Option Holders in respect of the Proposal and the Option Offer, details of which are set out in the letter from the Board and the Explanatory Statement as set out in Part IV and Part VII of this Scheme Document, respectively, and in the Option Offer Letter in substantially the form set out in Appendix VI to this Scheme Document.

Lego Corporate Finance Limited, the Independent Financial Adviser, has been appointed with our approval, to advise us in connection with the Proposal and the Option Offer. The details of its advice and the principal factors taken into consideration in arriving at its recommendations are set out in the letter from the Independent Financial Adviser as set out in Part VI of this Scheme Document.

In the letter from the Independent Financial Adviser as set out in Part VI of this Scheme Document, the Independent Financial Adviser states that it considers the terms of the Proposal and the Option Offer are fair and reasonable so far as the Independent Shareholders and the Option

Holders are concerned, and advises the Independent Board Committee to recommend (i) the Independent Shareholders to vote in favour of the relevant resolution(s) to be proposed at the Court Meeting and the EGM to approve and implement the Proposal and the Scheme; and (ii) the Option Holders to accept the Option Offer.

RECOMMENDATIONS

The Independent Board Committee, having considered the terms of the Proposal and the Option Offer, and having taken into account the opinion of the Independent Financial Adviser, and in particular the factors, reasons and recommendations set out in its letter, considers that the terms of the Proposal and the Option Offer are fair and reasonable so far as the Independent Shareholders and the Option Holders are concerned. Accordingly, the Independent Board Committee recommends (i) the Independent Shareholders to vote in favour of the resolutions to be proposed at the Court Meeting and the EGM to approve and implement the Proposal and the Scheme; and (ii) the Option Holders to accept the Option Offer.

The Independent Board Committee draws the attention of the Independent Shareholders and the Option Holders to (i) the letter from the Board set out in Part IV of this Scheme Document; (ii) the letter from the Independent Financial Adviser set out in Part VI of this Scheme Document, which sets out the factors and reasons taken into account in arriving at its recommendations to the Independent Board Committee; (iii) the Explanatory Statement set out in Part VII of this Scheme Document; and (iv) the Option Offer Letter in substantially the form set out in Appendix VI to this Scheme Document.

Yours faithfully,

The Independent Board Committee

Mr. Lee Kwok Ming
*Independent Non-executive
Director*

Mr. Loo Kwok Wing
*Independent Non-executive
Director*

Mr. Yeung Yiu Keung
*Independent Non-executive
Director*

The following is the full text of the letter of advice from Lego Corporate Finance Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Proposal, the Option Offer and the Scheme, which has been prepared for the purpose of inclusion in this Scheme Document.



6 June 2025

To the Independent Board Committee, the Independent Shareholders and the Option Holders

Dear Sirs or Madams,

**(1) PROPOSAL FOR THE PRIVATISATION OF
TAM JAI INTERNATIONAL CO. LIMITED
BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 673 OF THE COMPANIES ORDINANCE
AND
(2) PROPOSED WITHDRAWAL OF LISTING OF
TAM JAI INTERNATIONAL CO. LIMITED**

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to the Independent Board Committee, the Option Holders and the Independent Shareholders in respect of the Proposal, the Option Offer and the Scheme, details of which are set out in the “Letter from the Board” (the “**Letter from the Board**”) and the explanatory statement (the “**Explanatory Statement**”) contained in the scheme document jointly issued by the Offeror and the Company dated 6 June 2025 (the “**Scheme Document**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Scheme Document unless the context otherwise requires.

Reference is made to the Announcement. On 3 February 2025 (after trading hours), the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the privatisation of the Company by way of the Scheme, being a scheme of arrangement under section 673 of the Companies Ordinance. If the Proposal is approved and implemented, the listing of the Shares on the Stock Exchange will be withdrawn, involving the cancellation and extinguishment of 351,176,300 Scheme Shares, to the extent that all the outstanding Share Options are exercised and the relevant Option Holders have become Scheme Shareholders before the Scheme Record Date, and assuming that there is no other change in the shareholding of the Company before the Scheme Record Date. In this regard, and on the basis of the Cancellation Price of HK\$1.58 per Scheme Share, the total amount of cash required for the cancellation and extinguishment of the Scheme Shares would be approximately HK\$554.9 million.

The Independent Board Committee, which comprises Mr. Loo Kwok Wing, Mr. Lee Kwok Ming and Mr. Yeung Yiu Keung, all being independent non-executive Directors, has been established by the Board in accordance with Rule 2.1 of the Takeovers Code to make a recommendation to the Independent Shareholders and the Option Holders as to whether the terms of the Proposal, the Option Offer and the Scheme are, or are not, fair and reasonable and as to voting at the Court Meeting and the EGM and its view on the Option Offer.

Pursuant to Rule 2.8 of the Takeovers Code, members of the Independent Board Committee should comprise all non-executive Directors who have no direct or indirect interest in the Proposal and the Option Offer. Mr. Yamaguchi Satoshi, Mr. Someya Norifumi and Mr. Hatamoto Toru, all being non-executive Directors, are senior executives of Toridoll Japan, of which the Offeror is a wholly-owned subsidiary, therefore they have not been included as members of the Independent Board Committee. The Independent Board Committee has approved our appointment as the Independent Financial Adviser. As the Independent Financial Adviser, our role is to give an independent opinion to the Independent Board Committee, the Option Holders and the Independent Shareholders in such regard.

As at the Latest Practicable Date, Lego Corporate Finance Limited did not have any relationships or interests with the Company and the Offeror that could reasonably be regarded as relevant to the independence of Lego Corporate Finance Limited. We are not associated or connected with the Company, the Offeror or their respective controlling shareholders or any party acting, or presumed to be acting, in concert with any of them. In the last two years, we have not acted as an independent financial adviser or a financial adviser to the Company or the Offeror. Apart from normal professional fees paid or payable to us in connection with this appointment as the Independent Financial Adviser, which is not conditional upon passing of the resolutions to be proposed at the Court Meeting and the EGM or our view on the Option Offer, no arrangement exists whereby we have received or will receive any fees or benefits from the Company, the Offeror or their respective controlling shareholders or any party acting, or presumed to be acting, in concert with any of them. Accordingly, we are qualified to give independent advice in respect of the Proposal, the Option Offer and the Scheme.

BASIS OF OUR OPINION

In formulating our opinion and advice, we have reviewed, among other things, (i) the Announcement; (ii) the annual report of the Company for the year ended 31 March 2024 (the “**2023/24 Annual Report**”); (iii) the Company’s annual results announcement for the year ended 31 March 2025 (the “**2024/25 Annual Results Announcement**”); and (iv) other information contained in the Scheme Document.

We have relied on (i) the information and facts contained or referred to in the Scheme Document; (ii) the information supplied by the Group and its advisers; (iii) the opinions expressed by and the representations of the Directors and the management of the Group (the “**Management**”); and (iv) our review of the relevant public information. We have assumed that all the information provided and representations and opinions expressed to us by the Directors and/or the Management, for which they are solely and wholly responsible for, or contained or referred to

in the Scheme Document were true, accurate and complete in all respects as at the date thereof and may be relied upon. We have also assumed that all statements contained and representations made or referred to in the Scheme Document are true at the time they were made and continue to be true as at the Latest Practicable Date and all such statements of belief, opinions and intentions of the Directors and the Management and those as set out or referred to in the Scheme Document were reasonably made after due and careful enquiry.

We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors and/or the Management and/or the advisers of the Group. We have also sought and received confirmation from the Directors that no material facts have been withheld or omitted from the information provided and referred to in the Scheme Document and that all information or representations provided to us by the Directors and the Management are true, accurate, complete and not misleading in all respects at the time they were made and continued to be so until the Latest Practicable Date. Shareholders will be informed of any material changes to such representations and/or our opinion as soon as possible until the Scheme becomes effective or the Proposal lapses in compliance with Rule 9.1 of the Takeovers Code.

We consider that we have reviewed sufficient information currently available to reach an informed view and to justify our reliance on the accuracy of the information contained in the Scheme Document so as to provide a reasonable basis for our recommendation. We have not, however, carried out any independent verification of the information provided, representations made or opinion expressed by the Directors and the Management, nor have we conducted any form of in-depth investigation into the business, affairs, operations, financial position or future prospects of the Company, the Offeror or any of their respective subsidiaries or associates or any party acting, or presumed to be acting, in concert with any of them.

We have not considered the tax and regulatory implications on the Scheme Shareholders or the Option Holders as a result of the Proposal, if implemented, since these are particular to their individual circumstances. In particular, the Scheme Shareholders or the Option Holders who are overseas residents or subject to overseas taxation or Hong Kong taxation on security dealings should consider their own tax position and, if in any doubt, should consult their own professional advisers.

PRINCIPAL TERMS OF THE PROPOSAL AND THE SCHEME

Set out below are the terms of the Proposal and the Scheme, details of which are set out in the Letter from the Board and the Explanatory Statement. The Independent Shareholders are encouraged to read the Scheme Document and its appendices in full.

1. Terms of the Proposal

If the Proposal is approved and implemented:

- (a) all the Scheme Shares held by the Scheme Shareholders will be cancelled and extinguished on the Effective Date in exchange for the payment by the Offeror to the Scheme Shareholders of the Cancellation Price of HK\$1.58 in cash, less the Dividend Adjustment (if any), for each Scheme Share;
- (b) upon the cancellation and extinguishment of the Scheme Shares, the issued share capital of the Company will be restored to its former number by the issuance to the Offeror, credited as fully paid, of the same number of new Shares as the number of Scheme Shares cancelled and extinguished. The reserve created in the Company's books of account as a result of any reduction in issued share capital will be applied to the paying up in full of the new Shares so issued, credited as fully paid, to the Offeror. The Offeror will directly hold 100% of the issued share capital of the Company; and
- (c) the listing of the Shares on the Stock Exchange will be withdrawn with effect after the Effective Date.

2. Cancellation Price

Under the Scheme, the Cancellation Price will be in the amount of HK\$1.58 per Scheme Share, which amount (less the Dividend Adjustment (if any)) will be payable by the Offeror to the Scheme Shareholders in the form of cash.

As at the Latest Practicable Date, (i) the Company had not announced or declared any dividend, distribution or other return of capital which remains unpaid; and (ii) the Company does not intend to announce, declare and, or pay any dividend, distribution or other return of capital before the Effective Date, or the date on which the Scheme is not approved or the Proposal otherwise lapses or withdrawn (as the case may be).

However, if, after the Latest Practicable Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Offeror expressly reserves the right to reduce the Cancellation Price by all or any part of the amount or value of such dividend and/or distribution and/or return of capital, as the case may be, per Share after consultation with the Executive ("**Dividend Adjustment**"), in which case any reference in this Scheme Document or any other announcement or document to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced.

3. Conditions of the Proposal and the Scheme

The implementation of the Proposal is, and the Scheme will become effective and binding on the Company and all the Scheme Shareholders, subject to the fulfilment or waiver (as applicable) of the following Conditions:

- (a) the approval of the Scheme at the Court Meeting (by way of a poll) by holders of the Scheme Shares representing at least 75% of the voting rights of such holders present and voting, in person or by proxy, at the Court Meeting, and the votes cast (by way of poll) against the Scheme at the Court Meeting not exceeding 10% of the total voting rights attached to all CO Disinterested Shares, provided that:
 - (i) the Scheme is approved (by way of poll) by at least 75% of the votes attaching to the TC Disinterested Shares held by the Independent Shareholders that are cast either in person or by proxy at the Court Meeting; and
 - (ii) the number of votes cast (by way of poll) against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all the TC Disinterested Shares held by the Independent Shareholders;
- (b) the passing of a special resolution by a majority of at least 75% of the votes cast by the Shareholders present and voting, in person or by proxy, at the EGM (and otherwise in accordance with the procedural requirements of section 564 of the Companies Ordinance) to approve and give effect to the Scheme, including the approval of the reduction of the issued share capital of the Company by cancelling and extinguishing the Scheme Shares and the issue to the Offeror of such number of new Shares as is equal to the number of the Scheme Shares cancelled and extinguished;
- (c) the sanction of the Scheme (with or without modifications) and the confirmation of the reduction of the issued share capital of the Company involved in the Scheme by the High Court and the registration of a copy of the order of the High Court by the Registrar of Companies under Part 2 of the Companies Ordinance;
- (d) the compliance with the procedural requirements of sections 230 and 231 and sections 673 and 674 of the Companies Ordinance in relation to the reduction of the issued share capital of the Company and the Scheme, respectively;
- (e) all necessary Authorisations which are material in the context of the Group taken as a whole and other registrations, filings, rulings, consents, opinions, permissions and approvals in connection with the Proposal or its implementation in accordance with its terms having been obtained (or, as the case may be, completed) and remaining in full force and effect without modification;

- (f) no government, court, or governmental, quasi-governmental, statutory or regulatory body or agency in any jurisdiction having taken or instituted any action, proceeding or suit (or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order) that would make the Proposal or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Proposal or its implementation in accordance with its terms); and
- (g) all necessary legal or regulatory obligations in all relevant jurisdictions having been complied with and no legal or regulatory requirement having been imposed which is not expressly provided for, or is in addition to the requirements expressly provided for, in the relevant laws or regulations in connection with the Proposal or its implementation in accordance with its terms.

None of Conditions (a) to (d) above may be waived. The Offeror reserves the right to waive any of the Conditions (e) to (g), either in whole or in respect of any particular matter. Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Conditions as a basis for not proceeding with the Scheme if the circumstances which give rise to a right to invoke any such Condition are of material significance to the Offeror in the context of the Proposal. The Company has no right to waive any of the Conditions.

The Conditions under paragraphs (h)(i) and (ii) in the section headed “5. *Conditions of the Proposal and the Scheme*” of the Announcement have been removed and no longer form part of the Conditions following a hearing at the High Court on 22 May 2025 for the purpose of giving direction as to the holding of the Court Meeting.

All of the Conditions will have to be satisfied or waived (as applicable), on or before the Long Stop Date, failing which the Proposal will lapse.

With reference to the Condition in paragraph (e), as at the Latest Practicable Date, neither the Offeror nor the Company was aware of any requirement for such Authorisations other than those set out in the Conditions in paragraphs (a) to (d). With reference to the Condition in paragraph (f), as at the Latest Practicable Date, neither the Offeror nor the Company is aware of any such action, proceeding, suit, investigation, statute, regulation, demand or order. With reference to the Condition in paragraph (g), as at the Latest Practicable Date, neither the Offeror nor the Company was aware of any such non-compliance or legal or regulatory requirement other than those set out in the Conditions in paragraphs (a) to (d).

The Scheme is subject to the requirement under section 674(2) of the Companies Ordinance that members representing at least 75% of the voting rights of the members present and voting (in person or by proxy) at the Court Meeting agree to the Scheme, and the requirement under Rule 2.10 of the Takeovers Code that the Scheme must be approved by at least 75% of the votes attaching to the TC Disinterested Shares that are cast (in person or by proxy) at the meeting of the holders of the disinterested Shares. Accordingly:

- (a) for the purpose of the Companies Ordinance, the 75% approval threshold will be determined by reference to the voting rights of the Scheme Shareholders, who attend and vote (in person or by proxy) at the Court Meeting; and
- (b) for the purpose of the Takeovers Code, the 75% approval threshold will be determined by reference to the votes attaching to all the TC Disinterested Shares held by the Independent Shareholders which are cast (in person or by proxy) at the Court Meeting.

Therefore, in order to satisfy the requirements under both the Companies Ordinance and the Takeovers Code, the 75% approval threshold will be determined by reference to the Shares held by the Scheme Shareholders (all of which are also Independent Shareholders as at the Latest Practicable Date) who attend and vote at the Court Meeting.

The Scheme is also subject to the requirement under section 674(2) of the Companies Ordinance that the votes cast against the Scheme at the Court Meeting shall not exceed 10% of the voting rights attached to all CO Disinterested Shares (as defined in section 674(3) of the Companies Ordinance), and the requirement under Rule 2.10 of the Takeovers Code that the number of votes cast against the resolution to approve the Scheme at the meeting of the holders of the TC Disinterested Shares shall not be more than 10% of the votes attaching to all TC Disinterested Shares. Accordingly, all Scheme Shares (i.e. all the Shares in issue as at the Meeting Record Date, other than any Shares directly or indirectly held or beneficially owned by the Offeror and the Offeror Concert Parties) will be regarded as disinterested Shares for the purpose of both the Companies Ordinance (i.e. the CO Disinterested Shares) and the Takeovers Code (i.e. the TC Disinterested Shares).

As at the Latest Practicable Date, none of the Conditions had been satisfied or waived (where applicable).

If approved, the Scheme will be binding on all the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting and/or the EGM.

Shareholders, Option Holders, Share Award Grantees and potential investors should be aware that the implementation of the Proposal, the Option Offer and the Scheme are subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal or the Option Offer may or may not be implemented, and the Scheme may or may not become effective. Shareholders, Option Holders, Share Award Grantees and potential investors of the Company should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation in respect of the Proposal, the Option Offer and the Scheme, we have taken into account the following principal factors and reasons:

1. Background information of the Group

1.1 Principal businesses and information of the Group

The Company is a company incorporated in Hong Kong with limited liability whose shares are listed on the Main Board of the Stock Exchange. The Company is principally engaged in investment holding, procurement and trading of food and processed food. The Group is a restaurant chain operator of the TamJai and SamGor branded fast casual restaurant chain in Hong Kong with operations also in Mainland China, Singapore and Japan, specialising in mixian (a type of rice noodle). The Group also operates restaurants under other licensed brands including Marugame Seimen and Yakiniiku Yamagyu.

1.2 Historical financial information

The following is a summary of certain financial information of the Group for the years ended 31 March 2023, 2024 and 2025 as extracted from the 2023/24 Annual Report and the 2024/25 Annual Results Announcement, respectively.

	Year ended 31 March		
	2023	2024	2025
	HK\$'000 (audited)	HK\$'000 (audited)	HK\$'000 (audited)
Revenue	2,594,613	2,748,406	2,842,681
Cost of food and beverages consumed	(620,318)	(648,136)	(672,909)
Staff costs	(828,579)	(889,506)	(921,907)
Depreciation of property, plant and equipment	(122,985)	(115,415)	(96,844)
Depreciation of right-of-use assets, rental and related expenses	(499,301)	(532,117)	(558,578)
Profit for the year	140,953	118,649	79,843
— Profit attributable to equity holders of the Company	140,953	118,649	79,843
— Profit attributable to non-controlling interests	—	—	—
	As at 31 March		
	2023	2024	2025
	HK\$'000 (audited)	HK\$'000 (audited)	HK\$'000 (audited)
Non-current assets	1,161,080	1,116,291	1,115,958
— Property, plant and equipment	243,665	188,167	174,912
— Right-of-use assets	768,627	778,855	786,274
— Deposits and prepayments	123,648	114,823	104,983
Current assets	1,513,927	1,506,633	1,511,453
— Trade and other receivables	27,880	46,341	49,865
— Deposits and prepayments	63,532	78,399	102,385
— Cash and bank balances	1,375,650	1,351,523	1,327,711
Total assets	2,675,007	2,622,924	2,627,411
Current liabilities	630,534	646,278	653,828
— Trade and other payables and accruals	238,238	231,644	249,052
— Lease liabilities	351,590	377,829	374,753
Non-current liabilities	502,625	491,145	503,448
— Lease liabilities	436,212	425,622	429,805
Total liabilities	1,133,159	1,137,423	1,157,276
Net assets	1,541,848	1,485,501	1,470,135

For the years ended/As at 31 March 2023 and 2024

Total revenue of the Group increased from approximately HK\$2,594.6 million for the year ended 31 March 2023 to approximately HK\$2,748.4 million for the year ended 31 March 2024, representing an increase of approximately 5.9%, primarily due to the increase in the number of restaurants in operation during the year. As disclosed in the 2023/24 Annual Report, contributing to 93.5% of the Group's total revenue for the year ended 31 March 2024, Hong Kong remained as the key revenue driver of the Group, supporting the Group's ventures into other markets.

The Group's profit decreased from approximately HK\$141.0 million for the year ended 31 March 2023 to approximately HK\$118.6 million for the year ended 31 March 2024, representing a decrease of approximately 15.9%. For illustrative purpose, as disclosed in the 2023/24 Annual Report, with the exclusion of government subsidies from the Group's profit, which were considered to be non-recurring in nature and were not derived from the ordinary and usual course of business of the Group, the Group's adjusted profit increased from approximately HK\$87.2 million for the year ended 31 March 2023 to approximately HK\$117.0 million for the year ended 31 March 2024, representing an increase of approximately 34.2%.

As at 31 March 2024, the Group recorded net assets of approximately HK\$1,485.5 million, representing a decrease of approximately 3.7% from approximately HK\$1,541.8 million as at 31 March 2023. As at 31 March 2024, the Group's total assets amounted to approximately HK\$2,622.9 million, representing a decrease of approximately 1.9% from approximately HK\$2,675.0 million as at 31 March 2023. Such decreases were mainly attributable to the combined effects of (i) the decrease in cash and bank balances of approximately 1.8% from approximately HK\$1,375.7 million as at 31 March 2023 to approximately HK\$1,351.5 million as at 31 March 2024; (ii) the increase in right-of-use assets of approximately 1.3% from approximately HK\$768.6 million as at 31 March 2023 to approximately HK\$778.9 million as at 31 March 2024, primarily attributable to the Group entered into more tenancy agreements for the restaurant network expansion; and (iii) the decrease in property, plant and equipment of approximately 22.8% from approximately HK\$243.7 million as at 31 March 2023 to approximately HK\$188.2 million as at 31 March 2024, mainly attributable to the decrease in leasehold improvements as at 31 March 2024. The Group's total liabilities amounted to approximately HK\$1,137.4 million as at 31 March 2024, which remained relatively stable as compared to that of approximately HK\$1,133.2 million as at 31 March 2023. The Group's total liabilities as at 31 March 2024 mainly include, among others, (i) the current and non-current portion of lease liabilities of approximately HK\$803.5 million, representing an increase of approximately 2.0% from approximately HK\$787.8 million as at 31 March 2023; and (ii) trade and other payables and accruals of approximately HK\$231.6 million, representing a decrease of approximately 2.8% from approximately HK\$238.2 million as at 31 March 2023.

For the years ended/As at 31 March 2024 and 2025

Total revenue of the Group increased from approximately HK\$2,748.4 million for the year ended 31 March 2024 to approximately HK\$2,842.7 million for the year ended 31 March 2025, representing an increase of approximately 3.4%, primarily due to the increase in the number of restaurants in operation during the year. As disclosed in the 2024/25 Annual Results Announcement, contributing to 94.3% of the Group's total revenue for the year ended 31 March 2025, Hong Kong remained as the key revenue driver of the Group, supporting the Group's ventures into other markets.

The Group's profit decreased from approximately HK\$118.6 million for the year ended 31 March 2024 to approximately HK\$79.8 million for the year ended 31 March 2025, representing a decrease of approximately 32.7%. As disclosed in the 2024/25 Annual Results Announcement and the profit warning announcement of the Company dated 25 April 2025, the decrease in profit was mainly attributable to (i) the increased discount offerings introduced by the Group in response to the competitive landscape in Hong Kong and to sustain revenue performance; and (ii) the higher commissions and handling fees incurred from third-party delivery services during the year.

