

ALTUS CAPITAL LIMITED

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26 May 2025

To the Independent Shareholders

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
ALTUS INVESTMENTS LIMITED
ON BEHALF OF THE OFFEROR ACTING FOR AND ON
BEHALF OF WADE INVESTMENT SP1
TO ACQUIRE ALL THE ISSUED SHARES OF
HANG SANG (SIU PO) INTERNATIONAL HOLDING COMPANY LIMITED
(OTHER THAN THOSE SHARES
ALREADY OWNED AND/OR AGREED TO BE ACQUIRED BY
THE OFFEROR AND PARTIES ACTING IN CONCERT WITH IT)**

INTRODUCTION

References are made to (i) the Joint Announcement in relation to, among other things, the Sale and Purchase Agreement and the Offer; (ii) the Special Dividend Announcement in relation to, among other things, the declaration and payment of the Special Dividend; (iii) the Poll Results Announcement in relation to the approval of the Shareholders on the declaration and payment of the Special Dividend; and (iv) the Completion Announcement in relation to, among other things, the Completion. Terms used in this letter shall have the same meanings as defined in this Composite Document unless the context otherwise requires.

On 28 March 2025, the Offeror, the Seller and the Seller Guarantors entered into the Sale and Purchase Agreement, pursuant to which the Offeror has conditionally agreed to purchase, and the Seller has conditionally agreed to sell, the Sale Shares, being 138,000,000 Shares (representing 75% of the total issued Shares), for a total Consideration of HK\$195,000,000, equivalent to approximately HK\$1.413 per Sale Share. As disclosed in the Special Dividend Announcement, the Record Date of the Special Dividend was 30 April 2025. As disclosed in the Poll Results Announcement, the declaration and payment of the Special Dividend were approved by the Shareholders at the EGM held on 27 April 2025. Payment of the Special Dividend was made on 14 May 2025. Completion took place on 19 May 2025 after the Record Date and payment of the Special Dividend.

Immediately following the Completion, the Offeror and parties acting in concert with it owns 138,000,000 Shares (representing 75% of the total issued Shares). Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is therefore required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror and parties acting in concert with it).

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

The Independent Shareholders and potential investors are strongly advised to carefully consider the information contained in this Composite Document, including the letter from the Board, the letter of recommendation from the Independent Board Committee and the letter of advice from the Independent Financial Adviser, and to exercise caution when dealing in the securities of the Company. If in doubt, they should consult their own professional advisers before reaching a decision as to whether or not to take any action in respect of the Offer.

THE OFFER

Altus Investments, for and on behalf of the Offeror, hereby makes the Offer in compliance with the Takeovers Code on the following basis:

For each Offer Share HK\$1.414 in cash

Pursuant to the Takeovers Code, the Offer Price must not be lower than the purchase price per Sale Share payable by the Offeror to the Seller under the Sale and Purchase Agreement. The Offeror has therefore decided to set the Offer Price at HK\$1.414.

The Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of Offer Shares. The Offer will be extended to all Independent Shareholders other than the Offeror and parties acting in concert with it in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer shall be fully paid and free from all Encumbrances and together with all rights and interests attaching thereto, including all rights to receive any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of the despatch of this Composite Document.

As disclosed in the Joint Announcement, the Seller had informed the Offeror that the Company expects to declare a Special Dividend in the amount of approximately HK\$20 million, and the Record Date for determining which Shareholders are entitled to receive such dividend (i.e. HK\$0.108 per Share) will be prior to the Completion Date. The Offeror had acknowledged and consented to such Special Dividend if so declared by the Board and approved by the Shareholders. The Offeror had also confirmed that no reduction will be made to the Offer Price if Special Dividend is approved by the Shareholders. As subsequently disclosed in the Poll Results Announcement, the declaration and payment of

the Special Dividend were approved by the Shareholders at the EGM held on 27 April 2025. Payment of the Special Dividend was made on 14 May 2025 to Shareholders whose names appeared on the register of members of the Company on 30 April 2025 (i.e. the Record Date). The Company confirms that, as at the Latest Practicable Date, the Company did not have any dividend or distribution recommended, declared or made but unpaid and has no intention to make any distribution or declare dividends before the close of the Offer.