As at 31 March 2025, the Group recorded net assets of approximately HK\$1,470.1 million, representing a decrease of approximately 1.0% from approximately HK\$1,485.5 million as at 31 March 2024. As at 31 March 2025, the Group's total assets amounted to approximately HK\$2,627.4 million, which remained relatively stable as compared to that of approximately HK\$2,622.9 million as at 31 March 2024. The Group's total liabilities amounted to approximately HK\$1,157.3 million as at 31 March 2025, representing an increase of approximately 1.7% from approximately HK\$1,137.4 million as at 31 March 2024. The Group's total liabilities as at 31 March 2025 mainly include, among others, (i) the current and non-current portion of lease liabilities of approximately HK\$804.6 million, which remained relatively stable as compared to that of approximately HK\$803.5 million as at 31 March 2024; and (ii) trade and other payables and accruals of approximately HK\$249.1 million, representing an increase of approximately 7.6% from approximately HK\$231.6 million as at 31 March 2024.

1.3 Prospect of the Group

The Group is principally engaged in the operation of restaurants business, mainly under the brands of Tamjai and SamGor, with more than 90% of its revenue are derived from the Hong Kong segment. Based on our discussion with the Management, we were given to understand that the business performance of the Group has been affected by the economic slowdown, along with weak consumer sentiment and a swift change in consumer habits and consumption patterns. The economic instability affected the market sentiment which led to the consumers acting more prudently on their daily spending and looking for value-for-money dining options.

The difficult operating environment was exacerbated by the ongoing trend of Hong Kong residents opting to spend their leisure time and disposable income outside Hong Kong. With the reopening of the borders, there was an increase in outbound travel to, among others, (a) the Mainland China, which offers budget conscious choices of restaurants; and (b) Japan, which has been one of the favorite vacation destinations of Hong Kong citizens, with the depreciation of Japanese yen against HK\$ during the period, providing further incentives to Hong Kong citizens to travel to Japan. This also led to heightened competition in the local consumer market as industry players introduced greater discounts to attract customers.

In view of the change in consumer habits and growing demand for value-for-money dining options, the Group has launched various value offerings and promotions through cooperation with delivery platforms, and these platforms have aggressively competed for market share through joint promotional offers. Notwithstanding the increase in the Group's revenue from the delivery platforms, the Group's profitability would be squeezed due to expenses incurred for cooperating with such delivery platforms. We noted from the 2023/24 Annual Report and the 2024/25 Annual Results Announcement that the Group will expedite its digitalisation effort to upgrade their systems to increase the stickiness of customers and reduce handling charges incurred by third-party delivery platforms, while implementing rigorous cost control measures to enhance efficiency and optimise costs.

For the Group's business outside Hong Kong, the Group remains committed to nurturing brand awareness and improving operational efficiency in overseas markets. As disclosed in the 2023/24 Annual Report and the 2024/25 Annual Results Announcement, the Group will continue to take a prudent approach towards overseas markets development, and strive to consolidate the two businesses in Mainland China and Singapore, with the main objectives of improving operational performance and accelerating their paths towards breakeven. Based on our discussion with the Management, we were given to understand that the Group acknowledges the need for further improvements in its brand building, marketing and communications, menu localisation and shop enhancement strategies across the overseas markets to optimise profitability, thereby achieving a self-sustaining financial model for its overseas operations in the future.

Based on the above, albeit the Group is still profitable, we are of the view that the future prospect of the Group is mixed after taking into consideration of (i) the weak market sentiment featured with the change in consumer habits in Hong Kong; and (ii) the intense market competition in the local market, coupled with uncertainties in the Group's investment in digitalisation and the implementation of the cost controls and the fact that the Group would also face new challenges in overseas markets.

2. Information on the Offeror and Offeror Concert Parties, and the Offeror's intention with regard to the Group***Information on the Offeror***

The Offeror is a company incorporated in Hong Kong with limited liability and is principally engaged in the business of managing and operating restaurant chains. As at the Latest Practicable Date, the Offeror is a direct wholly-owned subsidiary of Toridoll Japan, and is directly interested in 1,000,000,000 Shares, representing approximately 74.25% of the issued Shares.

Toridoll Japan is a company incorporated in Japan with limited liability, whose shares are listed on Tokyo Stock Exchange, Inc. in Japan (stock code: 3397). Toridoll Japan, together with its subsidiaries, is a renowned multi-brand restaurants group which also operates the largest global udon chain "Marugame Seimen".

As at the Latest Practicable Date, Mr. Awata, together with his spouse, Mrs. Awata, controlled approximately 48% of the issued share capital of Toridoll Japan.

Intention of the Offeror in relation to the Group

As at the Latest Practicable Date, it is the intention of the Offeror for the Group to continue to carry on its existing business and the Offeror does not have any plan to make any material changes to (a) the business of the Group; or (b) the continued employment of the employees of the Group (other than changes made in the ordinary course of business). The Offeror plans to continuously support the Group's business in Hong Kong, Mainland China, and overseas markets, and intends to retain sufficient necessary capital for supporting the Group's business plans in these markets.

3. Reasons for and benefits of the Proposal and the Scheme***From the perspective of the Scheme Shareholders***

As disclosed in the Explanatory Statement, the low trading liquidity of the Shares for a sustained period would impose challenges for the Scheme Shareholders to execute substantial on-market disposals without adversely affecting the price of the Shares. As presented in the section headed "4. Analysis of price performance of the Shares" below, given the thin historical average daily trading volume of the Shares, it is uncertain as to whether there would be sufficient liquidity in the Shares for the Scheme Shareholders to dispose of a significant number of Shares in the open market without exerting a downward pressure on the Share price.

As disclosed in the section headed “4.3 Cancellation Price comparisons”, the Cancellation Price of HK\$1.58 per Scheme Share represented a premium from approximately 75.56% to 98.24% over the average closing prices per Share for the reference periods up to and including the Last Trading Day. Taking into account the analysis as set out in the sections headed “5. Comparable companies” below, we consider and concur with the Management’s view that the Proposal provides an immediate opportunity for the Scheme Shareholders to exit without exerting downward pressure on the trading price of the Shares for cash at a reasonably attractive premium, and to reallocate the proceeds from the disposal of the Shares to alternative investment opportunities with more liquidity.

Taken into consideration our analysis on trading volume and liquidity of the Shares, and the comparable analysis of the Cancellation Price with comparable companies performed in the sections headed “4. Analysis of price performance of the Shares” and “5. Comparable companies”, we are of the opinion that the terms of the Scheme are fair and reasonable so far as the Independent Shareholders are concerned and in the interest of the Company and Shareholders as a whole.

From the perspective of the Company

As to the Company, as disclosed in the Explanatory Statement, the Proposal would reduce costs of maintaining the Company’s listing status. Based on our analysis as set out in the section headed “4. Analysis of price performance of the Shares” below, the thin historical average daily trading volume of the Shares together with the downward trend of the trading price of the Shares in the previous periods. As such, we consider that the Company is not able to fully utilise the listing platform as a source of funding for its future growth and business development. Thus, the continued listing of the Shares may not be beneficial or meaningful to the Company’s development in the near future. The delisting would streamline the Company’s governance and reduce compliance costs of maintaining its listing status, including regulatory requirements, disclosures and financial statement publications. It would also provide better flexibility to the Company to achieve long-term business development free from the influence of share price fluctuations and additional costs and expenses that may arise from the Company being a publicly listed company.

4. Analysis of price performance of the Shares

4.1 Historical price performance of the Shares

The chart below illustrates the daily closing price per Share as quoted on the Stock Exchange during the period from 19 February 2024 (being approximately one year prior to the Announcement Date) up to and including the Latest Practicable Date (the “**Review Period**”), against the Cancellation Price of HK\$1.58 per Scheme Share. We consider that the Review Period of approximately one year prior to the date of the Announcement up to and including the Latest Practicable Date to be reasonable, sufficient and representative to illustrate a holistic view of the general performance of the recent Share prices, where the prevailing market sentiment can be reflected by such Share price movements and provide a meaningful comparison with the Cancellation Price.



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

Since the beginning of the Review Period up to the Last Trading Day (the “**Pre-Announcement Period**”), the daily closing price per Share ranged from HK\$0.74 to HK\$1.22, with an average closing price of approximately HK\$0.93. Specifically, the highest closing price of HK\$1.22 was observed on 27 May 2024, while the lowest closing price of HK\$0.74 occurred on 14 November 2024 and 15 November 2024, respectively.

The Cancellation Price represents a premium over the closing price of the Shares throughout the Pre-Announcement Period, whereby it represents (i) a premium of approximately 69.9% over the average closing price; (ii) a premium of approximately 29.5% over the highest closing price; and (iii) a premium of approximately 113.5% over the lowest closing price, during the Pre-Announcement Period.

As illustrated in the chart above, the closing price per Share generally fluctuated within a relatively narrow range between HK\$0.90 and HK\$1.15 during the period from 19 February 2024 to 14 May 2024, being the date of the Company's announcement in relation to the annual results for the year ended 31 March 2024. The closing price of the Shares then rebounded gradually and reached the highest closing price of HK\$1.22 per Share on 27 May 2024. Subsequently, the closing price of the Shares demonstrated a generally downward trend and reached HK\$0.75 on 25 September 2024. Thereafter, the closing price of the Shares hovered between HK\$0.74 and HK\$0.91 during the period from 26 September 2024 to 3 February 2025, being the Last Trading Day. Immediately following the resumption of trading in the Shares on 18 February 2025 after the publication of the Announcement, closing price of the Shares surged to HK\$1.47 per Share, representing an increase of approximately 63.3% as compared to the closing price of Shares of HK\$0.90 on the Last Trading Day.

Since the trading day immediately following the resumption of trading in the Shares after the publication of the Announcement (i.e. 18 February 2025) and up to the Latest Practicable Date (the "**Post-Announcement Period**"), the Shares closed between HK\$1.43 and HK\$1.52 per Share, with an average closing price of approximately HK\$1.48, the highest closing price of HK\$1.52 observed on 9 May 2025 and the lowest closing price of HK\$1.43 observed on 7 April 2025, whereby the Cancellation Price represents (i) a premium of approximately 6.76% over the average closing price; (ii) a premium of approximately 3.95% over the highest closing price; and (iii) a premium of approximately 10.49% over the lowest closing price, during the Post-Announcement Period, suggesting that the closing price of Shares is being principally determined by the Cancellation Price. The closing price of the Shares was HK\$1.45 as at the Latest Practicable Date. The Cancellation Price of HK\$1.58 per Scheme Share represents a premium of approximately 8.97% over the closing price of Shares on the Latest Practicable Date. However, the Shareholders should be aware that the Share price may not be maintained at the current level if the Proposal is not approved or otherwise lapses.

We did not notice any notable event which might have caused the fluctuations in the closing price of the Shares. We have discussed with the Management and were given to understand that they are not aware of any specific reasons or events which have led to the aforementioned movements of the closing price of the Shares.

4.2 Trading liquidity

The table below sets out (i) the average daily trading volume of the Shares; (ii) the percentage of the average daily trading volume of the Shares to total number of issued Shares; and (iii) the percentage of the average daily trading volume of the Shares to the public float of the Company at the end of the month/period during the Review Period:

Month/Period	Total trading volume of the Shares	Total number of trading days	Average daily trading volume of the Shares <i>Approx.</i> <i>(Note 1)</i>	Percentage of the average daily trading volume of the Shares to the total number of issued Shares <i>Approx.</i> <i>(Note 2)</i>	Percentage of the average daily trading volume of the Shares to the total number of Shares held by the public <i>Approx.</i> <i>(Note 3)</i>
Pre-Announcement Period					
2024					
February (since 18 February)	11,062,437	9	1,229,160	0.091%	0.354%
March	16,857,793	20	842,890	0.063%	0.243%
April	18,073,104	20	903,655	0.067%	0.261%
May	69,266,934	21	3,298,425	0.245%	0.951%
June	15,512,174	19	816,430	0.061%	0.235%
July	19,802,768	22	900,126	0.067%	0.260%
August	41,976,550	22	1,908,025	0.142%	0.550%
September	56,017,749	19	2,948,303	0.219%	0.850%
October	71,764,737	21	3,417,368	0.254%	0.985%
November	27,959,218	21	1,331,391	0.099%	0.384%
December	13,541,118	20	677,056	0.050%	0.195%
2025					
January	23,219,436	19	1,222,076	0.091%	0.352%
1 February – 3 February (i.e. the Last Trading Day)	2,927,000	1	2,927,000	0.217%	0.844%
Maximum			3,417,368	0.254%	0.985%
Minimum			677,056	0.050%	0.195%
Average			1,724,762	0.128%	0.497%
Post-Announcement Period					
2025					
18 February (i.e. the first trading day following the publication of the Announcement) – 28					
February	115,463,090	9	12,829,232	0.953%	3.700%
March	32,207,464	21	1,533,689	0.114%	0.442%
April	45,660,000	19	2,403,158	0.178%	0.693%
May	47,120,000	20	2,356,000	0.175%	0.679%
June (up to and including the Latest Practicable Date)	3,334,000	2	1,667,000	0.124%	0.481%

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

Notes:

1. Calculated by dividing the total trading volume of the Shares for the respective corresponding months/periods by the total number of trading days of the Shares in the respective corresponding months/periods.
2. Based on total number of Shares in issue at the end of each of the respective corresponding months/periods.
3. Based on the total number of Shares in issue of 346,779,890 Shares held by the Scheme Shareholders as at the Latest Practicable Date.

As illustrated in the above table, the trading liquidity of the Shares was generally thin during the Pre-Announcement Period, with the average daily trading volumes of the Shares having accounted for a range from approximately 0.050% to approximately 0.254% over the total number of Shares in issue as at the end of the relevant month/period and a range from approximately 0.195% to approximately 0.985% of the total number of the issued Shares held by the public.

Given the thin historical average daily trading volume of the Shares, it is uncertain as to whether there would be sufficient liquidity in the Shares for the Scheme Shareholders to dispose of a significant number of Shares in the open market without exerting a downward pressure on the Share price. Accordingly, we are of the view that the Proposal provides the Scheme Shareholders with an assured exit if they wish to realise their investments in the Shares without exerting downward pressure on the trading price of the Shares.

4.3 Cancellation Price comparisons

As disclosed in the Letter from the Board and the Explanatory Statement, the Cancellation Price of HK\$1.58 in cash for every Scheme Share cancelled and extinguished under the Scheme represents:

- (i) a premium of approximately 8.97% over the closing price of HK\$1.45 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a premium of approximately 75.56% over the closing price of HK\$0.900 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a premium of approximately 80.37% over the average closing price of approximately HK\$0.876 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;

- (iv) a premium of approximately 88.32% over the average closing price of approximately HK\$0.839 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;
- (v) a premium of approximately 96.27% over the average closing price of approximately HK\$0.805 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- (vi) a premium of approximately 98.24% over the average closing price of approximately HK\$0.797 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Day;
- (vii) a premium of approximately 75.75% over the average closing price of approximately HK\$0.899 per Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Day;
- (viii) a premium of approximately 7.48% over the closing price of HK\$1.470 per Share as quoted on the Stock Exchange on the Resumption Day;
- (ix) a premium of approximately 7.48% over the average closing price of approximately HK\$1.470 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days from and including the Resumption Day;
- (x) premium of approximately 7.56% over the average closing price of approximately HK\$1.469 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days from and including the Resumption Day;
- (xi) a premium of approximately 7.05% over the average closing price of approximately HK\$1.476 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days from and including the Resumption Day;
- (xii) a premium of approximately 6.97% over the average closing price of approximately HK\$1.477 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days from and including the Resumption Day;

- (xiii) a premium of approximately 47.25% over the unaudited consolidated net asset value per Share attributable to the Shareholders of approximately HK\$1.073 as at 30 September 2024 (calculated based on the unaudited consolidated net asset value of the Company attributable to Shareholders of approximately HK\$1,445.24 million as at 30 September 2024 as extracted from the Company's interim report for the six months ended 30 September 2024 and 1,346,698,490 Shares (being the number of Shares in issue as at 30 September 2024)); and
- (xiv) a premium of approximately 44.69% over the audited consolidated net asset value per Share attributable to the Shareholders of approximately HK\$1.092 as at 31 March 2025 (calculated based on the audited consolidated net asset value of the Company attributable to Shareholders of approximately HK\$1,470.14 million as at 31 March 2025 as extracted from the Company's annual results announcement for the year ended 31 March 2025 and 1,346,779,890 Shares (being the number of Shares in issue as at 31 March 2025)).

5. Comparable companies

In assessing the fairness and reasonableness of the Cancellation Price, we have primarily adopted the price-to-earnings ratio (“**P/E Ratio**”) approach and price-to-book ratio (“**P/B Ratio**”) approach, which are the most commonly used and widely accepted benchmarks in analysing companies with a track record of generating profits and valuing a company or business.

For the purpose of our analysis, we have, on a best effort basis, identified from the website of the Stock Exchange an exhaustive list of seven companies which are (i) companies listed on the Main Board of the Stock Exchange; (ii) with market capitalisation below HK\$4,500 million (the “**Market Capitalisation Parameter**”), which the implied market capitalisation of the Company as at the Latest Practicable Date of approximately HK\$2,127.9 million approximates to the median of the Market Capitalisation Parameter. Such criteria is considered to be a commonly adopted basis of comparison to identify reasonable and appropriate sample size of comparable companies, without including listed companies with market capitalisation far different from the Company, which may affect comparability and distort the results of analysis; and (iii) with over 80% of revenue principally derived from the operation of restaurants business in Hong Kong for their latest audited financial year, as comparable to the Group's revenue contribution, of which 94.3% was derived from Hong Kong segment (the “**Comparable Companies**”).

Taking into consideration that (i) the Comparable Companies are listed on the Main Board of the Stock Exchange, which share similar market sentiment; (ii) the business nature of the Comparable Companies are similar to the Group, which the majority of revenue of the Comparable Companies are derived from the operation of restaurants business in Hong Kong for their latest audited financial year; and (iii) the Market Capitalisation Parameter is reasonable as discussed above, we consider the Comparable Companies are the only

companies that could fulfill all the criteria and thus are appropriate to form a sufficient and representative sample size of comparable companies and benchmark reference for the Independent Shareholders to assess the fairness and reasonableness of the Cancellation Price. The Comparable Companies set out in the table below represented an exhaustive list of comparable companies to the Company based on the abovementioned selection criteria and would serve as a fair and representative sample for drawing a meaningful comparison to the Cancellation Price.

Comparable Companies	Stock code	Principal business	Percentage of revenue generated from the operation of restaurants business in Hong Kong <i>Approximate</i>	Market capitalisation ⁽¹⁾ <i>HK\$' million</i>	P/E Ratio ⁽²⁾ <i>times</i>	P/B Ratio ⁽³⁾ <i>times</i>
Café de Coral Holdings Limited	341	Principally engaged in operation of quick service restaurants, casual dining chains, institutional catering, as well as food processing and distribution in Hong Kong and Mainland China	82.6%	4,031.0	12.20	1.48
Tai Hing Group Holdings Limited	6811	Principally engaged in the operation of restaurants, and the sale of food products in Hong Kong, Macau and the PRC.	89.8%	903.4	14.40	0.97
Fairwood Holdings Limited	52	Principally engaged in the operation of fast food restaurants and property investments.	94.1%	654.2	12.92	1.03
LH Group Limited	1978	Principally engaged as full-service restaurants operator serving Asian (in particular Japanese) and Cantonese cuisine in Hong Kong.	100.0%	292.0	NA ⁽⁴⁾	1.25
Fulum Group Holdings Limited	1443	Principally engaged in restaurant operations in Hong Kong and the PRC.	95.2%	89.7	1.77	0.58
Welife Technology Limited	1703	Principally engaged in Chinese restaurant operation in Hong Kong and the PRC.	100.0%	55.2	NA ⁽⁴⁾	6.34 ⁽⁸⁾
G-Vision International (Holdings) Limited	657	Mainly engaged in the operation of Chinese restaurants in Hong Kong which specialises in Chiu Chow cuisine.	100.0%	33.1	NA ⁽⁴⁾	10.74 ⁽⁸⁾
				Maximum	14.40	1.48
				Minimum	1.77	0.58
				Average	10.32	1.06
				Median	12.56	1.03
The Company	2217			2,127.9 ⁽⁵⁾	26.65 ⁽⁶⁾	1.45 ⁽⁷⁾

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

Notes:

1. The market capitalisation was based on the closing price and the total shares in issue as at the Latest Practicable Date.
2. The P/E Ratio was based on the then market capitalisation of the respective companies as at the Latest Practicable Date, divided by the net profit attributable to owners of the respective companies as stated in their respective then latest published annual report.
3. The P/B Ratio was based on the then market capitalisation of the respective companies as at the Latest Practicable Date, divided by the net asset value attributable to owners of the respective companies as stated in their respective then latest published annual report/interim report.
4. The respective company recorded a net loss for the latest audited financial year. Thus, P/E Ratio is not applicable.
5. It is calculated based on the Cancellation Price multiplied by the total number of issued Shares as at the Latest Practicable Date.
6. It is calculated based on the implied market capitalisation of the Company as at the Latest Practicable Date divided by the net profit attributable to the Shareholders for the year ended 31 March 2025 as extracted from the 2024/25 Annual Results Announcement.
7. It is calculated based on the implied market capitalisation of the Company as at the Latest Practicable Date divided by the net asset value attributable to the Shareholders as at 31 March 2025 as extracted from the 2024/25 Annual Results Announcement.
8. These figures have been excluded from the computations as they appear to be abnormally high as compared to the rest of the Comparable Companies and are considered as outliers which may skew the overall results.

As shown in the table above, the P/E Ratios of the Comparable Companies ranged from approximately 1.77 times to 14.40 times, with an average of approximately 10.32 times and a median of approximately 12.56 times. We noted that the implied P/E Ratio of the Cancellation Price of approximately 26.65 times is (i) higher than the range of the P/E Ratios of the Comparable Companies; (ii) higher than the average of the P/E Ratios of the Comparable Companies; and (iii) higher than the median of the P/E Ratios of the Comparable Companies.

Excluding the outliers, the P/B Ratios of the Comparable Companies ranged from approximately 0.58 times to 1.48 times, with an average of approximately 1.06 times and a median of approximately 1.03 times. We noted that the implied P/B Ratio of the Cancellation Price of approximately 1.45 times (i) falls within the range of the P/B Ratios of the Comparable Companies; (ii) is higher than the average of the P/B Ratios of the Comparable Companies; and (iii) is higher than the median of the P/B Ratios of the Comparable Companies.

In light of the above, we consider that the analysis provides an additional indicator to demonstrate that the Cancellation Price is fair and reasonable so far as the Independent Shareholders are concerned from a market valuation perspective.

6. Privatisation precedents

Considering the cancellation prices of precedent privatisation exercises of companies listed on the Stock Exchange may vary depending on their principal businesses, business nature, scale of operation, the industries they operate in and future prospects, which may be influenced by different market factors and fundamentals, we are of the view that (i) the comparison of cancellation price with privatisation precedents may not provide a meaningful analysis for assessing the fairness and reasonableness of the Cancellation Price; and (ii) our abovementioned analysis in the sections headed “4. Analysis of price performance of the Shares” and “5. Comparable companies” shall be more relevant for the Independent Shareholders.

7. The Option Offer

As at the Latest Practicable Date, a total of 4,396,410 Share Options were outstanding under the Share Options Schemes, including:

- (i) 681,410 Pre-IPO Share Options granted under the Pre-IPO Share Option Scheme with an exercise price of HK\$0.85 per Share, all of which had vested; and
- (ii) 3,715,000 Post-IPO Share Options granted under the Post-IPO Share Option Scheme with an exercise price of HK\$2.638 per Share, all of which had vested.

The Pre-IPO Share Option Scheme had automatically terminated upon the Listing and no further Pre-IPO Share Options may be granted by the Company under the Pre-IPO Share Option Scheme.

The Company has no intention to grant further Post-IPO Share Options under the Post-IPO Share Option Scheme between (a) the Announcement Date and (b) (i) the Effective Date or (ii) if the Scheme is not approved or does not become effective, or the Proposal otherwise lapses or is withdrawn, the date on which the Scheme is not approved or does not become effective or the Proposal otherwise lapses or is withdrawn (as the case may be).

As disclosed in the Letter from the Board and the Explanatory Statement, to the extent that the outstanding Share Options have not otherwise lapsed, been cancelled or exercised, the Offeror will make (or procure to be made on its behalf) the Option Offer to the Option Holders in accordance with Rule 13 of the Takeovers Code to cancel every outstanding Share Option, conditional upon the Scheme becoming effective. Upon the Option Offer, we noted that the Offeror will offer the Option Holders the “see-through” Option Offer Price (being the Cancellation Price minus the relevant exercise price of the outstanding Share Option) for the cancellation of every Share Option.

Where the exercise price of the relevant Share Option exceeds the Cancellation Price, which is considered fair and reasonable as presented in our analysis in the above sections, the “see-through” Option Offer Price is zero and a cash offer of a nominal amount of HK\$0.0001 per Share Option will be made by the Offeror for the cancellation of each outstanding Share Option held. In this regard, the relevant Option Offer Price applicable to the Share Options is (i) HK\$0.73 in cash for every Pre-IPO Share Option cancelled; and (ii) HK\$0.0001 in cash for every Post-IPO Share Option cancelled. Considering the aforementioned, we are of the view that the Option Offer Price is fair and reasonable so far as the Option Holders are concerned.

RECOMMENDATIONS

The Scheme

Having taking into consideration the principal factors and reasons as discussed above, in particular:

- (i) the Proposal, if implemented, will provide the Scheme Shareholders with an opportunity to realise their investment in the Company for cash at a reasonably attractive premium and to reallocate the proceeds from the disposal of the Shares to alternative investment opportunities with more liquidity;
- (ii) the weak market sentiment and the change in consumer habit may have aroused uncertainty in the prospect of the Group;
- (iii) with the generally thin trading liquidity of the Shares during the Review Period as set out in the sections headed “4. Analysis of price performance of the Shares”, it is uncertain that there would be sufficient liquidity in the Shares for the Independent Shareholders (especially those with relatively sizeable shareholdings) to dispose of a significant number of Shares within a short period in the open market without exerting a downward pressure on the price of the Shares;
- (iv) as set out in the section headed “5. Comparable Companies”, the comparison of the implied P/E Ratio and P/B Ratio of the Cancellation Price are comparable to, if not more favourable, than, those of the Comparable Companies; and
- (v) based on our review on the audited consolidated financial statements of the Group for the three years ended 31 March 2025 and our discussion with the Management, we noted that the business performance of the Group has been affected by the (i) the weak market sentiment featured with the change in consumer habits in Hong Kong; and (ii) the intense market competition in the local market, coupled with uncertainties in the Group’s investment in digitalisation and the implementation of the cost controls and the fact that the Group would also face new challenges in overseas markets,

we are of the opinion that the terms of the Scheme are fair and reasonable so far as the Independent Shareholders are concerned and in the interest of the Company and Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise:

- (i) the Independent Shareholders to vote for the resolution to approve the Scheme at the Court Meeting; and
- (ii) the Shareholders to vote for the resolution(s) in respect of the Scheme at EGM.

The Option Offer

Having taking into consideration the principal factors and reasons as discussed above, we are of the opinion that the terms of the Option Offer are fair and reasonable so far as the Option Holders are concerned. Accordingly, we recommend the Independent Board Committee to advise the Option Holders to accept the Option Offer.

The Shares have traded below the Cancellation Price since the Last Trading Day and up to the Latest Practicable Date. There is still a possibility that the closing price of Shares may exceed the Cancellation Price on 28 July 2025, being the expected last day for trading in the Shares on the Stock Exchange. Accordingly, the Independent Shareholders are reminded to monitor the trading price and liquidity of the Shares during this period, and having their own circumstances, Independent Shareholders may consider to sell their Shares in the open market if the net proceeds to be obtained from the disposal of the Shares (after deducting all transaction costs) would be higher than the net amount expected to be received under the Scheme.

Yours faithfully,
For and on behalf of
Lego Corporate Finance Limited
Joshua Liu
Managing Director

Mr. Joshua Liu is a licensed person registered with the Securities and Futures Commission and a responsible officer of Lego Corporate Finance Limited to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong). He has over 25 years of experience in the securities and investment banking industries.

This Explanatory Statement constitutes the statement required under section 671 of the Companies Ordinance.

1. INTRODUCTION

Reference is made to the Announcement.

On 3 February 2025 (after trading hours), the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the privatisation of the Company by way of the Scheme, being a scheme of arrangement under Section 673 of the Companies Ordinance, which, if implemented, would result in the Company becoming wholly-owned by the Offeror and the withdrawal of listing of the Shares from the Stock Exchange.

The purpose of this Explanatory Statement is to explain the terms and effects of the Proposal and to provide Scheme Shareholders and the Option Holders with other relevant information in relation to the Proposal.

2. TERMS OF THE PROPOSAL

2.1 The Proposal

The Proposal is to be implemented by way of a scheme of arrangement under section 673 of the Companies Ordinance.

As at the Latest Practicable Date:

- (i) the issued share capital of the Company comprised 1,346,779,890 Shares, including 4,945,100 Shares that were held by Blessing Keen (representing approximately 0.37% of the issued share capital of the Company), of which (a) 2,931,600 Shares were Awarded Shares granted under the Share Award Scheme that were subject to vesting and were held by Blessing Keen on trust for the Share Award Grantees; and (b) 2,013,500 Shares were the Trustee Held Pool Shares;
- (ii) a total of 4,396,410 Share Options were outstanding, including: (i) 681,410 Pre-IPO Share Options granted under the Pre-IPO Share Option Scheme with an exercise price of HK\$0.85 per Share, all of which had vested; and (ii) 3,715,000 Post-IPO Share Options granted under the Post-IPO Share Option Scheme with an exercise price of HK\$2.638 per Share, all of which had vested;
- (iii) other than the 1,346,779,890 Shares in issue and the 4,396,410 Share Options that were outstanding, the Company had no outstanding options, warrants, derivatives, convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company that carried a right to subscribe for or which were convertible into the Shares;

- (iv) the Offeror held 1,000,000,000 Shares, representing approximately 74.25% of the issued share capital of the Company. Other than the Shares held by the Offeror and the Daiwa Held Custodian Shares, the Offeror Concert Parties did not hold or beneficially own any Shares. None of the Offeror and the Offeror Concert Parties held or beneficially owned any Awarded Shares or Share Options;
- (v) the Scheme Shares comprised a total 346,779,890 Shares held by the Scheme Shareholders, representing approximately 25.75% of the issued share capital of the Company; and
- (vi) if all of the outstanding Share Options are exercised and the relevant Option Holders have become Scheme Shareholders before the Scheme Record Date, the Scheme Shares would comprise a total of 351,176,300 Shares held by the Scheme Shareholders, representing approximately 25.99% of the enlarged issued share capital of the Company.

Shares held or beneficially owned by the Offeror will not form part of the Scheme Shares. For the avoidance of doubt, the Daiwa Held Custodian Shares will form part of the Scheme Shares.

If the Proposal is approved and implemented:

- (a) all the Scheme Shares held by the Scheme Shareholders will be cancelled and extinguished on the Effective Date in exchange for the payment by the Offeror to the Scheme Shareholders of the Cancellation Price of HK\$1.58 in cash, less the Dividend Adjustment (if any), for each Scheme Share;
- (b) upon the cancellation and extinguishment of the Scheme Shares, the issued share capital of the Company will be restored to its former number by the issuance to the Offeror, credited as fully paid, of the same number of new Shares as the number of Scheme Shares cancelled and extinguished. The reserve created in the Company's books of account as a result of any reduction in issued share capital will be applied to the paying up in full of the new Shares so issued, credited as fully paid, to the Offeror. The Offeror will directly hold 100% of the issued share capital of the Company; and
- (c) the listing of the Shares on the Stock Exchange will be withdrawn with effect after the Effective Date.

2.2 Cancellation Price

Under the Scheme, the Cancellation Price will be in the amount of HK\$1.58 per Scheme Share, which amount (less the Dividend Adjustment (if any)) will be payable by the Offeror to the Scheme Shareholders in the form of cash.

The Offeror will not increase the Cancellation Price and does not reserve the right to do so. Shareholders, Option Holders, Share Award Grantees and potential investors of the Company should be aware that, following the making of this statement, the Offeror will not be allowed under the Takeovers Code to increase the Cancellation Price.

As at the Latest Practicable Date, the Company had not announced or declared any dividend, distribution or other return of capital which remains unpaid. The Company does not intend to announce, declare and, or pay any dividend, distribution or other return of capital before the Effective Date, or the date on which the Scheme is not approved or the Proposal otherwise lapses or withdrawn (as the case may be).

However, if, after the Latest Practicable Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Offeror expressly reserves the right to reduce the Cancellation Price by all or any part of the amount or value of such dividend and/or distribution and/or return of capital, as the case may be, per Share after consultation with the Executive, in which case any reference in this Explanatory Statement, the Scheme Document or any other announcement or document to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced.

2.3 Comparison of value

The Cancellation Price of HK\$1.58 in cash for every Scheme Share cancelled and extinguished under the Scheme represents:

- (i) a premium of approximately 8.97% over the closing price of HK\$1.450 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a premium of approximately 75.56% over the closing price of HK\$0.900 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a premium of approximately 80.37% over the average closing price of approximately HK\$0.876 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;
- (iv) a premium of approximately 88.32% over the average closing price of approximately HK\$0.839 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;
- (v) a premium of approximately 96.27% over the average closing price of approximately HK\$0.805 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;

- (vi) a premium of approximately 98.24% over the average closing price of approximately HK\$0.797 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Day;
- (vii) a premium of approximately 75.75% over the average closing price of approximately HK\$0.899 per Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Day;
- (viii) a premium of approximately 7.48% over the closing price of HK\$1.470 per Share as quoted on the Stock Exchange on the Resumption Day;
- (ix) a premium of approximately 7.48% over the average closing price of approximately HK\$1.470 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days from and including the Resumption Day;
- (x) a premium of approximately 7.56% over the average closing price of approximately HK\$1.469 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days from and including the Resumption Day;
- (xi) a premium of approximately 7.05% over the average closing price of approximately HK\$1.476 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days from and including the Resumption Day;
- (xii) a premium of approximately 6.97% over the average closing price of approximately HK\$1.477 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days from and including the Resumption Day;
- (xiii) a premium of approximately 47.25% over the unaudited consolidated net asset value per Share attributable to the Shareholders of approximately HK\$1.073 as at 30 September 2024 (calculated based on the unaudited consolidated net asset value of the Company attributable to Shareholders of approximately HK\$1,445.24 million as at 30 September 2024 as extracted from the Company's 2024/25 interim report and 1,346,698,490 Shares (being the number of Shares in issue as at 30 September 2024)); and
- (xiv) a premium of approximately 44.69% over the audited consolidated net asset value per Share attributable to the Shareholders of approximately HK\$1.092 as at 31 March 2025 (calculated based on the audited consolidated net asset value of the Company attributable to Shareholders of approximately HK\$1,470.14 million as at 31 March 2025 as extracted from the Company's annual results announcement for the year ended 31 March 2025 and 1,346,779,890 Shares (being the number of Shares in issue as at 31 March 2025)).

The Cancellation Price has been determined by the Offeror after taking into account, among other things, the following factors:

- (a) the recent and historical prices of the Shares, including (i) the highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the period from 18 February 2024 (being approximately one year prior to the Announcement Date) up to and including the Last Trading Day (the “**Pre-Announcement Period**”), being HK\$1.22 per Share on 27 May 2024, and HK\$0.74 per Share on 14 and 15 November 2024, respectively, (ii) the closing price of HK\$0.90 per Share as quoted on the Stock Exchange on the Last Trading Day, and (iii) the average closing prices of the Shares as quoted on the Stock Exchange for 5, 10, 30, 90 and 180 trading days before and up to the Last Trading Day;
- (b) the relatively low trading volume of the Shares during the Pre-Announcement Period, with the monthly average daily trading volume of the Shares to the total number of issued Shares held by the public being less than 1%; and
- (c) the premiums of the cancellation prices of other privatisation transactions relating to companies listed on the Stock Exchange in recent years.

The Directors (other than those on the Independent Board Committee whose views are set out in the letter from the Independent Board Committee in Part V of this Scheme Document) are of the view that the Cancellation Price is fair and reasonable after taking into account the factors set out in paragraph 4.1 of the section headed “*4. Reasons for and Benefits of the Proposal*” in the Explanatory Statement in Part VII of this Scheme Document, and the above factors.

2.4 Highest and lowest prices

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$1.52 per Share on 9 May 2025, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.74 per Share on 14 and 15 November 2024.

2.5 The Option Offer

As at the Latest Practicable Date, a total of 4,396,410 Share Options were outstanding under the Share Option Schemes, including:

- (i) 681,410 Pre-IPO Share Options granted under the Pre-IPO Share Option Scheme with an exercise price of HK\$0.85 per Share, all of which had vested; and
- (ii) 3,715,000 Post-IPO Share Options granted under the Post-IPO Share Option Scheme with an exercise price of HK\$2.638 per Share, all of which had vested.

The Pre-IPO Share Option Scheme had automatically terminated upon the Listing and no further Pre-IPO Share Options may be granted by the Company under the Pre-IPO Share Option Scheme.

The Company has no intention to grant further Post-IPO Share Options under the Post-IPO Share Option Scheme between (a) the Announcement Date and (b) (i) the Effective Date or (ii) if the Scheme is not approved or does not become effective, or the Proposal otherwise lapses or is withdrawn, the date on which the Scheme is not approved or does not become effective or the Proposal otherwise lapses or is withdrawn (as the case may be).

To the extent that the outstanding Share Options have not otherwise lapsed, been cancelled or exercised, the Offeror will make (or procure to be made on its behalf) the Option Offer to the Option Holders in accordance with Rule 13 of the Takeovers Code to cancel every outstanding Share Option, conditional upon the Scheme becoming effective.

Upon the Option Offer, the Offeror will offer the Option Holders the “see-through” Option Offer Price (being the Cancellation Price minus the relevant exercise price of the outstanding Share Option) for the cancellation of every Share Option. Where the exercise price of the relevant Share Option exceeds the Cancellation Price, the “see-through” Option Offer Price is zero and a cash offer of a nominal amount of HK\$0.0001 per Share Option will be made by the Offeror for the cancellation of each outstanding Share Option held. In this regard, the relevant Option Offer Price applicable to the Share Options is as follows:

For every Pre-IPO Share Option cancelled HK\$0.73 in cash

For every Post-IPO Share Option cancelled HK\$0.0001 in cash

Further information on the Option Offer is set out in the Option Offer Letter in substantially the form set out in Appendix VI to this Scheme Document.

Details of the Option Holders as at the Latest Practicable Date are set out in the section headed “6. *Shareholding Structure of the Company*” in this Explanatory Statement.

None of the Offeror or the Offeror Concert Parties held any Share Options as at the Latest Practicable Date.

In the event that any of the outstanding Share Options are exercised on or prior to the Scheme Record Date in accordance with the relevant terms and conditions of the Share Option Schemes, any Shares issued as a result of the exercise of such outstanding Share Options will be subject to and eligible to participate in the Scheme as Scheme Shares.

If any Option Holder does not: (i) exercise his or her outstanding Share Options before the Options Latest Exercise Time to become a Scheme Shareholder before the Scheme Record Date in accordance with the rules of the Share Option Schemes and the Scheme Document; or (ii) accept the Option Offer, his or her Share Options will lapse on the Effective Date in accordance with the rules of the Share Option Schemes without any payment made to him or her if the Scheme becomes effective.

2.6 Awarded Shares subject to vesting under the Share Award Scheme

As at the Latest Practicable Date, there were a total of 4,945,100 Shares held by Blessing Keen (representing approximately 0.37% of the issued share capital of the Company), of which:

- (i) 2,931,600 Shares were Awarded Shares granted under the Share Award Scheme that were subject to vesting with vesting dates in October 2025 and 2026, as the case may be, and were held by Blessing Keen on trust for the Share Award Grantees; and
- (ii) 2,013,500 Shares were held by Blessing Keen as the Trustee Held Pool Shares that were unutilized under the Share Award Scheme.

Details of the Share Award Grantees as at the Latest Practicable Date are set out in the section headed “6. *Shareholding Structure of the Company*” in this Explanatory Statement.

Blessing Keen is a special purpose vehicle which is wholly-owned by the Trustee for the sole purpose of holding Shares on trust for the grantees of the Share Award Scheme.

All of the Awarded Shares and Trustee Held Pool Shares which are still held by Blessing Keen as of the Scheme Record Date shall form part of the Scheme Shares and be cancelled upon the Scheme becoming effective. Conditional upon the Scheme becoming effective, the Offeror shall pay to Blessing Keen an amount equivalent to the Cancellation Price multiplied by the number of Awarded Shares and Trustee Held Pool Shares, which:

- (a) for the amount which corresponds to the Awarded Shares that are subject to vesting, such amount shall be held on trust by Blessing Keen and shall be payable to (if vested) the relevant Share Award Grantees on the vesting date(s) of the respective Awarded Shares, or (if not vested) the Company upon the termination of the Share Award Scheme; and
- (b) for the amount which corresponds to the Trustee Held Pool Shares, such amount shall be paid to the Company after Blessing Keen receives such amount from the Offeror under the Scheme and upon the termination of the Share Award Scheme.

Pursuant to the rules of the Share Award Scheme and the Trust Deed, the Share Award Grantees shall have no voting rights in respect of the unvested Awarded Shares, and Blessing Keen shall not exercise the voting rights in respect of the Shares held by it under trust. Accordingly, all of the Awarded Shares will not be voted at the Court Meeting and the EGM notwithstanding that such Shares form part of the Scheme Shares.

The Company has no intention to grant further Awarded Shares under the Share Award Scheme between (a) the Announcement Date and (b)(i) the Effective Date or (ii) if the Scheme is not approved or does not become effective, or the Proposal otherwise lapses or is withdrawn, the date on which the Scheme is not approved or does not become effective or the Proposal otherwise lapses or is withdrawn (as the case may be).

2.7 Directors' Interests

Mr. Yamaguchi Satoshi, Mr. Someya Norifumi and Mr. Hatamoto Toru, all being non-executive Directors, are senior executives of Toridoll Japan, of which the Offeror is a wholly-owned subsidiary. In this regard, each of Mr. Yamaguchi Satoshi, Mr. Someya Norifumi and Mr. Hatamoto Toru is considered to have a material interest in the Proposal, the Option Offer and the Scheme, and each of them is required to abstain and has abstained from voting on the board resolutions of the Company in relation to the Proposal, the Option Offer and the Scheme.

As at the Latest Practicable Date, Mr. Lau Tat Man, Ms. Chan Ping, Rita and Mr. Yeung Siu Cheong, all being executive Directors, have interest in certain Shares, outstanding Share Options and unvested Awarded Shares, details of which are set out in the section headed “6. *Shareholding Structure of the Company*” in this Explanatory Statement. As they are interested in the Proposal, the Option Offer and the Scheme in the same manner as other Scheme Shareholders, Option Holders and Share Award Grantees (as the case may be) by virtue only of their respective interest in the aforesaid Shares, Share Options and Awarded Shares (as the case may be), each of Mr. Lau Tat Man, Ms. Chan Ping, Rita and Mr. Yeung Siu Cheong is not considered to have a material interest in the Proposal, the Option Offer and the Scheme, and is not required to abstain from voting on the board resolutions of the Company in relation to the Proposal, the Option Offer and the Scheme.

Save as above, there is no other Director who has a material interest in the Proposal, the Option Offer and the Scheme, and is required to abstain from voting on the board resolutions of the Company in relation to the Proposal, the Option Offer and the Scheme.

3. FINANCIAL RESOURCES

As at the Latest Practicable Date, the Scheme Shareholders held 346,779,890 Scheme Shares. To the extent that all the outstanding Share Options are exercised and the relevant Option Holders have become Scheme Shareholders before the Scheme Record Date, and assuming that there is no other change in the shareholding of the Company before the Scheme Record Date, the Scheme Shareholders will hold up to 351,176,300 Scheme Shares. In this regard, and on the basis of the Cancellation Price of HK\$1.58 per Scheme Share, the maximum amount of cash consideration required for the cancellation and extinguishment of the Scheme Shares is approximately HK\$554.9 million.

The Offeror intends to finance the cash requirement for the Proposal through its internal financial resources.

Daiwa has been appointed as the financial adviser to the Offeror in respect of the Proposal, and is satisfied that sufficient financial resources are available to the Offeror to satisfy the maximum amount of cash consideration required to effect the Proposal.

4. REASONS FOR AND BENEFITS OF THE PROPOSAL

4.1 For the Scheme Shareholders

(a) *Offer an attractive opportunity to fully exit and monetise investments in the Company amid limited trading liquidity.*

- The trading liquidity of the Shares has remained low for a sustained period.
- The average daily trading volume of the Shares for the 6 and 12 months leading up to and including the Last Trading Day were approximately 1,938,800 Shares and 1,639,553 Shares, respectively, representing only 0.14% and 0.12% of the issued Shares respectively as at the Announcement Date.
- The low trading liquidity would be challenging for the Scheme Shareholders to execute substantial on-market disposals without adversely affecting the price of the Shares.
- The Proposal provides an immediate opportunity for the Scheme Shareholders to exit and reallocate the proceeds to alternative investment opportunities.

(b) *Unlock shareholder value at a compelling premium.*

- The Proposal provides an attractive opportunity for the Scheme Shareholders to monetise their investments at a premium over the prevailing Share price.
- The Cancellation Price represents a premium of approximately 75.56% over the closing price of HK\$0.900 per Share as at the Last Trading Day, as well as a premium of approximately 96.27% and 98.24% over the average closing price of approximately HK\$0.805 and HK\$0.797 per share for the 30 and 90 trading days up to and including the Last Trading Day, respectively.

(c) *Realise investment returns amid current challenging market conditions.*

- The Proposal provides the Scheme Shareholders with an opportunity to realise their investment in the Company considering the prevailing uncertain market conditions influenced by volatile sentiment in the broader equity markets.
- The Hang Seng Index decreased by 13.59% since 31 December 2021 up to the Last Trading Day. The Company's share price also declined by 73.05% during the same period.

(d) *Unlikely to receive any alternative offer from a third party.*

- Given that the Offeror already owns approximately 74.25% issued Shares of the Company, the Offeror believes it is unlikely that the Scheme Shareholders will receive any alternative offer from a third party to acquire the Scheme Shares, as such an offer would not succeed without the approval of the Offeror.
- No discussions have taken place, nor are currently taking place, with any third party regarding the disposal of any of the Shares held by the Offeror.