The Offeror intends to fund the consideration payable under the Offer in full by way of its internal resources.

The Offer Price

The Offer Price of HK\$1.414 per Share represents:

- (a) a discount of approximately 85.42% to the closing price of HK\$9.700 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (b) a premium of approximately 34.67% over the closing price of HK\$1.050 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (c) a premium of approximately 99.15% over the closing price of HK\$0.710 per Share as quoted on the Stock Exchange on the Last Full Trading Day;
- (d) a premium of approximately 119.57% over the average closing price of HK\$0.644 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Full Trading Day;
- (e) a premium of approximately 132.57% over the average closing price of approximately HK\$0.608 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Full Trading Day;
- (f) a premium of approximately 187.40% over the average closing price of approximately HK\$0.492 per Share as quoted on the Stock Exchange for the last thirty consecutive trading days up to and including the Last Full Trading Day;
- (g) a premium of approximately 542.73% to the audited consolidated net asset value attributable to owners of the Company of approximately HK\$0.22 per Share as at 30 June 2024, calculated based on the information set out in the Company's annual report for the year ended 30 June 2024, published on 30 October 2024; and
- (h) a premium of approximately 514.78% to the unaudited consolidated net asset value attributable to owners of the Company of approximately HK\$0.23 per Share as at 31 December 2024, calculated based on the information set out in the Company's interim results announcement for the six months ended 31 December 2024, published on 28 February 2025.

Highest and Lowest Closing Prices of Shares

During the Relevant Period, the highest and lowest closing prices of the Shares as quoted on the Stock Exchange was HK\$17.700 per Share on 17 April 2025 and HK\$0.270 per Share on 30 September and 2 October 2024, respectively.

Value of the Offer

As at the Latest Practicable Date, there are 184,000,000 Shares in issue. On the basis of the Offer Price of HK\$1.414 per Offer Share, the entire issued share capital of the Company would be valued at HK\$260,176,000. Excluding the Sale Shares and assuming there is no change in the issued share capital of the Company from the Latest Practicable Date up to the close of the Offer, a total of 46,000,000 Shares is subject to the Offer. Based on the Offer Price of HK\$1.414 per Offer Share and on the basis of full acceptance of the Offer, the maximum payment obligations payable by the Offeror under the Offer would be HK\$65,044,000.

Confirmation of Financial Resources

The Offeror intends to finance the Offer by way of its internal resources. Altus Capital has been appointed as the financial adviser to the Offeror in respect of the Offer and is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer.

Effect of Accepting the Offer

By validly accepting the Offer, the Independent Shareholders will sell their tendered Shares to the Offeror free from all Encumbrances and together with all rights attaching to them, including the rights to receive in full all dividends and other distributions, if any, recommended, declared, made or paid by reference to a record date on or after the date on which the Offer is made, that is, the date of the posting of this Composite Document. Acceptance of the Offer by any Independent Shareholder will be deemed to constitute a representation and warranty by such person that all Shares sold by such person under the Offer are free from all Encumbrances and together with all rights attaching to them, including the rights to receive in full all dividends and other distributions, if any, recommended, declared, made or paid by reference to a record date on or after the date on which the Offer is made. For the avoidance of doubt, the Special Dividend was already paid on 14 May 2025 to Shareholders whose names appear on the register of members of the Company on 30 April 2025 (i.e. the Record Date). The Company confirms that, as at the Latest Practicable Date, the Company has not declared any dividends which have not been distributed and the Company has no plan to declare, recommend, or pay any dividends or make any other distributions before the close of the Offer.