4.2 For the Company

(a) *Provide better flexibility, knowhow, relevant resources and expertise, in realising the Company's long-term strategic goals effectively and efficiently. Creating higher value for the Company and the brands under the Company.*

- The Company has not been fully effective in its overseas expansion. The Offeror has relevant resources and expertise in supporting the Company to more effectively expand the business overseas and strengthen the Company internally to meet the challenges of the industry headwinds.
- The Offeror believes that successful privatisation would provide the Company with greater flexibility, knowhow and expertise in formulating and executing long-term growth strategies. This includes business strategy enhancement aiming at:
 - (1) Enhancing the core competence of the Company and adjusting the expansion plan in different markets accordingly;
 - (2) Utilising relevant resources and expertise from the Offeror to quickly address the underperforming businesses as well as establishing sustainable business models outside Hong Kong;
 - (3) Strengthening the Company's branding and marketing efforts internationally by leveraging the Offeror's successful marketing strategies to enhance overall effectiveness in penetrating new markets; and
 - (4) Integrating more closely with the Offeror to synergise operations and consolidate headquarters functions for costs optimisation.

- As a privately-operated business, the Company can more efficiently implement its strategies and respond to the rapidly changing market agilely, free from the pressures of capital market expectations, regulatory costs, disclosure obligations, share price fluctuations, and sensitivity to short-term market and investor sentiment.

(b) *Reduce costs of maintaining the Company's listing status.*

- Privatisation would streamline the Company's governance and reduce compliance costs of maintaining its listing status, including regulatory requirements, disclosures and financial statement publications. Lowering corporate expenses is favourable for the Company to improve profitability amid industry headwinds.

(c) *Secure enhanced fundraising access as a wholly-owned subsidiary of the Offeror.*

- As a publicly listed company in Japan, Toridoll Japan, the parent company of the Offeror, has access to capital markets for fundraising activities and is capable of securing more competitive financing options. This financial strength can support the capital needs and long-term development of both Toridoll Japan and the Company.
- Upon completion of the privatisation, the Company will become an indirect wholly-owned subsidiary of Toridoll Japan. Without being subject to the requirements of operating as a standalone listed company, the Company will be able to directly leverage the Offeror's greater financial strength to fund its future investments.

The Independent Board Committee (whose views are set out in the letter from the Independent Board Committee in Part V of this Scheme Document), having considered the terms of the Proposal and the Option Offer, and having taken into account the advice of the Independent Financial Adviser (which is set out in Part VI of this Scheme Document), considers that the terms of the Proposal and the Option Offer are fair and reasonable so far as the Independent Shareholders and the Option Holders are concerned and recommends (i) the Independent Shareholders to vote in favour of the relevant resolution(s) to be proposed at the Court Meeting and the EGM to approve and implement the Proposal and the Scheme; and (ii) the Option Holders to accept the Option Offer.

Scheme Shareholders, Option Holders and Share Award Grantees are reminded to refer to the details of the Proposal set out in the Scheme Document, including the advice of the Independent Financial Adviser to the Independent Board Committee and the recommendation from the Independent Board Committee in respect of the Proposal and the Option Offer, before deciding whether or not to accept the Proposal and the Option Offer, as the case may be.

5. CONDITIONS OF THE PROPOSAL AND THE SCHEME

The implementation of the Proposal is, and the Scheme will become effective and binding on the Company and all the Scheme Shareholders, subject to the fulfilment or waiver (as applicable) of the following Conditions:

- (a) the approval of the Scheme at the Court Meeting (by way of a poll) by holders of the Scheme Shares representing at least 75% of the voting rights of such holders present and voting, in person or by proxy, at the Court Meeting, and the votes cast (by way of poll) against the Scheme at the Court Meeting not exceeding 10% of the total voting rights attached to all CO Disinterested Shares, provided that:
 - (i) the Scheme is approved (by way of poll) by at least 75% of the votes attaching to the TC Disinterested Shares held by the Independent Shareholders that are cast either in person or by proxy at the Court Meeting; and
 - (ii) the number of votes cast (by way of poll) against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all the TC Disinterested Shares held by the Independent Shareholders;
- (b) the passing of a special resolution by a majority of at least 75% of the votes cast by the Shareholders present and voting, in person or by proxy, at the EGM (and otherwise in accordance with the procedural requirements of section 564 of the Companies Ordinance) to approve and give effect to the Scheme, including the approval of the reduction of the issued share capital of the Company by cancelling and extinguishing the Scheme Shares and the issue to the Offeror of such number of new Shares as is equal to the number of the Scheme Shares cancelled and extinguished;
- (c) the sanction of the Scheme (with or without modifications) and the confirmation of the reduction of the issued share capital of the Company involved in the Scheme by the High Court and the registration of a copy of the order of the High Court by the Registrar of Companies under Part 2 of the Companies Ordinance;
- (d) the compliance with the procedural requirements of sections 230 and 231 and sections 673 and 674 of the Companies Ordinance in relation to the reduction of the issued share capital of the Company and the Scheme, respectively;
- (e) all necessary Authorisations which are material in the context of the Group taken as a whole and other registrations, filings, rulings, consents, opinions, permissions and approvals in connection with the Proposal or its implementation in accordance with its terms having been obtained (or, as the case may be, completed) and remaining in full force and effect without modification;

- (f) no government, court, or governmental, quasi-governmental, statutory or regulatory body or agency in any jurisdiction having taken or instituted any action, proceeding or suit (or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order) that would make the Proposal or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Proposal or its implementation in accordance with its terms); and
- (g) all necessary legal or regulatory obligations in all relevant jurisdictions having been complied with and no legal or regulatory requirement having been imposed which is not expressly provided for, or is in addition to the requirements expressly provided for, in the relevant laws or regulations in connection with the Proposal or its implementation in accordance with its terms.

None of Conditions (a) to (d) above may be waived. The Offeror reserves the right to waive any of the Conditions (e) to (g), either in whole or in respect of any particular matter. Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Conditions as a basis for not proceeding with the Scheme if the circumstances which give rise to a right to invoke any such Condition are of material significance to the Offeror in the context of the Proposal. The Company has no right to waive any of the Conditions.

The Conditions under paragraphs (h)(i) and (ii) in the section headed “5. *Conditions of the Proposal and the Scheme*” of the Announcement have been removed and no longer form part of the Conditions following a hearing at the High Court on 22 May 2025 for the purpose of giving direction as to the holding of the Court Meeting.

All of the Conditions will have to be satisfied or waived (as applicable), on or before the Long Stop Date, failing which the Proposal will lapse.

With reference to the Condition in paragraph (e), as at the Latest Practicable Date, neither the Offeror nor the Company was aware of any requirement for such Authorisations other than those set out in the Conditions in paragraphs (a) to (d). With reference to the Condition in paragraph (f), as at the Latest Practicable Date, neither the Offeror nor the Company was aware of any such action, proceeding, suit, investigation, statute, regulation, demand or order. With reference to the Condition in paragraph (g), as at the Latest Practicable Date, neither the Offeror nor the Company was aware of any such non-compliance or legal or regulatory requirement other than those set out in the Conditions in paragraphs (a) to (d).

The Scheme is subject to the requirement under section 674(2) of the Companies Ordinance that members representing at least 75% of the voting rights of the members present and voting (in person or by proxy) at the Court Meeting agree to the Scheme, and the requirement under Rule 2.10 of the Takeovers Code that the Scheme must be approved by at least 75% of the votes attaching to

the TC Disinterested Shares (as defined in Note 6 to Rule 2 of the Takeovers Code) that are cast (in person or by proxy) at the meeting of the holders of the disinterested Shares. Accordingly:

- (a) for the purpose of the Companies Ordinance, the 75% approval threshold will be determined by reference to the voting rights of the Scheme Shareholders, who attend and vote (in person or by proxy) at the Court Meeting; and
- (b) for the purpose of the Takeovers Code, the 75% approval threshold will be determined by reference to the votes attaching to all the TC Disinterested Shares held by the Independent Shareholders which are cast (in person or by proxy) at the Court Meeting.

Therefore, in order to satisfy the requirements under both the Companies Ordinance and the Takeovers Code, the 75% approval threshold will be determined by reference to the Shares held by the Scheme Shareholders (all of whom were also Independent Shareholders as at the Latest Practicable Date) who attend and vote at the Court Meeting.

The Scheme is also subject to the requirement under section 674(2) of the Companies Ordinance that the votes cast against the Scheme at the Court Meeting shall not exceed 10% of the voting rights attached to all CO Disinterested Shares, and the requirement under Rule 2.10 of the Takeovers Code that the number of votes cast against the resolution to approve the Scheme at the meeting of the holders of the TC Disinterested Shares shall not be more than 10% of the votes attaching to all TC Disinterested Shares. Accordingly, all Scheme Shares (including the Daiwa Held Custodian Shares with reference to paragraph (m) in the section headed “6. *Shareholding Structure of the Company*” in this Explanatory Statement) will be regarded as disinterested Shares for the purpose of both the Companies Ordinance (i.e. the CO Disinterested Shares) and the Takeovers Code (i.e. the TC Disinterested Shares).

As at the Latest Practicable Date, none of the Conditions had been satisfied or waived (where applicable).

If approved, the Scheme will be binding on all the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting and/or the EGM.

Shareholders, Option Holders, Share Award Grantees and potential investors of the Company should be aware that the implementation of the Proposal, the Option Offer and the Scheme are subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal and the Option Offer may or may not be implemented, and the Scheme may or may not become effective. Shareholders, Option Holders, Share Award Grantees and potential investors of the Company should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult a licensed securities dealer or registered institution in securities, stockbroker, bank manager, solicitor, professional accountant or other professional advisers and obtain independent professional advice.

6. SHAREHOLDING STRUCTURE OF THE COMPANY

As at the Latest Practicable Date:

- (a) the issued share capital of the Company comprised 1,346,779,890 Shares, including 4,945,100 Shares that were held by Blessing Keen (representing approximately 0.37% of the issued share capital of the Company), of which (i) 2,931,600 Shares were Awarded Shares granted under the Share Award Scheme that were subject to vesting and were held by Blessing Keen on trust for the Share Award Grantees; and (ii) 2,013,500 Shares were the Trustee Held Pool Shares;
- (b) a total of 4,396,410 Share Options were outstanding, including (i) 681,410 Pre-IPO Share Options granted under the Pre-IPO Share Option Scheme with an exercise price of HK\$0.85 per Share, all of which had vested; and (ii) 3,715,000 Post-IPO Share Options granted under the Post-IPO Share Option Scheme with an exercise price of HK\$2.638 per Share, all of which had vested;
- (c) other than the 1,346,779,890 Shares in issue and the 4,396,410 outstanding Share Options, the Company had no outstanding options, warrants, derivatives, convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company that carried a right to subscribe for or which were convertible into the Shares;
- (d) the Offeror held 1,000,000,000 Shares, representing approximately 74.25% of the issued share capital of the Company;
- (e) except for Shares held by member(s) of the Daiwa Group acting in the capacity of exempt principal trader(s) and/or exempt fund manager(s), members of the Daiwa Group did not beneficially own, control or have direction over any Shares or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company;
- (f) the Daiwa Held Custodian Shares, being 78,000 Shares, representing approximately 0.006% of the issued share capital of the Company, were held by Daiwa as custodian for clients on a non-discretionary basis. Daiwa and other members of the Daiwa Group did not beneficially own, control or have direction over any of the Daiwa Held Custodian Shares;
- (g) save as disclosed in sub-paragraphs (d), (e) and (f) above, the Offeror and the Offeror Concert Parties did not hold or have control or direction over any other Shares or any options, warrants, derivatives or securities convertible into Shares or other derivatives in respect of securities in the Company;
- (h) the Scheme Shares comprised a total of 346,779,890 Shares held or beneficially owned by the Scheme Shareholders, representing approximately 25.75% of the issued share capital of the Company;

- (i) with reference to the closing price of HK\$1.450 per Share as quoted on the Stock Exchange on the Latest Practicable Date, the outstanding Post-IPO Share Options were out of the money. However, if all of the outstanding Share Options (including the Post-IPO Share Options) are exercised and the relevant Option Holders have become Scheme Shareholders before the Scheme Record Date, the Scheme Shares would comprise a total of 351,176,300 Shares held or beneficially owned by the Scheme Shareholders, representing approximately 25.99% of the enlarged issued share capital of the Company;
- (j) neither the Offeror nor the Offeror Concert Parties had entered into any outstanding derivative in respect of the securities in the Company;
- (k) neither the Offeror nor the Offeror Concert Parties had borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (l) save for the dealings in the Shares by any member of the Daiwa Group which are conducted on a non-discretionary basis for and on behalf of its clients, none of the Offeror, the directors of the Offeror and the Offeror Concert Parties had dealt for value in any Shares or convertible securities, warrants, options or derivatives in respect of any Shares during the Relevant Period;
- (m) as the Daiwa Held Custodian Shares were not held by or on behalf of (i) the Offeror or (ii) an associate of the Offeror (as defined under section 667(1) of the Companies Ordinance) or (iii) a person (or a nominee on behalf of such person) who is a party to an acquisition agreement (within the meaning of section 667(5) of the Companies Ordinance) with the Offeror, the Daiwa Held Custodian Shares were regarded as disinterested Shares for the purpose of the Companies Ordinance (i.e. the CO Disinterested Shares). In addition, as Daiwa and other members of the Daiwa Group did not beneficially own, control or have direction over any of the Daiwa Held Custodian Shares, the Daiwa Held Custodian Shares were regarded as disinterested Shares for the purpose of the Takeovers Code (i.e. the TC Disinterested Shares); and
- (n) subject to sub-paragraph (m) above, all Shareholders (other than the Offeror and the Offeror Concert Parties) were considered as Independent Shareholders for the purpose of the Takeovers Code and holders of CO Disinterested Shares for the purpose of the Companies Ordinance.

Shares held or beneficially owned by the Offeror will not form part of the Scheme Shares.

Upon the Scheme becoming effective, the Offeror will directly hold 100% of the issued share capital of the Company.

On the assumption that there is no other change in the shareholding structure of the Company before completion of the Proposal, the table below sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) before completion of the Proposal (assuming that the Share Options are exercised in full prior to the Options Latest Exercise Time); (iii) immediately upon completion of the Proposal, assuming that none of the Share Options are exercised prior to the Options Latest Exercise Time; and (iv) immediately upon completion of the Proposal, assuming that all of the Share Options are exercised prior to the Options Latest Exercise Time:

Shareholders	As at the Latest Practicable Date		Before completion of the Proposal (assuming that the Share Options are exercised in full prior to the Options Latest Exercise Time)		Immediately upon completion of the Proposal (assuming that none of the outstanding Share Options are exercised prior to the Options Latest Exercise Time)		Immediately upon completion of the Proposal (assuming that the Share Options are exercised in full prior to the Options Latest Exercise Time)	
	No. of Shares	Approximate % (Note 1)	No. of Shares	Approximate % (Note 1)	No. of Shares	Approximate % (Note 1)	No. of Shares	Approximate % (Note 1)
Offeror	1,000,000,000	74.25	1,000,000,000	74.01	1,346,779,890	100.00	1,351,176,300	100.00
Offeror Concert Parties	—	—	—	—	—	—	—	—
Aggregate number of Shares held by the Offeror and Offeror Concert Parties (Notes 2 and 3)	1,000,000,000	74.25	1,000,000,000	74.01	1,346,779,890	100.00	1,351,176,300	100.00
Scheme Shareholders								
Directors of the Company								
— Mr. Lau Tat Man (Notes 4 and 5)	2,494,700	0.18	3,134,100	0.23	—	—	—	—
— Ms. Chan Ping, Rita (Notes 4 and 5)	1,364,200	0.10	1,679,200	0.13	—	—	—	—
— Mr. Yeung Siu Cheong (Notes 4, 5 and 6)	204,600	0.02	458,600	0.03	—	—	—	—
Aggregate number of Shares held by the Directors of the Company (Note 7)	4,063,500	0.30	5,271,900	0.39	—	—	—	—
Option Holders (other than the Directors) (Note 4)	—	—	3,188,010	0.24	—	—	—	—
Blessing Keen (Note 5)	4,945,100	0.37	4,945,100	0.37	—	—	—	—
Daiwa Held Custodian Shares (Note 3)	78,000	0.006	78,000	0.006	—	—	—	—
Other Scheme Shareholders	337,693,290	25.07	337,693,290	24.99	—	—	—	—
Aggregate number of Shares held by the Scheme Shareholders	346,779,890	25.75	351,176,300	25.99	—	—	—	—
Total number of Shares in issue	1,346,779,890	100.00	1,351,176,300	100.00	1,346,779,890	100.00	1,351,176,300	100.00

Notes:

- (1) The shareholding percentages in the table are subject to rounding adjustment.
- (2) The Shares held or beneficially owned by the Offeror will not form part of the Scheme Shares and will not be voted at the Court Meeting. Under the Scheme, Shares held or beneficially owned by the Offeror will not be cancelled and extinguished. The share capital of the Company will, on the Effective Date, be reduced by

cancelling and extinguishing the Scheme Shares, and forthwith upon such reduction, the share capital of the Company will be increased to its former amount by the issuance to the Offeror, credited as fully paid, of the same number of Shares as is equal to the number of Scheme Shares cancelled and extinguished.

- (3) Daiwa is the financial adviser to the Offeror in connection with the Proposal. Accordingly, Daiwa and persons controlling, controlled by or under the same control as Daiwa (excluding members of the Daiwa Group which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code and are connected for the sole reason that they control, are controlled by or are under the same control as Daiwa) are presumed to be acting in concert with the Offeror in relation to the Proposal in accordance with class (5) of the definition of “acting in concert” under the Takeovers Code.

As at the Latest Practicable Date, Daiwa held 78,000 Shares (i.e. the Daiwa Held Custodian Shares) as a simple custodian for clients on a non-discretionary basis, and Daiwa and other members of the Daiwa Group did not beneficially own, control or have direction over such Shares. Such Shares shall form part of the Scheme Shares and shall be subject to cancellation when the Scheme becomes effective.

As at the Latest Practicable Date, except for Shares held by member(s) of the Daiwa Group acting in the capacity of exempt principal trader(s) and/or exempt fund manager(s), members of the Daiwa Group did not beneficially own, control or have direction over any Shares or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

- (4) As at the Latest Practicable Date, a total of 4,396,410 Share Options were outstanding, including: (i) 681,410 Pre-IPO Share Options with an exercise price of HK\$0.85 per Share, all of which had vested; and (ii) 3,715,000 Post-IPO Share Options with an exercise price of HK\$2.638 per Share, all of which had vested.

Details of the Option Holders and their outstanding Share Options as at the Latest Practicable Date are set out in the tables below.

(A) *Pre-IPO Share Options*

Option Holders	Number of Pre-IPO Share Options Vested	Exercise price per Share (HK\$)
Directors		
— Mr. Lau Tat Man	114,400	0.85
— Mr. Yeung Siu Cheong	44,000	0.85
Other employees of the Group	<u>523,010</u>	0.85
Total	<u><u>681,410</u></u>	

The above Pre-IPO Share Options are exercisable from the date immediately after the second anniversary of the date of the Listing (i.e. 8 October 2023) up to 30 April 2031, being the expiry date of 10 years from the date upon which the option is deemed to be granted and accepted.

(B) *Post-IPO Share Options*

Option Holders	Number of Post-IPO Share	Exercise price per Share (HK\$)
	Options Vested	
Directors		
— Mr. Lau Tat Man	525,000	2.638
— Ms. Chan Ping, Rita	315,000	2.638
— Mr. Yeung Siu Cheong	210,000	2.638
Other employees of the Group	<u>2,665,000</u>	2.638
Total	<u><u>3,715,000</u></u>	

Subject to the relevant vesting schedule, the above Post-IPO Share Options are exercisable from the date upon which the option is deemed to be granted and accepted (i.e. 1 April 2022) up to 1 April 2032, being the expiry date of 10 years from the date upon which the option is deemed to be granted and accepted.

- (5) As at the Latest Practicable Date, 4,945,100 Shares were held by Blessing Keen, of which (a) 2,931,600 Shares were Awarded Shares granted under the Share Award Scheme that were subject to vesting and were held by Blessing Keen on trust for the Share Award Grantees; and (b) 2,013,500 Shares were the Trustee Held Pool Shares.

Details of the Share Award Grantees and their outstanding Awarded Shares as at the Latest Practicable Date are set out in the table below.

Share Award Grantees	Number of Awarded Shares		Total
	Vesting on 12 October 2025 [#]	Vesting on 12 October 2026 [#]	
Directors of the Company			
— Mr. Lau Tat Man	177,300	236,400	413,700
— Ms. Chan Ping, Rita	102,600	136,800	239,400
— Mr. Yeung Siu Cheong	73,500	98,000	171,500
Other employees of the Group	<u>903,000</u>	<u>1,204,000</u>	<u>2,107,000</u>
Total	<u><u>1,256,400</u></u>	<u><u>1,675,200</u></u>	<u><u>2,931,600</u></u>

[#] Vesting of these Awarded Shares are subject to the rules of the Share Award Scheme and the terms and conditions of the relevant grant letters, including performance targets applicable to Share Award Grantees who are senior executives of the Group.

- (6) As at the Latest Practicable Date, Mr. Yeung Siu Cheong, an executive Director, holds 204,600 Shares, and is also interested in 15,000 Shares which are held by his spouse, Ms. Li Yan Man, Daisy, as well as in the outstanding Share Options set out in Note (4) above and the unvested Awarded Shares set out in Note (5) above.
- (7) As at the Latest Practicable Date, save for Mr. Lau Tat Man, Ms. Chan Ping, Rita and Mr. Yeung Siu Cheong, none of the Directors was interested (within the meaning of Part XV of the SFO) in the Shares.

7. SCHEME OF ARRANGEMENT UNDER SECTION 673 OF THE COMPANIES ORDINANCE

Under section 670 of the Companies Ordinance, where an arrangement is proposed to be entered into by a company with the members, or any class of the members, of the company, the High Court may, on an application made by the company, any of the members or any member of that class, order a meeting of those members or of that class of members, as the case may be, to be summoned in any manner that the High Court directs.

Under section 673 of the Companies Ordinance, if the members or the class of members with whom the arrangement is proposed to be entered into agree or agrees to the arrangement, the High Court may, on application by the company, any of the members or any member of that class, as the case may be, sanction the arrangement. An arrangement sanctioned by the High Court as aforesaid is binding on the members or the class of members with whom the arrangement is proposed to be entered into.

The Scheme is a takeover offer under section 674 of the Companies Ordinance. Under section 674 of the Companies Ordinance, where the arrangement involves a takeover offer, the members or the class of members agree or agrees to the arrangement if, at a meeting summoned as directed by the High Court as aforesaid, members representing at least 75% of the voting rights of the members or the class of members, as the case may be, present and voting, in person or by proxy, agree to the arrangement and the votes cast against the arrangement at the meeting do not exceed 10% of the total voting rights attached to all CO Disinterested Shares in the company or of the class in the company, as the case may be.

8. BINDING EFFECT OF THE SCHEME

Notwithstanding the fact that there may be a dissenting minority, if the Scheme is approved at the Court Meeting in accordance with the requirements of section 673 of the Companies Ordinance and Rule 2.10 of the Takeovers Code and is sanctioned by the High Court and the other Conditions are either fulfilled or (to the extent permitted) waived, then the Scheme will become binding on the Company and all the Scheme Shareholders.

If the Scheme becomes effective:

- (a) all the Scheme Shares will be cancelled whereupon the share capital of the Company shall be reduced and all share certificates for those Scheme Shares cancelled shall cease to have effect as evidence of title;
- (b) the share capital of the Company will then be increased to its former amount by the creation of such number of new Shares as is equal to the number of Scheme Shares cancelled;

- (c) the credit rising in the Company's books of account as a result of the said reduction of capital will be applied in paying up in full the new Shares created and such new Shares will be so allotted and issued, credited as fully paid, to the Offeror; and
- (d) the Offeror will pay the Cancellation Price of HK\$1.58 in cash, less the Dividend Adjustment (if any), to the Scheme Shareholders for each Scheme Share held by them on the Scheme Record Date.

9. INFORMATION ON THE OFFEROR AND THE OFFEROR CONCERT PARTIES

The Offeror is a company incorporated in Hong Kong with limited liability and is principally engaged in the business of managing and operating restaurant chains. As at the Latest Practicable Date, the Offeror was a direct wholly-owned subsidiary of Toridoll Japan, and was directly interested in 1,000,000,000 Shares, representing approximately 74.25% of the issued Shares.

Toridoll Japan is a company incorporated in Japan with limited liability, whose shares are listed on Tokyo Stock Exchange, Inc. in Japan (stock code: 3397). Toridoll Japan, together with its subsidiaries, is a renowned multi-brand restaurants group which also operates the largest global udon chain "Marugame Seimen".

As at the Latest Practicable Date, Mr. Awata, together with his spouse, Mrs. Awata, controlled approximately 48% of the issued share capital of Toridoll Japan.

10. INFORMATION ON THE GROUP

The Company is a company incorporated in Hong Kong with limited liability whose shares are listed on the Main Board of the Stock Exchange. The Company is principally engaged in investment holding, procurement and trading of food and processed food. The Group is a restaurant chain operator of the TamJai and SamGor branded fast casual restaurant chain in Hong Kong with operations also in Mainland China, Singapore and Japan, specialising in mixian (a type of rice noodle). The Group also operates restaurants under other licensed brands including Marugame Seimen and Yakiniku Yamagyu.

Your attention is also drawn to Appendices I to II to this Scheme Document for further information on the Group.

11. THE INTENTIONS OF THE OFFEROR IN RELATION TO THE GROUP

As at the Latest Practicable Date, it was the intention of the Offeror for the Group to continue to carry on its existing business and the Offeror did not have any plan to make any material changes to: (a) the business of the Group; or (b) the continued employment of the employees of the Group (other than changes made in the ordinary course of business). The Offeror plans to continuously support the Group's business in Hong Kong, Mainland China, and overseas markets, and intends to retain sufficient necessary capital for supporting the Group's business plans in these markets.

12. WITHDRAWAL OF THE LISTING OF THE SHARES

Upon the Scheme becoming effective, all the Scheme Shares will be cancelled and extinguished and the share certificates for the Scheme Shares will thereafter cease to have effect as evidence of title.

The Company will make an application for the listing of the Shares to be withdrawn from the Stock Exchange in accordance with Rule 6.15(2) of the Listing Rules, with effect after the Effective Date.

The Shareholders will be notified by way of an announcement of the dates of the last day for dealing in the Shares and the day on which the Scheme and the withdrawal of the listing of the Shares on the Stock Exchange will become effective. An indicative expected timetable in relation to the Proposal is included in the “Expected Timetable” section of this Scheme Document.

13. IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

Subject to the requirements of the Takeovers Code, the Scheme will lapse if any of the Conditions has not been fulfilled or waived, as applicable, on or before the Long Stop Date. The listing of the Shares on the Stock Exchange will not be withdrawn if the Scheme does not become effective or the Proposal otherwise lapses.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under Rule 31.1 of the Takeovers Code on the Offeror making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with it in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may, within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses, announce an offer or possible offer for the Company, except with the consent of the Executive.

14. COSTS OF THE SCHEME

Pursuant to Rule 2.3 of the Takeovers Code, if the Scheme is not approved and the Proposal is either not recommended by the Independent Board Committee or not recommended as fair and reasonable by the Independent Financial Adviser, all costs and expenses incurred by the Company and the Offeror in connection with the Proposal shall be borne by the Offeror. Given that the Proposal is recommended by the Independent Board Committee and is recommended as fair and reasonable by the Independent Financial Adviser, Rule 2.3 of the Takeovers Code is not applicable. However, in the event that the Scheme is either not approved by the Scheme Shareholders, or it was not sanctioned by the High Court, all costs and expenses incurred by the Company and the Offeror in connection with the Proposal shall be borne by the Offeror.

15. INDICATIONS AS TO VOTING AND ACCEPTANCE OF THE OPTION OFFER

As at the Latest Practicable Date, each Director who held or was beneficially interested in the Shares (see the section headed “6. *Shareholding Structure of the Company*” in this Explanatory Statement for further details), had indicated that those Shares held by him or her or in which he or she was beneficially interested will be voted in favour of (a) the resolution(s) to approve the Scheme at the Court Meeting; and (b) the resolution(s) to be proposed at the EGM to implement the Proposal and the Scheme, including the allotment and issue to the Offeror of such number of new Shares (credited as fully paid) as is equal to the number of the Scheme Shares cancelled to maintain the issued share capital of the Company.

As at the Latest Practicable Date, each Option Holder who was a Director, had indicated that he or she intends to accept the Option Offer in respect of the outstanding Share Options held by him or her (see the section headed “6. *Shareholding Structure of the Company*” in this Explanatory Statement for further details) and, to the extent that such Director exercises his or her Share Options on or before the applicable latest time in order to become entitled to attend and vote at the Court Meeting and the EGM, he or she intends to vote in favour of (a) the resolution(s) to approve the Scheme at the Court Meeting; and (b) the resolution(s) to be proposed at the EGM to implement the Proposal and the Scheme, including the allotment and issue to the Offeror of such number of new Shares (credited as fully paid) as is equal to the number of the Scheme Shares cancelled to maintain the issued share capital of the Company.

16. REGISTRATION AND PAYMENT**Entitlements of the Scheme Shareholders to receive the Cancellation Price**

Assuming that the Scheme Record Date falls on Wednesday, 13 August 2025, it is proposed that the Register will be closed from Friday, 8 August 2025 onwards (or such other date as the Shareholders may be notified by announcement) in order to determine the entitlements of the Scheme Shareholders to receive the Cancellation Price. During such period, no transfer of Shares will be effected.

In order to qualify for such entitlements to receive the Cancellation Price under the Proposal, all transfers accompanied by the relevant share certificates must be lodged at the office of the Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong before 4:30 p.m. on Thursday, 7 August 2025 (or such other date as the Shareholders may be notified by announcement).

Payment of Cancellation Price to the Scheme Shareholders

In the event that the Scheme becomes effective, payment of the Cancellation Price will be made to the Scheme Shareholders whose names appear on the Register as at the Scheme Record Date in accordance with the terms of the Scheme. Cheques for payment of the Cancellation Price to the Scheme Shareholders will be despatched no later than seven (7) Business Days after the Effective Date. Assuming that the Scheme becomes effective on Friday, 15 August 2025, cheques for payment of the Cancellation Price to the Scheme Shareholders will be despatched on or before Tuesday, 26 August 2025.

Cheques for the payment of the Cancellation Price will be sent by ordinary post (by airmail where appropriate) in postage pre-paid envelopes addressed to the persons entitled thereto at their respective registered addresses or, in the case of joint holders, to the registered address of that joint holder whose name then stands first in the Register in respect of the joint holding. For Beneficial Owners that hold Scheme Shares through a nominee (other than HKSCC Nominees), cheques issued in the name of the nominee will be sent by post in pre-paid envelopes addressed to the nominee. All such cheques will be posted at the risk of the persons entitled thereto and none of the Offeror, the Company, Daiwa, Somerley, the Independent Financial Adviser and the Share Registrar and their respective directors, employees, officers, agents, advisers, associates and affiliates and any other persons involved in the Proposal will be responsible for any loss or delay in transmission.

For Beneficial Owners whose Scheme Shares are deposited in CCASS and registered under the name of HKSCC Nominees, the aggregate amount of the Cancellation Price for those Scheme Shares will be paid to HKSCC Nominees by way of bank transfer or cheque(s). Upon receipt of the payment, HKSCC Nominees will cause such cash payment to be credited to the designated bank accounts of the relevant CCASS Participants in accordance with the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

As provided in the Scheme:

- (a) on or after the day being six (6) calendar months after the date of posting the cheques for the payment of the Cancellation Price, the Offeror shall have the right to cancel or countermand payment of any such cheque which has not been cashed or which has been returned uncashed, and shall place all monies represented thereby in a deposit account in the name of the Offeror (or its nominee) with a licensed bank in Hong Kong selected by the Offeror (or its nominee);
- (b) the Offeror (or its nominee) shall hold monies represented by such uncashed cheques until the expiry of six (6) years from the Effective Date and shall, prior to such date, make payments therefrom of the sums payable pursuant to the Scheme to persons who satisfy the Offeror (or its nominee) that they are respectively entitled thereto and the cheques of which they are payees have not been cashed. Any payments made by the Offeror shall not include any interest accrued on the sums to which the respective persons are entitled pursuant to the Scheme and the Option

Offer, and are subject to, if applicable, the deduction of interest, tax or any withholding tax or any other deduction required by law. On the expiry of six (6) years from the Effective Date, the Offeror (and, if applicable, its nominee or successor company) and the Company shall be released from any further obligation to make any payments under the Scheme and the Offeror shall be absolutely entitled to the balance (if any) of the sums then standing to the credit of the abovementioned deposit account, including accrued interest (if any) subject, if applicable, to any deduction of interest, tax or any withholding tax or any other deduction required by law and expenses incurred; and

- (c) the Offeror shall exercise its absolute discretion in determining whether or not it is satisfied that any person is so entitled, and a certificate of the Offeror to the effect that any particular person is so entitled or not so entitled, as the case may be, shall be conclusive and binding upon all persons claiming an interest in the relevant monies.

Settlement of the Cancellation Price to which the Scheme Shareholders are entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme, without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against any such Scheme Shareholder.

Assuming that the Scheme becomes effective, the Register will be updated accordingly to reflect the cancellation of all the Scheme Shares and the share certificates for the Scheme Shares will thereafter cease to have effect as evidence of title as from the Effective Date.

Shareholders are recommended to consult their professional advisers if they are in doubt as to the above procedures.

17. OVERSEAS SCHEME SHAREHOLDERS AND OPTION HOLDERS

This Scheme Document and the accompanying forms of proxy and Form of Acceptance have been prepared for the purposes of complying with the laws of Hong Kong, the Takeovers Code, the Listing Rules and the information disclosed may not be the same as that which would have been disclosed if this Scheme Document and the accompanying forms of proxy and Form of Acceptance had been prepared in accordance with the laws of any other jurisdictions.

This Scheme Document and the accompanying forms of proxy and Form of Acceptance are not intended to and does not constitute, or form part of, any offer to purchase or subscribe for or an invitation to purchase or subscribe for any securities of the Offeror or the Company or the solicitation of any vote or approval in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction, nor shall there be any sale, issuance or transfer of securities of the Offeror or the Company in any jurisdiction in contravention of applicable law.

The making and implementation of the Proposal and the Option Offer to Scheme Shareholders and Option Holders (as the case may be) who are not residents in Hong Kong may be affected by the applicable laws and regulations of the relevant jurisdictions. Any Scheme Shareholders and Option Holders who are not residents in Hong Kong should inform themselves about and observe any applicable legal and regulatory requirements in their own jurisdictions. The Offeror and the Company do not represent that this Scheme Document and the accompanying forms of proxy and Form of Acceptance may be lawfully distributed in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Offeror and the Company which is intended to permit a public offering or the distribution of this Scheme Document and the accompanying forms of proxy and Form of Acceptance in any jurisdiction (other than Hong Kong) where action for that purpose is required. Accordingly, it is prohibited to (a) copy, distribute or publish all or part of this Scheme Document and the accompanying forms of proxy and Form of Acceptance or any advertisement or other offering material in any jurisdiction; (b) disclose its/their content; or (c) use information contained therein for any purpose other than assessment of the Proposal and the Option Offer, unless the information is already publicly available in another form.

It is the responsibility of any overseas Scheme Shareholders and Option Holders wishing to take any action in relation to the Proposal and the Option Offer (as the case may be) to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, compliance with the necessary formalities and the payment of any issue, transfer or other taxes due from such shareholder in such jurisdiction. It is emphasised that none of the Offeror, the Company, Daiwa, Somerley, the Independent Financial Adviser and any of their respective directors, officers, employees, agents, affiliates or advisers or any other person involved in the Proposal and the Option Offer accepts any responsibility in relation to the above.

Any action taken by such Scheme Shareholders, Beneficial Owners or Option Holders in respect of the Proposal, the Option Offer and the Scheme (as the case may be) will be deemed to constitute a representation and warranty from such persons to the Offeror and the Company and their respective advisers, including Daiwa, Somerley and the Independent Financial Adviser, that those laws and regulatory requirements have been complied with. If you are in doubt as to your position, you should consult your professional advisers. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, the above representation and warranty.

As at the Latest Practicable Date, there was no Scheme Shareholder whose address as shown in the register of members of the Company was outside Hong Kong.

18. TAXATION

As the Scheme does not involve the sale and purchase of Hong Kong stock, no Hong Kong stamp duty will be payable pursuant to the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong) on the cancellation of the Scheme Shares upon the Scheme becoming effective.

Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of the Proposal or the Scheme.

It is emphasised that none of the Offeror, the Company, Daiwa, Somerley and the Independent Financial Adviser and any of their respective directors, officers or associates and any other person involved in the Proposal or the Scheme accepts responsibility or has any liability for any taxation effects on, or liabilities of, any persons as a result of their approval or disapproval of the Proposal or the Scheme. All Scheme Shareholders, Beneficial Owners and/or Option Holders shall be solely responsible for their liabilities (including tax liabilities) in relation to the Proposal, the Option Offer and the Scheme (as the case may be).

19. COURT MEETING AND EGM

Court Meeting

The High Court has directed that the Court Meeting be convened for the purpose of considering and, if thought fit, approving the Scheme (with or without modification). The Scheme will be subject to the approval by holders of Scheme Shares, whose names appear on the Register as at the Meeting Record Date, at the Court Meeting in accordance with the requirements imposed by section 673 of the Companies Ordinance and Rule 2.10 of the Takeovers Code, and in the manner referred to in the paragraphs headed “5. *Conditions of the Proposal and the Scheme*” of this Explanatory Statement.

Only Shareholders whose names appear on the Register as at the Meeting Record Date will be eligible to vote at the Court Meeting. Further, only Shares held by such Shareholders who are holders of CO Disinterested Shares will be taken into account for the purpose of ascertaining whether the voting requirement under section 674(2)(a)(ii) of the Companies Ordinance for approving the Scheme has been satisfied, and only Shares held by Independent Shareholders will be taken into account for the purpose of ascertaining whether the voting requirements under Rule 2.10 of the Takeovers Code for approving the Scheme have been satisfied.

For the avoidance of doubt, the Shares held or beneficially owned by the Offeror do not form part of the Scheme Shares and the Offeror shall abstain from voting at the Court Meeting.

As at the Latest Practicable Date, the Daiwa Held Custodian Shares, being 78,000 Shares (representing approximately 0.006% of the issued share capital of the Company), were held by Daiwa as custodian for clients on a non-discretionary basis, and such Shares shall form part of the Scheme Shares. As (i) such member of the Daiwa Group holds the relevant Shares as a simple custodian for and on behalf of non-discretionary clients; (ii) there are contractual arrangements in place between such member of the Daiwa Group and such non-discretionary client that strictly prohibit such member of the Daiwa Group from exercising any voting discretion over such Shares; (iii) all voting instructions shall originate from such non-discretionary client only (if no instructions are given, then no votes shall be cast for the

relevant Shares held by such member of the Daiwa Group); and (iv) such non-discretionary client is not the Offeror or an Offeror Concert Party, the Daiwa Held Custodian Shares are regarded as disinterested Shares for the purpose of the Takeovers Code (i.e. the TC Disinterested Shares). In addition, as the Daiwa Held Custodian Shares are not held by or on behalf of (a) the Offeror or (b) an associate of the Offeror (as defined under section 667(1) of the Companies Ordinance) or (c) a person (or a nominee on behalf of such person) who is a party to an acquisition agreement (within the meaning of section 667(5) of the Companies Ordinance) with the Offeror, the Daiwa Held Custodian Shares are regarded as disinterested Shares for the purpose of the Companies Ordinance (i.e. the CO Disinterested Shares). As such, the Daiwa Held Custodian Shares may be voted at the Court Meeting and the EGM.

As at the Latest Practicable Date, save as disclosed in the section headed “6. *Shareholding Structure of the Company*” in this Explanatory Statement, none of the Directors had any shareholding or any interest (within the meaning of Part XV of the SFO) in the Company.

As at the Latest Practicable Date, none of the Offeror and the Offeror Concert Parties had received an irrevocable commitment to vote for or against the Scheme at the Court Meeting.

Notice of the Court Meeting is set out in Appendix IV to this Scheme Document. The Court Meeting will be held at 10:00 a.m. on Monday, 30 June 2025 at 24/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong.

The EGM

The EGM will be held immediately after the Court Meeting for the purpose of considering and, if thought fit, passing the special resolution to give effect to the Scheme, including the approval of the reduction of the share capital of the Company by cancelling and extinguishing the Scheme Shares and of the issue to the Offeror of such number of new Shares as is equal to the number of the Scheme Shares cancelled and extinguished.

All Shareholders whose names appear on the Register as at the Meeting Record Date will be entitled to attend and vote at the EGM.

As at the Latest Practicable Date, none of the Offeror and the Offeror Concert Parties had received an irrevocable commitment to vote for or against the special resolution to be proposed at the EGM.

Notice of the EGM is set out in Appendix V to this Scheme Document. The EGM will be held at 10:15 a.m. (or if later, immediately after the conclusion or adjournment of the Court Meeting) on Monday, 30 June 2025 at 24/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong.

Results of the Court Meeting and the EGM

A joint announcement will be made by the Company and the Offeror on the results of the Court Meeting and the EGM no later than 7:00 p.m. on Monday, 30 June 2025.

If the resolution to be proposed at the Court Meeting and the special resolution to be proposed at the EGM are passed in fulfilment of the Conditions set out in paragraphs (a) to (b) in the section headed “5. *Conditions of the Proposal and the Scheme*” in this Explanatory Statement, the expected latest day for trading of the Shares on the Stock Exchange is 4:10 p.m. on Monday, 28 July 2025 (or such other date and time as Shareholders may be notified by way of announcement), and trading in the Shares on the Stock Exchange will cease from then onwards, unless the Scheme is withdrawn or lapses in accordance with its terms and the Takeovers Code subsequently, in which event trading in the Shares on the Stock Exchange will resume after the date on which the Scheme is so withdrawn or lapses and further announcement(s) will be made to notify Shareholders and investors of the Company of the exact date and time by which trading of the Shares on the Stock Exchange will resume.

If the resolution to be proposed at the Court Meeting or if the special resolution to be proposed at the EGM is not passed in accordance with the Conditions set out in paragraphs (a) to (b) in the section headed “5. *Conditions of the Proposal and the Scheme*” in this Explanatory Statement, the Scheme and the Proposal will lapse and trading in the Shares on the Stock Exchange will not cease from 4:10 p.m. on Monday, 28 July 2025 onwards. Further announcement(s) will be made in this event.

20. ACTIONS TO BE TAKEN

The summary of actions to be taken by the Shareholders, the Beneficial Owners and Option Holders can be found in Part II of this Scheme Document.

21. EXERCISE YOUR RIGHT TO VOTE

If you are a Shareholder or a Beneficial Owner, the Offeror and the Company strongly encourage you to exercise your right to vote or give instructions to the relevant Registered Owner to vote in person or by proxy at the Court Meeting and at the EGM.

If you keep any Shares in a share lending programme, the Offeror and the Company urge you to recall any outstanding Shares on loan to avoid market participants using borrowed stock to vote.

If you are a Beneficial Owner whose Shares are deposited in CCASS, the Offeror and the Company encourage you to provide HKSCC Nominees with instructions or make arrangements with HKSCC Nominees in relation to the manner in which those Shares should be voted at the Court Meeting and at the EGM without delay and/or arrange for some or all of such Shares to be withdrawn from CCASS and transferred and registered in your name (as detailed in the paragraph headed “3. *Actions to be taken by Beneficial Owners whose Shares are deposited in CCASS*” in Part II of this Scheme Document).

If you are a Registered Owner holding Shares on behalf of Beneficial Owners, the Offeror and the Company would be grateful if you would inform the relevant Beneficial Owners about the importance of arranging for such Shares to be voted.

If you are in doubt as to the contents of this Scheme Document, any aspect of the Proposal or Option Offer or any action to be taken, you are encouraged to consult a licensed securities dealer or registered institution in securities, stockbroker, bank manager, solicitor, professional accountant or other professional adviser and obtain independent professional advice.

22. COURT HEARING

It is currently expected that, if the resolution to be proposed at the Court Meeting and the special resolution to be proposed at the EGM are passed in fulfilment of the Conditions set out in paragraphs (a) to (b) in the section headed “5. *Conditions of the Proposal and the Scheme*” in this Explanatory Statement, the Court Hearing will take place on Wednesday, 13 August 2025.

Further announcements will be made by the Offeror and the Company in relation to, among other things, the results of the Court Hearing, the Effective Date and the date of withdrawal of the listing of the Shares from the Stock Exchange in accordance with the requirements of the Takeovers Code and the Listing Rules.

23. RECOMMENDATION

Your attention is drawn to the following:

- (a) the paragraph headed “16. *Recommendations*” in the letter from the Board set out in Part IV of this Scheme Document;
- (b) the letter from the Independent Board Committee set out in Part V of this Scheme Document; and
- (c) the letter from the Independent Financial Adviser set out in Part VI of this Scheme Document.

24. FURTHER INFORMATION

Further information is set out in the appendices to, and elsewhere in, this Scheme Document, all of which form part of this Explanatory Statement.

Shareholders, Scheme Shareholders and Option Holders should rely only on the information contained in this Scheme Document. None of the Offeror, the Company, Daiwa, Somerley, the Independent Financial Adviser and the Share Registrar and their respective directors, employees, officers, agents, advisers, associates and affiliates and any other persons involved in the Proposal and the Option Offer have authorised anyone to provide you with information that is different from that contained in this Scheme Document.

25. PREVAILING TEXT

In case of any inconsistency, the English language texts of this Scheme Document and the accompanying forms of proxy and Form of Acceptance shall prevail over their respective Chinese language texts.

In case of any inconsistency between this Explanatory Statement and the Scheme set out in Appendix V to this Scheme Document, the latter shall prevail.

26. GENERAL

Given that the Proposal will be implemented by way of the Scheme, compulsory acquisition is not applicable and the Offeror has no powers of compulsory acquisition in relation to the Proposal and the Scheme.

1. FINANCIAL SUMMARY

Set out below is a summary of the audited consolidated financial information of the Group for each of the years ended 31 March 2023, 2024 and 2025. The financial information for the years ended 31 March 2023 and 2024 was extracted from the annual reports of the Company for the years ended 31 March 2023 and 2024, while the financial information for the year ended 31 March 2025 was extracted from the annual results announcement of the Company for the year ended 31 March 2025.

The independent auditor's reports issued by the auditor of the Company, KPMG, in respect of the audited consolidated financial statements of the Group for each of the years ended 31 March 2023, 2024 and 2025 did not contain any modified opinion, emphasis of matter or material uncertainty related to going concern.

Summary of Consolidated Statement of Profit or Loss and Other Comprehensive Income

Set out below is a summary of the Group's Consolidated Statement of Profit or Loss and Other Comprehensive Income as extracted from the consolidated financial statements of the Group as set forth in the annual reports of the Company for the years ended 31 March 2023 and 2024 and the annual results announcement of the Company for the year ended 31 March 2025.

Save as disclosed below, there were no other income or expenses which were material to the consolidated financial statements of the Group for each of the three years ended 31 March 2023, 2024 and 2025.

	For the year ended 31 March		
	2025	2024	2023
	HK\$'000	HK\$'000	HK\$'000
	(audited)	(audited)	(audited)
Revenue	2,842,681	2,748,406	2,594,613
Cost of food and beverages consumed	(672,909)	(648,136)	(620,318)
Other net income	44,858	50,539	74,024
Staff costs	(921,907)	(889,506)	(828,579)
Depreciation of property, plant and equipment	(96,844)	(115,415)	(122,985)
Depreciation of right-of-use assets, rental and related expenses	(558,578)	(532,117)	(499,301)
Consumables and packaging	(55,073)	(61,229)	(75,482)
Utilities expenses	(89,977)	(85,315)	(73,099)
Handling expenses	(156,245)	(103,359)	(80,529)
Advertising and promotion	(57,170)	(61,164)	(61,026)
Cleaning expenses	(27,340)	(25,036)	(22,850)
Repairs and maintenance	(21,633)	(21,251)	(18,413)
Other expenses	<u>(105,858)</u>	<u>(81,689)</u>	<u>(71,103)</u>
Profit from operation	124,005	174,728	194,952
Finance costs	(23,444)	(22,736)	(18,947)
Share of loss of a joint venture	<u>(390)</u>	<u>—</u>	<u>—</u>
Profit before taxation	100,171	151,992	176,005
Income tax expense	<u>(20,328)</u>	<u>(33,343)</u>	<u>(35,052)</u>
Profit for the year	<u>79,843</u>	<u>118,649</u>	<u>140,953</u>
Profit attributable to equity holders of the Company	79,843	118,649	140,953
Profit attributable to non-controlling interests	<u>—</u>	<u>—</u>	<u>—</u>

	For the year ended 31 March		
	2025	2024	2023
	HK\$'000	HK\$'000	HK\$'000
	(audited)	(audited)	(audited)
Total comprehensive income attributable to equity shareholders of the Company for the year	79,105	120,092	134,418
Comprehensive income attributable to equity holders of the Company	79,105	120,092	134,418
Comprehensive income attributable to non-controlling interests	<u>—</u>	<u>—</u>	<u>—</u>
	HK cents	HK cents	HK cents
Earnings per share			
— Basic	6.0	8.9	10.5
— Diluted	5.9	8.8	10.5
Dividend per share			
— Interim	1.35 ^(Note)	3.0	—
— Final	<u>—</u>	<u>5.9</u>	<u>10.5</u>
	<u>1.35</u>	<u>8.9</u>	<u>10.5</u>

Note: Interim dividend in the amount of HK\$1.35 per Share was declared and has been paid to the Shareholders on 16 December 2024.

2. CONSOLIDATED FINANCIAL STATEMENTS

The Company is required to set out or refer to in this Scheme Document the consolidated statement of financial position, consolidated statement of cash flows and any other primary statement as shown in the last published audited accounts, together with significant accounting policies and the notes to the relevant published financial statements which are of major relevance to the appreciation of the above financial information.

The audited consolidated financial statements of the Company for the year ended 31 March 2023 (the “**2022/23 Annual Financial Statements**”) are set out on pages 113 to 198 of the annual report of the Company for the year ended 31 March 2023 (the “**2022/23 Annual Report**”), which was published on 13 July 2023. The 2022/23 Annual Report is posted on the website of the Stock Exchange (www.hkexnews.hk). Please also see below a direct link to the 2022/23 Annual Report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0713/2023071300249.pdf>

The audited consolidated financial statements of the Company for the year ended 31 March 2024 (the “**2023/24 Annual Financial Statements**”) are set out on pages 117 to 202 of the annual report of the Company for the year ended 31 March 2024 (the “**2023/24 Annual Report**”), which was published on 11 July 2024. The 2023/24 Annual Report is posted on the website of the Stock Exchange (www.hkexnews.hk). Please also see below a direct link to the 2023/24 Annual Report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0711/2024071100322.pdf>

The audited consolidated financial statements of the Company for the year ended 31 March 2025 (the “**2024/25 Annual Financial Information**”) are set out on pages 13 to 24 of the annual results announcement of the Company for the year ended 31 March 2025 (the “**2024/25 Annual Results Announcement**”), which was published on 9 May 2025. The 2024/25 Annual Results Announcement is posted on the website of the Stock Exchange (www.hkexnews.hk). Please also see below a direct link to the 2024/25 Annual Results Announcement:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0509/2025050901065.pdf>

The 2022/23 Annual Financial Statements, the 2023/24 Annual Financial Statements and the 2024/25 Annual Financial Information (but not any other part of the 2022/23 Annual Report, the 2023/24 Annual Report and the 2024/25 Annual Results Announcement in which they respectively appear) are incorporated by reference into this Scheme Document and form part of this Scheme Document.

No figures are not comparable to a material extent because of a change in accounting policy for the last three financial years.

3. FINANCIAL SUMMARY OF THE COMPANY

Statement of profit or loss of the Company

The following is a summary of the audited company-level statement of profit or loss of the Company for each of the three years ended 31 March 2023, 2024 and 2025 derived from the audited consolidated financial statements of the Group for those respective years.

	For the year ended 31 March		
	2025	2024	2023
	HK\$'000	HK\$'000	HK\$'000
	(audited)	(audited)	(audited)
Revenue	209,772	244,089	307,517
Cost of food and beverages consumed	(30,442)	(30,954)	(70,428)
Other net income	74,248	179,109	162,955
Staff costs	(11,640)	(10,942)	(20,007)
Depreciation of property, plant and equipment	(3,167)	(6,541)	(6,542)
Depreciation of right-of-use assets, rental and related expenses	(22,241)	(23,391)	(22,768)
Consumables and packaging	—	—	(28)
Utilities expenses	(438)	(386)	(306)
Advertising and promotion	(1,544)	(1,799)	(2,988)
Cleaning expenses	—	—	(61)
Repairs and maintenance	(9)	(13)	(19)
Other expenses	(146,396)	(143,198)	(134,582)
Finance costs	<u>(1,768)</u>	<u>(1,752)</u>	<u>(2,098)</u>
Profit before taxation	66,375	204,222	210,645
Income tax expense	<u>2,555</u>	<u>(6,289)</u>	<u>(7,076)</u>
Profit for the year	<u><u>68,930</u></u>	<u><u>197,933</u></u>	<u><u>203,569</u></u>

Statement of financial position for the Company

The following is a summary of the audited company-level statement of financial position of the Company as at 31 March 2023, 2024 and 2025 derived from the audited consolidated financial statements of the Group for the respective year.

	As at 31 March		
	2025	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
Non-current assets			
Investments in subsidiaries	9,780	9,780	9,780
Property, plant and equipment	4,423	7,490	7,868
Right-of-use assets	68,310	64,174	84,166
Loan to a subsidiary	20,694	21,081	21,854
Deposits and prepayments	7,450	7,894	12,511
Deferred tax asset	<u>2,247</u>	<u>2,238</u>	<u>3,442</u>
	112,904	112,657	139,621
Current assets			
Inventories	3,854	3,966	3,576
Trade and other receivables	966	1,233	4,393
Current tax recoverable	7,805	5,473	23,546
Deposits and prepayments	1,618	1,516	1,662
Amount due from subsidiaries	899,626	832,159	833,968
Cash and bank balances	<u>710,878</u>	<u>859,873</u>	<u>935,534</u>
	1,624,747	1,704,220	1,802,679
Current liabilities			
Trade and other payables and accruals	10,082	6,919	28,035
Amount due to subsidiaries	142,725	204,895	310,937
Lease liabilities	3,532	13,546	19,581
Provisions	<u>2,039</u>	<u>1,815</u>	<u>777</u>
	158,378	227,175	359,330
Net current assets	1,466,369	1,477,045	1,443,349
Total assets less current liabilities	1,579,273	1,589,702	1,582,970

	As at 31 March		
	2025	2024	2023
	HK\$'000	HK\$'000	HK\$'000
Non-current liabilities			
Lease liabilities	66,114	51,016	64,561
Provisions	9,442	9,442	10,659
Long service payment obligation	<u>38</u>	<u>36</u>	<u>6</u>
	75,594	60,494	75,226
Net assets	1,503,679	1,529,208	1,507,744
Capital and reserves			
Share capital	1,116,783	1,116,714	1,116,189
Reserves	<u>386,896</u>	<u>412,494</u>	<u>391,555</u>
Total equity attributable to equity shareholders of the Company	<u>1,503,679</u>	<u>1,529,208</u>	<u>1,507,744</u>

4. STATEMENT OF INDEBTEDNESS

As at the close of business on 31 March 2025, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this Scheme Document, the Group had lease liabilities with a carrying amount of approximately HK\$804,558,000.

As at 31 March 2025, the Group's bankers have given guarantee in lieu of deposits amounting to approximately HK\$26,221,000 to the landlords of the subsidiaries of the Group.

As at 31 March 2025, the Group had total bank facilities amounting to HK\$130,000,000, of which approximately HK\$26,221,000 was utilised to provide the abovementioned guarantee in lieu of deposits. The remaining bank facilities of approximately HK\$103,779,000 remain unutilised.

Save as aforesaid and apart from intra-group liabilities, intra-group guarantees, and normal trade payables in the normal course of business, at close of business on 31 March 2025, the Group did not have any material outstanding (i) debt securities, whether issued and outstanding, authorised or otherwise created but unissued, or term loans, whether guaranteed, unguaranteed, secured (whether the security is provided by the Group or by third parties) or unsecured; (ii) other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptances (other than normal trade bills) or acceptance credits or hire purchase commitments, whether guaranteed, unguaranteed, secured or unsecured; (iii) mortgage or charges; or (iv) guarantees or other material contingent liabilities.

5. MATERIAL CHANGE

The Directors confirm that there had been no material change in the financial or trading position or outlook of the Group since 31 March 2025 (being the date to which the latest published audited consolidated financial statements of the Group were made up) and up to and including the Latest Practicable Date.

1. RESPONSIBILITY STATEMENT

This Scheme Document includes particulars given in compliance with the Takeovers Code for the purpose of providing information with regard to the Proposal, the Option Offer, the Scheme, the Offeror and the Group.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Scheme Document (other than the information relating to the Offeror and the Offeror Concert Parties) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this Scheme Document (other than the opinions expressed by the directors of the Offeror in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this Scheme Document, the omission of which would make any statements in this Scheme Document misleading.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this Scheme Document (other than the information relating to the Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this Scheme Document (other than the opinions expressed by the Directors in their capacity as Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this Scheme Document, the omission of which would make any statements in this Scheme Document misleading.

2. SHARE CAPITAL OF THE COMPANY

As at the Latest Practicable Date,

- (a) the Company did not have any authorised share capital, and the issued share capital of the Company comprised 1,346,779,890 Shares;
- (b) all of the Shares currently in issue ranked *pari passu* in all respects including as to capital, dividends and voting;
- (c) no Shares had been issued by the Company since 31 March 2025 (being the end of the last financial year of the Company) up to the Latest Practicable Date;
- (d) a total of 4,396,410 Share Options were outstanding, including: (i) 681,410 Pre-IPO Share Options granted under the Pre-IPO Share Option Scheme with an exercise price of HK\$0.85 per Share, all of which had vested; and (ii) 3,715,000 Post-IPO Share Options granted under the Post-IPO Share Option Scheme with an exercise price of HK\$2.638 per Share, all of which had vested; and
- (e) other than the 4,396,410 Share Options that were outstanding, there were no outstanding options, warrants, derivatives, convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company that carry a right to subscribe for or which are convertible into the Shares.

3. MARKET PRICES

The table below shows the closing market prices of the Shares as quoted on the Stock Exchange (i) on the Latest Practicable Date; (ii) on the Last Trading Day and (iii) on the last Business Day of each of the calendar months during the Relevant Period:

Date	Closing Price (HK\$)
30 August 2024	0.83
30 September 2024	0.84
31 October 2024	0.79
29 November 2024	0.78
31 December 2024	0.78
28 January 2025	0.89
3 February 2025 (the Last Trading Day)	0.90
28 February 2025	1.47
31 March 2025	1.48
30 April 2025	1.47
30 May 2025	1.46
3 June 2025 (the Latest Practicable Date)	1.45

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$1.52 per Share on 9 May 2025, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.74 per Share on 14 and 15 November 2024.

4. DISCLOSURE OF INTERESTS IN THE SHARES

As at the Latest Practicable Date:

- (a) the Offeror held 1,000,000,000 Shares, representing approximately 74.25% of the issued share capital of the Company;
- (b) except for Shares held by member(s) of the Daiwa Group acting in the capacity of exempt principal trader(s) and/or exempt fund manager(s), members of the Daiwa Group did not beneficially own, control or have direction over any Shares or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company;
- (c) save as disclosed in sub-paragraphs (a) and (b) above and in the section headed “6. *Shareholding Structure of the Company*” in the Explanatory Statement in Part VII of this Scheme Document, none of the Offeror, the directors of the Offeror owned or had control or direction over any Shares or convertible securities, warrants, options or derivatives in respect of any Shares;

- (d) save as disclosed in the section headed “6. *Shareholding Structure of the Company*” in the Explanatory Statement in Part VII of this Scheme Document, none of the Directors was interested (within the meaning of Part XV of the SFO) in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares;
- (e) no subsidiary of the Company, no pension fund of the Company or of a subsidiary of the Company and no person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of “acting in concert” under the Takeovers Code or who is an associate of the Company by virtue of class (2) of the definition of “associate” under the Takeovers Code owned or controlled any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares;
- (f) there was no arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code which existed between the Company, or any person who is presumed to be acting in concert with the Company by virtue of classes (1), (2), (3) or (5) of the definition of “acting in concert” under the Takeovers Code or who is an associate of the Company by virtue of classes (2), (3) and (4) of the definition of “associate” under the Takeovers Code, and any other person;
- (g) no fund manager connected with the Company managed any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares on a discretionary basis;
- (h) neither the Company nor any Directors had borrowed or lent any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares;
- (i) no arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code existed between the Offeror or any of the Offeror Concert Parties, and any person; and
- (j) none of the Offeror and the Offeror Concert Parties had borrowed or lent any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares, save for any borrowed shares which had been either on-lent or sold.

5. DEALINGS IN THE SHARES

During the Relevant Period,

- (a) no Director had dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of Shares; and
- (b) save for the dealings in the Shares by any member of the Daiwa Group which are conducted on a non-discretionary basis for and on behalf of its clients, none of the Offeror, the directors of the Offeror and the Offeror Concert Parties had dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares.

During the period commencing on 17 February 2025 (being the Announcement Date and the commencement date of the Offer Period) and ending on the Latest Practicable Date,

- (a) no subsidiary of the Company, no pension fund of the Company or of a subsidiary of the Company and no person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of “acting in concert” under the Takeovers Code or who is an associate of the Company by virtue of class (2) of the definition of “associate” under the Takeovers Code had dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares;
- (b) no person who had an arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Company, or any person who is presumed to be acting in concert with the Company by virtue of classes (1), (2), (3) and (5) of the definition of “acting in concert” under the Takeovers Code or who is an associate of the Company by virtue of classes (2), (3) and (4) of the definition of “associate” under the Takeovers Code had dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares; and
- (c) no fund manager (other than exempt fund managers) connected with the Company who managed any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares on a discretionary basis had dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares.

6. DISCLOSURE OF INTERESTS IN THE OFFEROR’S SHARES

As at the Latest Practicable Date, none of the Company and the Directors owned or had control or direction or was interested (within the meaning of Part XV of the SFO) over any shares of the Offeror or any convertible securities, warrants, options or derivatives in respect of any shares of the Offeror.

7. DEALINGS IN OFFEROR’S SHARES

During the Relevant Period, neither the Company nor any Directors had dealt for value in any shares of the Offeror, or any convertible securities, warrants, options or derivatives in respect of any shares of the Offeror.

8. ARRANGEMENTS IN CONNECTION WITH THE PROPOSAL

As at the Latest Practicable Date:

- (a) (i) there was no agreement, arrangement or understanding between the Offeror and any other person in relation to the transfer, charge or pledge of the Shares to be acquired pursuant to the Proposal and (ii) the Offeror had no intention to transfer, charge or pledge any Shares to be acquired pursuant to the Proposal to any other person;

- (b) save for the Proposal, there was no agreement, arrangement or understanding (including any compensation arrangement) existing between the Offeror or any of the Offeror Concert Parties and any Director, recent Director, Shareholder or recent Shareholder having any connection with or being dependent upon the Proposal;
- (c) there was no agreement or arrangement to which the Offeror or any of the Offeror Concert Parties was a party which relates to circumstances in which the Offeror may or may not invoke or seek to invoke a Condition;
- (d) none of the Offeror and the Offeror Concert Parties had received an irrevocable commitment to vote for or against (i) the Scheme at the Court Meeting; or (ii) the special resolution to be proposed at the EGM, or to accept the Option Offer;
- (e) other than the Cancellation Price and the Option Offer Price, the Offeror or the Offeror Concert Parties had not paid and will not pay any other consideration, compensation or benefit in whatever form to the Scheme Shareholders or persons acting in concert with them in relation to the Scheme Shares and the Option Holders (as the case may be); and
- (f) there was no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (i) any Shareholder and (ii)(1) the Offeror and Offeror Concert Parties, or (ii)(2) the Company, its subsidiaries or associated companies.

9. ARRANGEMENTS AFFECTING THE DIRECTORS

As at the Latest Practicable Date:

- (a) no benefit (other than statutory compensation required under applicable laws) would be given to any Director as compensation for loss of office or otherwise in connection with the Proposal;
- (b) there was no agreement or arrangement between any Director and any other person which is conditional on or dependent upon the outcome of the Proposal or otherwise connected with the Proposal; and
- (c) there was no material contract entered into by the Offeror in which any Director has a material personal interest.

10. DIRECTORS' SERVICE CONTRACTS

Save for the appointment letters and service contracts with the Company as disclosed below, as at the Latest Practicable Date, none of the Directors had entered into any other service contract with the Company or any of its subsidiaries or associated companies which are in force and which (i) (including both continuous and fixed-term contracts) had been entered into or amended within 6 months before the commencement of the Offer Period; (ii) was a continuous contract with a notice period of 12 months or more; or (iii) was a fixed term contract with more than 12 months to run irrespective of the notice period.

Name of the Director under service contract or appointment letter	Term and expiry date of service contract or appointment letter	Amount of fixed remuneration payable, excluding arrangements for pension payments	Amount of any variable remuneration payable under the service contract or appointment letter
Lau Tat Man	3 years from 14 September 2024 to 14 September 2027	Nil	Discretionary bonus (Note)
Chan Ping, Rita	3 years from 14 September 2024 to 14 September 2027	Nil	Discretionary bonus (Note)
Yeung Siu Cheong	3 years from 31 May 2023 to 31 May 2026	Nil	Discretionary bonus (Note)
Yamaguchi Satoshi	3 years from 15 May 2025 to 15 May 2028	Nil	Nil
Hatomoto Toru	3 years from 20 December 2024 to 20 December 2027	Nil	Nil
Lee Kwok Ming	3 years from 14 September 2024 to 14 September 2027	HK\$240,000 per annum	Nil
Loo Kwok Wing	3 years from 14 September 2024 to 14 September 2027	HK\$240,000 per annum	Nil
Yeung Yiu Keung	3 years from 14 September 2024 to 14 September 2027	HK\$240,000 per annum	Nil

Note: Determined by the Board based on the recommendation of the remuneration committee of the Company with reference to financial key performance indicators including sales, profit before tax; and net increase of stores during any relevant financial year and results of the performance review (if any).

11. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in or may become a party to any litigation or arbitration or claim of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened by or against the Company or any of its subsidiaries.

12. MATERIAL CONTRACTS

As at the Latest Practicable Date, none of the members of the Group had entered into any material contracts, not being contracts entered into in the ordinary course of business carried on or intended to be carried on by any member of the Group, within the two years before the date of commencement of the Offer Period and up to and including the Latest Practicable Date.

13. PROFESSIONAL ADVISERS AND CONSENTS

The following are the qualifications of the experts which have given advice which is contained in this Scheme Document:

Name	Qualification
Daiwa	a corporation licensed under the SFO to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Somerley	a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Lego	a corporation licensed under the SFO to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

Each of the experts mentioned above has given and has not withdrawn its written consent to the issue of this Scheme Document with the inclusion therein of its opinion and/or letter (as the case may be) and/or the references to its name and/or its opinion and/or letter in the form and context in which they respectively appear.

As at the Latest Practicable Date, none of the above experts had any shareholding, directly or indirectly, in any member of the Group (save for the Daiwa Held Custodian Shares), or any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

14. MISCELLANEOUS

- (a) The registered office of the Offeror is at Room 1203, 12/F, Tower 3, China Hong Kong City, 33 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong.
- (b) Principal members of the Offeror Concert Parties include Mr. Awata, Mrs. Awata, and Toridoll Japan, and their correspondence address is at 19/F, SHIBUYA SOLASTA, 1 Chome-21-1 Dogenzaka, Shibuya-ku, Tokyo 150-0043, Japan. For more information on the Offeror Concert Parties, please refer to the section headed “9. *Information on the Offeror and the Offeror Concert Parties*” in the Explanatory Statement set out in Part VII of this Scheme Document.
- (c) As at the Latest Practicable Date, the board of directors of the Offeror comprised Mr. Sugiyama Takashi and Mr. Tomohiro Shinya. As at the Latest Practicable Date, the Offeror was wholly-owned by Toridoll Japan.
- (d) As at the Latest Practicable Date, the board of directors of Toridoll Japan comprised Mr. Awata, Mr. Sugiyama Takashi, Mr. Yamaguchi Satoshi, Mr. Kenichi Tanaka, Ms. Rieko Shofu, Mr. Toshiyasu Umeki, Mr. Hiroaki Umeda, Ms. Maki Kataoka. As at the Latest Practicable Date, Mr. Awata, together with his spouse, Mrs. Awata, controlled approximately 48% of the issued share capital of Toridoll Japan.
- (e) The registered office of the Company is situated at 8th floor of D2 Place ONE, No. 9 Cheung Yee Street, Cheung Sha Wan, Kowloon, Hong Kong.
- (f) The Share Registrar of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong.
- (g) The principal office of business of Daiwa is at Level 28, One Pacific Place, 88 Queensway, Hong Kong.
- (h) The principal office of business of Somerley is at 20/F, China Building, 29 Queen’s Road Central, Hong Kong.
- (i) The principal office of business of the Independent Financial Adviser is at Room 1505, 15/F, Wheelock House, 20 Pedder Street, Central, Hong Kong.
- (j) The company secretary of the Company is Ms. Sin Man Yan, who is an associate member of the Hong Kong Chartered Governance Institute.
- (k) The English language text of this Scheme Document shall prevail over the Chinese language text.

15. DOCUMENTS ON DISPLAY

A copy of the following documents will be available on display on the website of the Company at www.tamjai-intl.com and on the website of the SFC at www.sfc.hk from the date of this Scheme Document until the Effective Date or the date on which the Scheme lapses or is withdrawn, whichever is the earlier:

- (a) the articles of association of the Offeror;
- (b) the articles of association of the Company;
- (c) the annual reports of the Company for each of the years ended 31 March 2023 and 31 March 2024;
- (d) the annual results announcement of the Company for the year ended 31 March 2025;
- (e) the letter from the Board, the text of which is set out in Part IV of this Scheme Document;
- (f) the letter from the Independent Board Committee, the text of which is set out in Part V of this Scheme Document;
- (g) the letter from the Independent Financial Adviser, the text of which is set out in Part VI of this Scheme Document;
- (h) the service contracts and appointment letters referred to in the section headed “10. *Directors’ Service Contracts*” in this Appendix II;
- (i) the written consents referred to in the section headed “13. *Professional Advisers and Consents*” in this Appendix II; and
- (j) this Scheme Document.

HCMP No. 375 of 2025

**IN THE HIGH COURT OF THE
HONG KONG SPECIAL ADMINISTRATIVE REGION
COURT OF FIRST INSTANCE
MISCELLANEOUS PROCEEDINGS NO. 375 OF 2025**

**IN THE MATTER OF
TAM JAI INTERNATIONAL CO. LIMITED
譚仔國際有限公司**

AND

**IN THE MATTER OF
THE COMPANIES ORDINANCE,
CHAPTER 622 OF THE LAWS OF
THE HONG KONG SPECIAL ADMINISTRATIVE REGION**

**SCHEME OF ARRANGEMENT
Under Section 673 of the Companies Ordinance
Chapter 622 of the Laws of the Hong Kong Special Administrative Region**

PRELIMINARY

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions shall bear the following meanings:

“acting in concert”	has the same meaning ascribed to it under the Takeovers Code, and “parties acting in concert” shall be construed accordingly
“Board”	the board of Directors
“Business Day”	a day on which the Stock Exchange is open for the transaction of business
“Cancellation Price”	the cancellation price of HK\$1.58 for every Scheme Share cancelled and extinguished pursuant to the Scheme, which amount (less the Dividend Adjustment (if any)) will be payable by the Offeror to the Scheme Shareholders in the form of cash. Unless otherwise stated, reference to the Cancellation Price in the Scheme Document is to the amount of HK\$1.58 per Share, without taking into account any Dividend Adjustment

“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (as amended from time to time)
“Company”	Tam Jai International Co. Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2217)
“Condition(s)”	the condition(s) to the implementation of the Proposal and the Scheme as set out in the section headed “5. <i>Conditions of the Proposal and the Scheme</i> ” of the Explanatory Statement of the Scheme Document
“Daiwa”	Daiwa Capital Markets Hong Kong Limited, a corporation licensed under the SFO to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, the financial adviser to the Offeror in relation to the Proposal
“Daiwa Group”	Daiwa and any of its parent, subsidiaries and fellow subsidiaries
“Daiwa Held Custodian Shares”	the Shares held by Daiwa or other members of the Daiwa Group as custodian for any client on a non-discretionary basis, where such client (i) controls the voting rights attaching to such Shares; (ii) if such Shares are voted, gives such instructions as to how such Shares are to be voted; and (iii) is not the Offeror or an Offeror Concert Party
“Director(s)”	the director(s) of the Company
“Dividend Adjustment”	an amount being all or any part of the per Share amount or value of any dividend, distribution and/or return of capital which may be announced, declared or paid in respect of the Scheme Shares after the Latest Practicable Date (provided that the record date to be announced by the Board for determining the entitlements to such dividend, distribution and/or return of capital falls on a day which is on or before the Effective Date), which the Offeror has reserved the right to reduce the Cancellation Price by subject to consultation with the Executive

“Effective Date”	the date on which the Scheme becomes effective in accordance with the Companies Ordinance
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Explanatory Statement”	the explanatory statement in relation to the Proposal, the text of which is set out in Part VII of the Scheme Document, which constitutes the statement required under section 671 of the Companies Ordinance
“High Court”	the High Court of Hong Kong
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent committee of the Board formed to advise the Independent Shareholders and the Option Holders in connection with the Proposal, the Option Offer and the Scheme, and comprising all the independent non-executive Directors, namely Mr. Loo Kwok Wing, Mr. Lee Kwok Ming and Mr. Yeung Yiu Keung
“Independent Financial Adviser” or “Lego”	Lego Corporate Finance Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed to advise the Independent Board Committee in relation to the Proposal, the Option Offer and the Scheme
“Independent Shareholders”	all Shareholders, other than the Offeror and the Offeror Concert Parties, but including, for the avoidance of doubt, any member of the Daiwa Group acting as custodian in respect of any Daiwa Held Custodian Shares
“Latest Practicable Date”	3 June 2025, being the latest practicable date prior to the date of the Scheme Document for the purpose of ascertaining certain information contained in the Scheme Document
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)

“Long Stop Date”	31 December 2025 (or such later date as the Offeror and the Company may agree or, to the extent applicable, as the High Court on application of the Company may allow and in all cases, as permitted by the Executive)
“Mr. Awata”	Mr. Awata Takaya (粟田貴也), the spouse of Mrs. Awata, and the president, chief executive officer and controlling shareholder of Toridoll Japan
“Mrs. Awata”	Mrs. Awata Toshimi (粟田利美), the spouse of Mr. Awata
“New Shares”	the new Shares to be issued to the Offeror pursuant to this Scheme, the number of which is equal to the number of the Scheme Shares to be cancelled and extinguished pursuant to this Scheme
“Offeror”	Toridoll Holding Limited, a company incorporated under the laws of Hong Kong with limited liability, which was wholly-owned by Toridoll Japan as at the Latest Practicable Date
“Offeror Concert Party(ies)”	any party(ies) acting in concert, or presumed to be acting in concert, with the Offeror under the definition of “acting in concert” under the Takeovers Code including, without limitation, (a) Mr. Awata, Mrs. Awata and Toridoll Japan, and (b) members of the Daiwa Group (excluding members of the Daiwa Group which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code and are connected for the sole reason that they control, are controlled by or under the same control as Daiwa)
“Proposal”	the proposal for the privatisation of the Company by the Offeror by way of the Scheme, and the withdrawal of listing of the Shares from the Stock Exchange, on the terms and subject to the Conditions set out in the Scheme Document
“Register”	the register of members of the Company
“Registrar of Companies”	the Registrar of Companies appointed under the Companies Ordinance

“Scheme”	this scheme of arrangement proposed under section 673 of the Companies Ordinance (with or subject to any modification thereto or condition approved or imposed by the High Court) between the Company and the Scheme Shareholders involving, <i>inter alia</i> , the cancellation of all the Scheme Shares and the issue of the New Shares to the Offeror
“Scheme Document”	the composite scheme document dated 6 June 2025 issued jointly by the Company and the Offeror, which includes this Scheme
“Scheme Record Date”	Wednesday, 13 August 2025, or such other date as shall be announced to the Shareholders, being the record date for the purpose of determining the entitlements of the Scheme Shareholders to the Cancellation Price under the Scheme
“Scheme Share(s)”	Share(s) in issue on the Scheme Record Date other than those held or beneficially owned by the Offeror
“Scheme Shareholder(s)”	registered holder(s) of the Scheme Shares as at the Scheme Record Date
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (as amended from time to time)
“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	registered holder(s) of the Shares
“Share Registrar”	the share registrar of the Company, being Computershare Hong Kong Investor Services Limited, which is situated at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers (as amended from time to time)

“Toridoll Japan” Toridoll Holdings Corporation, a company established in Japan with limited liability whose shares are listed on the Tokyo Stock Exchange (stock code: 3397)

“%” per cent.

- (B) As at the Latest Practicable Date, the issued share capital of the Company comprised 1,346,779,890 Shares in issue fully paid or credited as fully paid.
- (C) As at the Latest Practicable Date, the Offeror directly held 1,000,000,000 Shares, representing approximately 74.25% of the issued share capital of the Company. As at the Latest Practicable Date, there were 78,000 Daiwa Held Custodian Shares (representing approximately 0.006% of the issued share capital of the Company) which will form part of the Scheme Shares and are subject to cancellation when the Scheme becomes effective. Other than the Daiwa Held Custodian Shares, the Offeror Concert Parties did not hold or beneficially own any Shares. Shares held by the Offeror will not form part of the Scheme Shares and will not be cancelled and extinguished upon the Scheme becoming effective.
- (D) The Offeror is a company incorporated in Hong Kong with limited liability. As at the Latest Practicable Date, it was wholly-owned by Toridoll Japan. As at the Latest Practicable Date, Mr. Awata, together with his spouse, Mrs. Awata, controlled approximately 48% of the issued share capital of Toridoll Japan.
- (E) The Offeror has agreed to undertake to the High Court to be bound thereby and to execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed and done by it for the purpose of giving effect to this Scheme.
- (F) The primary purpose of this Scheme is that on the Effective Date, all the Scheme Shares will be cancelled and extinguished, the issued share capital of the Company will be increased to its former amount immediately prior to such cancellation and extinguishment by the issue of the New Shares to the Offeror, and that the Company will become wholly-owned by the Offeror.

PART I

CANCELLATION AND EXTINGUISHMENT OF THE SCHEME SHARES

1. On the Effective Date:
 - (a) the issued share capital of the Company shall be reduced by cancelling and extinguishing the Scheme Shares;

- (b) subject to and forthwith upon such reduction of share capital referred to in paragraph 1(a) above taking effect, the share capital of the Company shall be increased to its former amount by the issue by the Company to the Offeror of such number of New Shares as is equal to the number of Scheme Shares cancelled and extinguished; and
- (c) the Company shall apply the credit arising in its books of account as a result of the reduction of share capital referred to in paragraph 1(a) above in paying up in full such number of New Shares as is equal to the number of Scheme Shares cancelled and extinguished which shall be allotted and issued to the Offeror, credited as fully paid.

PART II

CONSIDERATION FOR CANCELLATION AND EXTINGUISHMENT OF THE SCHEME SHARES

- 2. Subject to the Scheme becoming binding and effective in accordance with its terms, in consideration of the cancellation and extinguishment of the Scheme Shares, the Offeror shall pay or cause to be paid to each Scheme Shareholder as appearing in the Register on the Scheme Record Date, HK\$1.58 for each Scheme Share cancelled and extinguished.

PART III

GENERAL

- 3. (a) As soon as possible but in any event no later than seven (7) Business Days after the Effective Date, the Offeror shall send or cause to be sent to the Scheme Shareholders cheques in respect of the sums payable to such Scheme Shareholders pursuant to paragraph 2 of this Scheme.
- (b) All such cheques shall be sent by ordinary post (by airmail where appropriate) in postage pre-paid envelopes addressed to such Scheme Shareholders at their respective registered addresses appearing in the Register as at the Scheme Record Date, or in the case of joint holders, at the address appearing in the Register as at the Scheme Record Date of the joint holder whose name then stands first in the Register in respect of the relevant joint holding.
- (c) All cheques shall be made payable to the order of the person or persons to whom, in accordance with the provisions of paragraph 3(b) of this Scheme, the envelope containing the same is addressed and the encashment of any such cheque shall be a good discharge to the Offeror for the moneys represented thereby.
- (d) All cheques shall be posted at the risk of the addressees and none of the Offeror, the Company, the Independent Financial Adviser and the Share Registrar and their respective directors, employees, officers, agents, advisers, associates and affiliates and any other persons involved in the Proposal or the Scheme shall be liable for any loss or delay in transmission.

- (e) On or after the day being six (6) calendar months after the date of posting of the cheques pursuant to paragraph 3(b) of this Scheme, the Offeror shall have the right to cancel or countermand payment of any such cheque which has not been cashed or which has been returned uncashed and shall place all monies represented thereby in a deposit account in the name of the Offeror (or its nominee) with a licensed bank in Hong Kong selected by the Offeror (or its nominee). The Offeror (or its nominee) shall hold monies represented by such uncashed cheques until the expiry of six (6) years from the Effective Date and shall, prior to such date, make payments therefrom of the sums payable pursuant to paragraph 2 of this Scheme to persons who satisfy the Offeror (or its nominee) that they are respectively entitled thereto and the cheques referred to in paragraph 3(b) of this Scheme of which they are payees have not been cashed. Any payments made by the Offeror shall not include any interest accrued on the sums to which the respective persons are entitled pursuant to this Scheme, and are subject to, if applicable, the deduction of interest, tax or any withholding tax or any other deduction required by law. The Offeror shall exercise its absolute discretion in determining whether or not it is satisfied that any person is so entitled, and a certificate of the Offeror to the effect that any particular person is so entitled or not so entitled, as the case may be, shall be conclusive and binding upon all persons claiming an interest in the relevant monies.
 - (f) On the expiry of six (6) years from the Effective Date, the Offeror (and, if applicable, its nominee or successor company) and the Company shall be released from any further obligation to make any payments under this Scheme and the Offeror shall be absolutely entitled to the balance (if any) of the sums then standing to the credit of the deposit account referred to in paragraph 3(e) of this Scheme, including accrued interest (if any) subject, if applicable, to any deduction of interest, tax or any withholding tax or any other deduction required by law and expenses incurred.
 - (g) The preceding sub-paragraphs of this paragraph 3 shall take effect subject to any prohibition or condition imposed by law.
4. As from and including the Effective Date:
- (a) all share certificates for the Scheme Shares shall cease to have effect as documents or evidence of title for such Scheme Shares and every holder thereof shall be bound, at the request of the Company, to deliver up such certificates to the Company or to any person appointed by the Company to receive the same for cancellation;
 - (b) all instruments of transfer validly subsisting as at the Scheme Record Date in respect of the transfer of any number of the Scheme Shares shall cease to be valid for all purposes as instruments of transfer; and
 - (c) all mandates or other instructions to the Company in force as at the Scheme Record Date in relation to any of the Scheme Shares shall cease to be valid as effective mandates or instructions.

5. Subject to the Conditions having been fulfilled or waived, as applicable, this Scheme shall become effective as soon as an office copy of the order of the High Court sanctioning this Scheme and confirming, under Section 229 of the Companies Ordinance, the reduction of capital provided for by this Scheme, together with a minute and a return relating to the reduction of capital of the Company containing the particulars required by Section 230 of the Companies Ordinance, shall have been registered by the Registrar of Companies in Hong Kong under Part 5 of the Companies Ordinance.
6. Unless this Scheme shall have become effective on or before the Long Stop Date, this Scheme shall lapse.
7. The Company and the Offeror may jointly consent for and on behalf of all parties concerned to any modification of or addition to this Scheme or to any condition which the High Court may see fit to approve or impose without any further court meeting to be held therefor.
8. All costs, charges and expenses shall be borne in the manner described in the Scheme Document.

6 June 2025

HCMP No. 375 of 2025

**IN THE HIGH COURT OF THE
HONG KONG SPECIAL ADMINISTRATIVE REGION
COURT OF FIRST INSTANCE
MISCELLANEOUS PROCEEDINGS NO. 375 of 2025**

**IN THE MATTER OF
TAM JAI INTERNATIONAL CO. LIMITED
譚仔國際有限公司**

AND

**IN THE MATTER OF
THE COMPANIES ORDINANCE, CHAPTER 622 OF THE LAWS OF
THE HONG KONG SPECIAL ADMINISTRATIVE REGION**

**SCHEME OF ARRANGEMENT
Under Section 673 of the Companies Ordinance
Chapter 622 of the Laws of the Hong Kong Special Administrative Region**

NOTICE OF COURT MEETING

NOTICE IS HEREBY GIVEN that, by an order dated 22 May 2025 (the “**Order**”) made in the above matters, the High Court of the Hong Kong Special Administrative Region (the “**High Court**”) has directed a meeting (the “**Meeting**”) to be convened of the registered holders (the “**Shareholders**”) of the shares (the “**Shares**”) of Tam Jai International Co. Limited 譚仔國際有限公司 (the “**Company**”) (other than those held or beneficially owned by the Offeror (as defined in the Scheme)) (i.e. the “**Scheme Shares**” as defined in the Scheme) for the purposes of considering and, if thought fit, approving, with or without modification, a scheme of arrangement (the “**Scheme**”) proposed to be made between the Company and the registered holders of the Scheme Shares (the “**Scheme Shareholders**”), and that the Meeting will be held at 10:00 a.m. on Monday, 30 June 2025 (Hong Kong time) at 24/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong at which place and time all Scheme Shareholders are requested to attend.

A copy of the Scheme and a copy of an explanatory statement (the “**Explanatory Statement**”) explaining the effect of the Scheme, required to be furnished pursuant to Section 671 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), are incorporated in the composite scheme document dated 6 June 2025 (the “**Scheme Document**”) of which this notice forms part and sent to the shareholders of the Company. A copy of the Scheme Document can also be obtained by any person entitled to attend the Meeting during usual business hours on any day prior to the day appointed for the Meeting (other than a Saturday, a Sunday or a public holiday in Hong Kong) from the share registrar of the Company, Computershare Hong Kong Investor Services

Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. The Scheme Document is also available on the website of the Company at www.tamjai-intl.com from Friday, 6 June 2025 onwards.

In compliance with the Hong Kong Code on Takeovers and Mergers (the “**Takeovers Code**”), Shares owned by the Offeror and parties acting in concert (as defined in the Takeovers Code) with it may not be voted at the Meeting. Only Shares held by the Scheme Shareholders are eligible for voting thereat.

The Scheme Shareholders may attend and vote in person at the Meeting, or they may appoint another person, whether such person is a Shareholder or not, as their proxy or proxies to attend and vote in their stead. A **PINK** form of proxy for use at the Meeting is enclosed with the Scheme Document despatched to the Shareholders on Friday, 6 June 2025. If more than one proxy is appointed, the number of Shares in respect of which each such proxy is so appointed must be specified in the relevant form of proxy.

Where there are joint registered holders of any Share, any one of such joint holders may vote at the Meeting, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the Meeting, the vote of the senior holder whose name stands first in the register of members of the Company in respect of the joint holding who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

It is requested that **PINK** form of proxy appointing proxies, together with power of attorney or other authority under which they are signed (if any) or a notarially certified copy thereof (in the case of a corporation either under its seal or under the hand of an officer or attorney duly authorised) if any, be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours (excluding any part of a day which is a public holiday in Hong Kong) before the time appointed for holding the Meeting, or in any case of any adjournment thereof, not less than 48 hours (excluding any part of a day which is a public holiday in Hong Kong) before the time appointed for the holding of such adjourned meeting. Alternatively, the **PINK** form of proxy may be handed to the chairman of the Meeting before the taking of the poll, who shall have absolute discretion as to whether or not to accept it.

Completion and return of the form of proxy will not preclude a Scheme Shareholder from attending, and voting in person at, the Meeting or any adjournment thereof. In such event, his/her/its form of proxy shall be deemed to be revoked.

For the purpose of determining the entitlement to attend and vote at the Meeting, the register of members of the Company will be closed from Wednesday, 25 June 2025 to Monday, 30 June 2025, both days inclusive, and during such period, no transfer of Shares will be effected. In order to qualify to attend and vote at the Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor

Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong before 4:30 p.m. (Hong Kong time) on Tuesday, 24 June 2025 (or such other date as the Shareholders may be notified by announcement).

By the Order, the High Court has appointed Mr. Lee Kwok Ming or, failing him, Mr. Loo Kwok Wing or, failing him, Mr. Yeung Yiu Keung, to act as chairman of the Meeting and has directed the chairman to report the result of it to the High Court.

If approved at the Meeting, the Scheme will be subject to the subsequent sanction of the High Court as set out in the Explanatory Statement contained in the Scheme Document.

Dated this 6th day of June 2025

YTL LLP

Solicitors

Suites 2606–08, China Resources Building

26 Harbour Road, Wanchai

Hong Kong

Solicitors to Tam Jai International Co. Limited

Note: If there is a “black” rainstorm warning or a tropical cyclone warning signal No. 8 or above or extreme conditions in force at or after 8:00 a.m. on Monday, 30 June 2025 and/or the Hong Kong Observatory has announced at or before 8:00 a.m. on Monday, 30 June 2025 that any of the above mentioned warnings is to be issued within the next two hours, the Meeting shall automatically be postponed to the next Business Day (as defined in the Scheme Document) on which no “black” rainstorm warning or tropical cyclone warning signal No. 8 or above is hoisted and no extreme conditions are in force between the hours from 8:00 a.m. to 10:00 a.m. and in such case the Meeting shall be held at 10:00 a.m. on that Business Day at 24/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong. For the avoidance of doubt, the Meeting will be held as scheduled even when a tropical cyclone warning signal No. 3 or below is hoisted or an amber or red rainstorm warning signal is in force. Holders of Scheme Shares should make their own decision as to whether to attend the Meeting under bad weather conditions bearing in mind their own situation and, if they should choose to do so, they are advised to exercise care and caution.

As at the date of this notice, the board of directors of the Company comprises Mr. Lau Tat Man, Ms. Chan Ping, Rita, and Mr. Yeung Siu Cheong as executive Directors; Mr. Yamaguchi Satoshi, Mr. Hatamoto Toru and Mr. Someya Norifumi as non-executive Directors; and Mr. Lee Kwok Ming, Mr. Loo Kwok Wing and Mr. Yeung Yiu Keung as independent non-executive Directors.

**Tam Jai International Co. Limited****譚仔國際有限公司***(Incorporated in Hong Kong with limited liability)***(Stock Code: 2217)****NOTICE OF EXTRAORDINARY GENERAL MEETING**

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of Tam Jai International Co. Limited 譚仔國際有限公司 (the “**Company**”) will be held at 24/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong on Monday, 30 June 2025 at 10:15 a.m. (Hong Kong time) (or if later, immediately after the conclusion or adjournment of the meeting of the holders of Scheme Shares (as defined in the Scheme as referred to below) convened at the direction of the High Court of the Hong Kong Special Administrative Region (the “**High Court**”) for the same day and place (the “**Court Meeting**”) for the purpose of considering and, if thought fit, passing, the following as special resolution:

SPECIAL RESOLUTION**“THAT:**

- (a) the proposed scheme of arrangement dated 6 June 2025 (the “**Scheme**”) under section 673 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) between the Company and the Scheme Shareholders (as defined in the Scheme) in the form contained in the composite scheme document dated 6 June 2025 (the “**Scheme Document**”) which has been produced to this EGM and for the purpose of identification signed by the chairman of this EGM and marked “A”, with any modification of or addition to it, or any term or condition, as may be approved or imposed by the High Court (as defined in the Scheme), be and is hereby approved;
- (b) for the purpose of giving effect to the Scheme, on the Effective Date (as defined in the Scheme):
 - (i) the issued share capital of the Company be reduced by cancelling and extinguishing the Scheme Shares (as defined in the Scheme);
 - (ii) subject to and forthwith upon such reduction of share capital taking effect, the share capital of the Company be increased to its former amount by the issue by the Company to the Offeror (as defined in the Scheme) of such number of new shares of the Company (the “**New Shares**”) as is equal to the number of Scheme Shares cancelled and extinguished; and

- (iii) the Company shall apply the credit arising in its books of account as a result of the aforesaid reduction of share capital in paying up in full the New Shares which shall be allotted and issued, credited as fully paid, to the Offeror (as defined in the Scheme) and the directors of the Company be and are hereby unconditionally authorised to allot and issue the same accordingly;
- (c) the listing of the shares of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) be withdrawn, subject to the Scheme taking effect; and
- (d) the directors of the Company be and are hereby unconditionally authorised to do all acts and things and/or sign such documents as considered by them to be necessary or desirable for or in connection with the implementation of the Scheme, including (without limitation) (i) the making of an application to the Stock Exchange for the withdrawal of the listing of the shares of the Company on the Stock Exchange, subject to the Scheme taking effect; (ii) the reduction of share capital of the Company, (iii) the allotment and issue of the New Shares referred to in paragraph (b)(iii) above; and (iv) the giving, on behalf of the Company, of consent to any modification of, or addition to, the Scheme, which the High Court may see fit to impose and to do all other acts and things and/or sign such documents considered by them to be necessary or desirable for or in connection with the implementation of the Scheme and the Proposal (as defined in the Scheme).”

By the order of the Board
Tam Jai International Co. Limited
Lau Tat Man

Chairman of the Board and Chief Executive Officer

Hong Kong, 6 June 2025

As at the date of this notice, the Board comprises Mr. Lau Tat Man, Ms. Chan Ping, Rita, and Mr. Yeung Siu Cheong as executive Directors; Mr. Yamaguchi Satoshi, Mr. Hatamoto Toru and Mr. Someya Norifumi as non-executive Directors; and Mr. Lee Kwok Ming, Mr. Loo Kwok Wing and Mr. Yeung Yiu Keung as independent non-executive Directors.

Notes:

- (i) Unless otherwise defined in this notice or the context otherwise requires, terms defined in the Scheme shall have the same meanings when used in this notice.
- (ii) At the EGM, the chairman of the EGM will put forward the above resolution to be voted on by way of poll.
- (iii) A **WHITE** form of proxy for use at the EGM is enclosed with the Scheme Document.
- (iv) A member of the Company entitled to attend and vote at the EGM shall be entitled to appoint another person as his/her/its proxy to attend and vote in his/her/its stead. A proxy need not be a member of the Company. A member who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. If more than one proxy is appointed, the number of Shares in respect of which each such proxy is so appointed must be specified in the relevant proxy form.

- (v) In order to be valid, the **WHITE** form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notorially certified copy thereof (in the case of a corporation either under its seal or under the hand of an officer or attorney duly authorised), must be lodged with the Company's Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours (excluding any part of a day which is a public holiday in Hong Kong) before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the white form of proxy will not preclude a member from attending and voting in person at the EGM or any adjournment thereof. In the event that a member attends and votes at the EGM after having lodged his/her/its form of proxy, his/her/its form of proxy shall be deemed to be revoked.
- (vi) If there is a "black" rainstorm warning or a tropical cyclone warning signal No. 8 or above or extreme conditions in force at or after 8:00 a.m. on Monday, 30 June 2025 and/or the Hong Kong Observatory has announced at or before 8:00 a.m. on Monday, 30 June 2025 that any of the above mentioned warnings is to be issued within the next two hours, the EGM shall automatically be postponed to the next Business Day (as defined in the Scheme Document) on which no "black" rainstorm warning or tropical cyclone warning signal No. 8 or above is hoisted and no extreme conditions are in force between the hours from 8:00 a.m. to 10:00 a.m. and in such case the EGM shall be held at 10:15 a.m. on that Business Day at 24/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong (or on the same day and at the same place immediately after the Court Meeting shall have been concluded or adjourned). For the avoidance of doubt, the EGM will be held as scheduled even when a tropical cyclone warning signal No. 3 or below is hoisted or an amber or red rainstorm warning signal is in force. Shareholders should make their own decision as to whether to attend the EGM under bad weather conditions bearing in mind their own situation and, if they should choose to do so, they are advised to exercise care and caution.
- (vii) Where there are joint registered holders of any share, any one of such joint holders may vote at the EGM, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the EGM, the vote of the holder whose name stands first in the register of members of the Company in respect of the joint holding who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (viii) For the purpose of determining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Wednesday, 25 June 2025 to Monday, 30 June 2025, both days inclusive, and during such period, no transfer of the Shares will be effected. In order to qualify to attend and vote at the EGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. (Hong Kong time) on Tuesday, 24 June 2025.
- (ix) In case of any inconsistency, the English version of this notice shall prevail.

Set out below is a form of the Option Offer Letter being sent to the Option Holders in connection with the Option Offer.



Financial Adviser to the Offeror

6 June 2025

To the Option Holders

Dear Sir or Madam,

OPTION OFFER

**IN RELATION TO
THE PROPOSAL FOR THE PRIVATISATION OF
TAM JAI INTERNATIONAL CO. LIMITED
BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 673 OF THE COMPANIES ORDINANCE**

INTRODUCTION

A composite scheme document dated the same date as this letter issued jointly by the Offeror and the Company (the “**Scheme Document**”) and a form of acceptance of the Option Offer (the “**Form of Acceptance**”) are provided to you together with this letter. Terms used but not defined in this letter shall have the same meanings as defined in the Scheme Document. This letter should be read in conjunction with the Scheme Document.

Reference is made to the Announcement. On 3 February 2025 (after trading hours), the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the privatisation of the Company by way of the Scheme, being a scheme of arrangement under Section 673 of the Companies Ordinance, which, if implemented, would result in the Company becoming wholly-owned by the Offeror and the withdrawal of listing of the Shares from the Stock Exchange. As stated in the Announcement, the Offeror will make (or procure to be made on its behalf) the Option Offer to the Option Holders in accordance with Rule 13 of the Takeovers Code to cancel every outstanding Share Option, conditional upon the Scheme becoming effective.

This letter explains the terms of the Option Offer and the actions you may take in relation to any outstanding Share Options held by you. You are advised to refer to the Scheme Document when considering them.

Your attention is also drawn to the terms and conditions of the documentation under which your Share Options were granted (including the terms of the Pre-IPO Share Option Scheme and/or Post-IPO Share Option Scheme, as the case may be).

TERMS OF THE OPTION OFFER

The Offeror is making the Option Offer to the Option Holders at the “see-through” Option Offer Price (being the Cancellation Price minus the relevant exercise price of the outstanding Share Option) for the cancellation of every Share Option. Where the exercise price of the relevant Share Option exceeds the Cancellation Price, the “see-through” Option Offer Price is zero and a cash offer of a nominal amount of HK\$0.0001 per Share Option is made by the Offeror for the cancellation of each outstanding Share Option held. In this regard, the relevant Option Offer Price applicable to the Share Options is as follows:

For every Pre-IPO Share Option cancelled.....HK\$0.73 in cash

For every Post-IPO Share Option cancelled..... HK\$0.0001 in cash

The Offeror will not increase the Option Offer Price and does not reserve the right to do so. Option Holders should be aware that, following the making of this statement, the Offeror will not be allowed under the Takeovers Code to increase the Option Offer Price.

If any outstanding Share Option is exercised at the relevant exercise price in accordance with the terms of the Share Option Schemes before the Meeting Record Date, and the corresponding Shares are issued to such Option Holder(s) prior to the Meeting Record Date, any such Shares shall form part of the Scheme Shares and may be voted at the Court Meeting and the EGM. Please see Part II “Actions to be Taken” of the Scheme Document, the section headed “19. Court Meeting and EGM” in the Explanatory Statement, and the notices of Court Meeting and the EGM in Appendices IV and V to the Scheme Document, for further details.

In the event that any of the outstanding Share Options are exercised on or prior to the Scheme Record Date in accordance with the relevant terms and conditions of the Share Option Schemes, any Shares issued as a result of the exercise of such outstanding Share Options will be subject to and eligible to participate in the Scheme as Scheme Shares.

If any Option Holder does not: (i) exercise his or her outstanding Share Options before the Options Latest Exercise Time to become a Scheme Shareholder before the Scheme Record Date in accordance with the rules of the Share Option Schemes and the Scheme Document; or (ii) accept the Option Offer, his or her Share Options will lapse on the Effective Date in accordance with the rules of the Share Option Schemes without any payment made to him or her if the Scheme becomes effective.

The Option Offer is conditional upon the Scheme becoming effective. The Option Offer will become unconditional immediately upon the Scheme becoming effective, which will be prior to the withdrawal of the listing of the Shares from the Stock Exchange.

The Conditions of the Proposal and the Scheme are set out in the section headed “5. *Conditions of the Proposal and the Scheme*” in the Explanatory Statement.

You are further advised to refer to the sections headed “16. *Registration and Payment*”, “17. *Overseas Scheme Shareholders and Option Holders*” and “18. *Taxation*” in the Explanatory Statement.

COURSES OF ACTION AVAILABLE TO OPTION HOLDERS

In summary, the choices available to you in respect of your outstanding Share Options are:

(A) Accept the Option Offer

The Option Offer shall apply to each outstanding Share Option that you hold as at the Scheme Record Date.

You may choose to accept the Option Offer on the terms (including all declarations and undertakings) as set out in the Scheme Document, this letter and the enclosed Form of Acceptance, by ticking the “**Accept**” box on the Form of Acceptance and completing, signing and returning it in accordance with the instructions set out below. Such acceptance of the Option Offer will be in respect of all Share Options held by you on the Scheme Record Date.

(B) Reject the Option Offer

If you choose to reject the Option Offer, please tick the “**Reject**” box on the enclosed Form of Acceptance and return it in accordance with the instructions set out below. Such rejection of the Option Offer shall apply to all Share Options held by you as at the Scheme Record Date.

If you reject the Option Offer, you will not be entitled to the cash consideration offered by the Offeror under the Option Offer in respect of any outstanding Share Options you may hold. All outstanding Share Options shall lapse upon the Scheme becoming effective according to the terms of the Share Option Schemes.

Following receipt of this letter, if you (i) choose to do nothing (including by not returning a Form of Acceptance) or (ii) fail to tick either the “Accept” or “Reject” box on a returned Form of Acceptance, and the Scheme becomes effective, you will be treated as having returned a duly executed Form of Acceptance with the “Reject” box ticked in respect of all outstanding Share Options held by you on the Scheme Record Date and your Share Options will lapse upon the Scheme becoming effective in accordance with the rules of the Share Option Schemes without any payment made to you if the Scheme becomes effective.

(C) Become a Scheme Shareholder

If any of the outstanding Share Options you hold is exercised at the relevant exercise price in accordance with the terms of Pre-IPO Share Option Scheme and/or Post-IPO Share Option Scheme (as applicable) on or before the Options Latest Exercise Time and, as a result, the corresponding Shares are issued to you prior to the Scheme Record Date, such Shares will form part of the Scheme Shares and will be cancelled if the Scheme becomes effective. Accordingly, if the Scheme becomes effective, you will be entitled to receive the Cancellation Price for the Scheme Shares held by you as at the Scheme Record Date.

Scheme Shareholders and Shareholders as at the Meeting Record Date will be entitled, subject to the Takeovers Code, to attend and vote at the Court Meeting and the EGM respectively, whereas an Option Holder will not have such right to attend and vote at the Court Meeting and/or the EGM. Please see Part II “Actions to be Taken” of the Scheme Document, the section headed “19. Court Meeting and EGM” in the Explanatory Statement and the notices of Court Meeting and the EGM in Appendices IV and V to the Scheme Document for further details.

HOW TO RETURN THE FORM OF ACCEPTANCE

You should complete and return the duly completed and executed Form of Acceptance together with the relevant certificate(s), document(s) of title or entitlement in respect of the Share Options and/or any other document(s) (if applicable) evidencing the grant of the Share Options to you (and/or any satisfactory indemnity or indemnities required in respect thereof) for your holding of the Share Options, so as to reach the Company at 8th Floor of D2 Place ONE, No. 9 Cheung Yee Street, Cheung Sha Wan, Kowloon, Hong Kong, for the attention of the company secretary of the Company and marked “Tam Jai International — Option Offer”, by 4:00 p.m. on Thursday, 7 August 2025 (Hong Kong time) (or such time and/or date and time as may be notified to you by the Offeror and the Company).

Before returning the Form of Acceptance to the Company, please ensure that you have completed and signed the Form of Acceptance and that your signature has been witnessed.

No acknowledgment of receipt of the Form of Acceptance or any other documents will be given.

PAYMENTS UNDER THE OPTION OFFER

Subject to the Scheme becoming effective, payment by cheques of the applicable cash entitlements to Option Holders under the Option Offer are expected to be despatched or made as soon as practicable but in any event no later than seven Business Days after the Effective Date. On the basis that the Scheme becomes effective on Friday, 15 August 2025, the cheques for the payment of the Option Offer Price under the Option Offer are expected to be despatched on or before Tuesday, 26 August 2025.

Payment will be made by way of cheques by ordinary post in pre-paid envelopes addressed to the Option Holders at their respective last known addresses as notified by the Option Holders to the Group.

All such cheques shall be posted at the risk of the addressees and none of the Offeror, the Company, Daiwa, Somerley, the Independent Financial Adviser and the Share Registrar, and their respective directors, employees, officers, agents, advisers, associates and affiliates and any other persons involved in the Proposal, the Scheme and the Option Offer shall be responsible for any loss or delay in despatch.

On or after the day being six (6) calendar months after the posting of such cheques, the Offeror shall have the right to cancel or countermand payment of any cheque which has not been cashed or which has been returned uncashed, and shall place all monies represented by the cheque in a deposit account in the name of the Offeror (or its nominee) with a licensed bank in Hong Kong selected by the Offeror (or its nominee).

The Offeror (or its nominee) shall hold monies represented by uncashed cheques until the expiry of six (6) years from the Effective Date and shall, prior to such date, make payments therefrom of the sums payable pursuant to the Scheme and the Option Offer to persons who satisfy the Offeror (or its nominee) that they are respectively entitled thereto and the cheques of which they are payees have not been cashed. Any payments made by the Offeror shall not include any interest accrued on the sums to which the respective persons are entitled pursuant to the Scheme and the Option Offer, and are subject to, if applicable, the deduction of interest, tax or any withholding tax or any other deduction required by law. The Offeror shall exercise its absolute discretion in determining whether or not it is satisfied that any person is so entitled, and a certificate of the Offeror to the effect that any particular person is so entitled or not so entitled, as the case may be, shall be conclusive and binding upon all persons claiming an interest in the relevant monies.

On the expiry of six (6) years from the Effective Date, the Offeror (and, if applicable, its nominee or successor company) and the Company shall be released from any further obligation to make any payments under the Scheme and the Option Offer and the Offeror shall be absolutely entitled to the balance (if any) of the sums then standing to the credit of the aforementioned deposit account, including accrued interest (if any) subject, if applicable, to any deduction of interest, tax or any withholding tax or any other deduction required by law and expenses incurred.

Settlement of cash payments to which any Option Holder is entitled under the Option Offer will be implemented in full in accordance with the terms of the Option Offer without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such Option Holder.

OUTSTANDING SHARE OPTIONS

Information on the Share Options held by you can be obtained by contacting the company secretary of the Company at +852 2753 3763.

If any Share Options are not exercised by the Options Latest Exercise Time, they shall lapse on the Effective Date in accordance with the rules of the Share Option Schemes without any payment made to you if the Scheme becomes effective.

LAPSED SHARE OPTIONS

Please note that nothing in this letter or the Scheme Document serves to extend the life of a Share Option which lapses, will lapse, or has already lapsed, under the terms of its applicable scheme or grant. You cannot accept the Option Offer in respect of a Share Option which has lapsed or will have lapsed by the Scheme Record Date.

For an acceptance of the Option Offer to be valid, the Share Options for which the relevant Option Holder intends to accept the Option Offer must remain subsisting and have not lapsed as at the date of receipt of such acceptance by the Company (irrespective of the date of delivery of such acceptance).

RECOMMENDATION OF THE INDEPENDENT BOARD COMMITTEE

Your attention is drawn to the letter from the Independent Board Committee set out in Part V of the Scheme Document and the letter from the Independent Financial Adviser set out in Part VI of the Scheme Document which contain the recommendation of the Independent Board Committee and of the Independent Financial Advisor, respectively, in relation to the Proposal, the Scheme and the Option Offer.

The Independent Financial Adviser has advised the Independent Board Committee that it considers that the terms of the Option Offer are fair and reasonable so far as the Option Holders are concerned, and accordingly, it advises the Independent Board Committee to recommend to the Option Holders to accept the Option Offer.

The Independent Board Committee, having been so advised, considers that the terms of the Option Offer are fair and reasonable so far as the Option Holders are concerned. Accordingly, the Independent Board Committee recommends the Option Holders to accept the Option Offer.

PROFESSIONAL ADVICE

The information provided in this letter is intended to give you factual details on which to base your decision as to the action you wish to take.

If you are in any doubt as to any aspect of this letter, the Scheme Document, the Form of Acceptance or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant or other professional adviser.

DECLARATION

By signing and returning the Form of Acceptance, you:

- (a) confirm that you have read, understood and agreed to the terms and conditions of the Option Offer (including without limitation those set out in the Scheme Document, this letter and the Form of Acceptance), and that you have received the Scheme Document, this letter and the Form of Acceptance;
- (b) warrant and confirm that each Share Option held by you in respect of which you accept the Option Offer is valid and subsisting, free from all liens, charges, mortgages, encumbrances and third-party interests of any nature whatsoever and you acknowledge that any option certificate or documents in respect of such Share Option shall become void once that Share Option has been cancelled as a result of your acceptance of this Option Offer pursuant to the Form of Acceptance;
- (c) confirm that you have observed and is permitted under all applicable laws and requirements to receive and accept the Option Offer and any revision thereof, and that you have obtained all requisite governmental, exchange control or other consents and made all registrations or filings required in compliance with all necessary formalities and regulatory or legal requirements, and have paid all issue, transfer or other taxes, duties or other required payments due from you in connection with such acceptance in any jurisdiction, and that you have not taken or omitted to take any action which will or may result in the Offeror, the Company or their respective advisers, including Daiwa, Somerley, the Independent Financial Adviser and the Share Registrar, or any other person, acting in breach of the legal or regulatory requirements of any jurisdiction in connection with the Option Offer or your acceptance thereof and such acceptance, surrender and/or cancellation shall be valid and binding in accordance with all applicable laws and regulations;
- (d) acknowledge and agree that you shall cease to have any rights or entitlements, and waive all rights and claims against any party (including the Offeror and the Company), in respect of such Share Option(s) held by you for which you accept the Option Offer, and that all rights and entitlements under all such Share Option(s) will be cancelled on the Effective Date;

- (e) agree, in consideration for the Option Offer, to release and waive all present and future claims, demands, actions and/or proceedings (whether contractual, statutory or otherwise and whether such claims are known or could be known or are in your contemplation at the time of signing the Form of Acceptance and to the maximum extent not prohibited by law) against any party (including the Offeror and the Company and their officers and respective advisers) arising out of or in connection with the Share Options and/or the Option Offer;
- (f) confirm that any acceptance of the Option Offer cannot be withdrawn or altered;
- (g) authorise the Offeror, the Company and/or Daiwa, jointly and severally, or any director or officer of the Offeror or the Company or Daiwa or any agent of such person to do all acts and things and to execute any document as may be necessary or desirable to give effect to or in consequence of your acceptance of the Option Offer, and you hereby undertake to execute any further assurance that may be required in respect of such acceptance (including but not limited to consenting to the Company, the Board or the Offeror, as applicable, exercising its rights to amend the terms of your Share Options to enable such outstanding Share Options to be cancelled in exchange for the payment by the Offeror of the cash considerations);
- (h) authorise the Company to transfer any personal data which may identify you (including, but not limited to your name, date of birth, contact details, nationality, identity or passport number, tax residency, social security number (or equivalent), bank account details and details of your Share Options) to the Offeror and to authorise the Offeror to collect, use and process such personal data for all matters directly or indirectly connected with the implementation of the Option Offer. You agree to execute any further documents as may be required by the Company or the Offeror to give effect to such authorisation; and
- (i) undertake to confirm and ratify any action properly or lawfully taken on your behalf by any attorney or agent appointed by or pursuant to this letter or the Form of Acceptance.

GENERAL

All communications, notices, Form of Acceptance, cheques, certificates and other documents of any nature to be delivered by or sent to or from Option Holders or their designated agents by post, shall be posted at their risk, and none of the Offeror, the Company, Daiwa, Somerley, the Independent Financial Adviser and the Share Registrar, and their respective ultimate beneficial owners, directors, employees, officers, agents, advisers, associates and affiliates and any other person involved in the Proposal, the Scheme or the Option Offer accepts any liability for any loss, delay or any other liabilities whatsoever which may arise as a result thereof. This letter shall be taken as having been received by you within two business days of its despatch.

The provisions set out in the Form of Acceptance form part of the terms and conditions of the Option Offer.

The accidental omission to despatch the Scheme Document, the forms of proxy, the letter to Option Holders and/or Form of Acceptance or any of them to any person to whom the Option Offer is made will not invalidate the Option Offer in any way.

The Option Offer and all acceptances will be governed by and construed in accordance with the laws of Hong Kong. Execution of a Form of Acceptance by or on behalf of any person will constitute the agreement of such person that the courts of Hong Kong shall have exclusive jurisdiction to settle any dispute which may arise in connection with the Option Offer.

Due execution of the Form of Acceptance in respect of the Option Offer will constitute an authority to the Offeror, and the Company, jointly and severally, or any director or officer of the Offeror or the Company or their respective agents (including the Share Registrar) or persons as any of them may direct to complete, amend and execute any document on behalf of the accepting Option Holder(s) and to do any other act, that may be necessary or desirable for the purpose of cancelling all outstanding Share Options which are the subject of such acceptance.

The delivery of the Form of Acceptance, duly signed, may, if the Offeror determines it appropriate, be as effective as if it were duly completed and received notwithstanding that it is not completed or received strictly in accordance with the instructions set out in the Form of Acceptance and this letter, including the date specified for receipt or the requirement for the Form of Acceptance to be witnessed.

By accepting the Option Offer in respect of your Share Options, you irrevocably and at your own risk elect to authorise the Offeror to send to you, or procure the sending to you of, any cash to which you are entitled.

Any acceptance of the Option Offer and the receipt of cash consideration under the Option Offer may trigger taxes subject to withholding obligations of the Offeror. Any cash consideration under the relevant Option Offer will be paid to you net of such applicable taxes, if any. All Option Holders are recommended to consult their professional advisers if in any doubt as to the taxation implications of the Option Offer.

Unless otherwise expressly stated in the Scheme Document, this letter and/or Form of Acceptance, none of the terms of the Option Offer or any terms contained in the aforementioned documents will be enforceable, under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong, China), by any person other than the Offeror and the accepting Option Holder(s).

The English language text of the Scheme Document and the accompanying forms of proxy, Form of Acceptance and this letter shall prevail over their respective Chinese language texts for the purpose of interpretation.

RESPONSIBILITY STATEMENTS

The issue of this letter has been approved by the directors of the Offeror, who jointly and severally accept full responsibility for the accuracy of the information contained in this letter (other than information relating to the Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this letter (other than opinions expressed by the directors of the Company in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this letter, the omission of which would make any statement in this letter misleading.

The issue of this letter has been approved by the directors of the Company, who jointly and severally accept full responsibility for the accuracy of the information contained in this letter (other than information relating to the Offeror) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this letter (other than opinions expressed by the directors of the Offeror in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this letter, the omission of which would make any statement in this letter misleading.

Yours faithfully,

For and on behalf of

Daiwa Capital Markets Hong Kong Limited

Eddie Wong
Executive Director

Davy Ma
Director

Janet Shen
Managing Director