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

Hong Kong Stamp Duty

The seller's Hong Kong ad valorem stamp duty on acceptances of the Offer at a rate of 0.10% (or part thereof) of the market value of the Shares or the consideration payable in respect of the relevant acceptance by the Independent Shareholders, whichever is higher, will be deducted from the cash amount payable by the Offeror to the relevant Independent Shareholders who accept the Offer (where the stamp duty calculated includes a fraction of HK\$1, the stamp duty would be rounded-up to the nearest HK\$1). The Offeror will arrange for payment of the seller's Hong Kong ad valorem stamp duty on behalf of the relevant Independent Shareholders accepting the Offer and pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Taxation Advice

Independent Shareholders are recommended to consult their own professional advisers as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, its parties acting in concert, Altus Capital and their respective directors, officers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

Payment

Payment in cash in respect of the acceptances of the Offer will be made as soon as possible but in any event no later than seven (7) Business Days after the date on which the duly completed acceptance of the Offer and the relevant documents of title of the Shares in respect of such acceptance are received by the Offeror to render each such acceptance of the Offer complete and valid pursuant to Rule 20.1 and Note 1 to Rule 30.2 of the Takeovers Code.

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

Overseas Shareholders

The Offeror intends to make the Offer available to all the Independent Shareholders, including the Overseas Shareholders. However, the Offer is in respect of securities of a company incorporated in the Cayman Islands and is subject to the procedural and disclosure requirements of Hong Kong which may be different from other jurisdictions.

Overseas Shareholders who wish to participate in the Offer but with a registered address outside Hong Kong are subject to, and may be limited by, the laws and regulations of their respective jurisdictions in connection with their participation in the Offer. Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe relevant applicable legal or regulatory requirements and, where necessary, seek legal advice. It is the responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the

relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due by such accepting Overseas Shareholders in respect of such jurisdictions). As at the Latest Practicable Date, based on the record in the register of members of the Company, there is no Overseas Shareholder.

Acceptance of the Offer by any Overseas Shareholder will be deemed to constitute a representation and warranty from such Overseas Shareholder to the Offeror that the local laws and requirements have been complied with. The Overseas Shareholders should consult their professional advisers if in doubt.

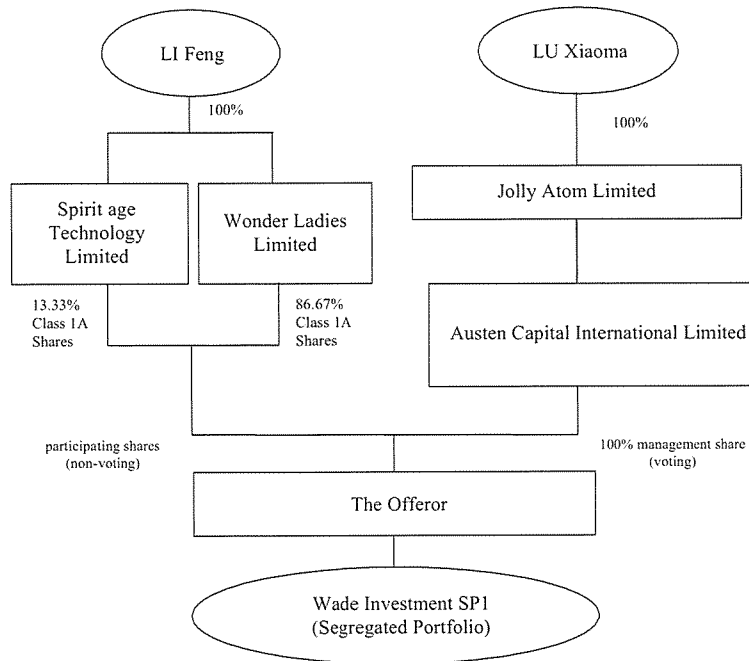
INFORMATION ON THE OFFEROR

The Offeror is a segregated portfolio company incorporated in the Cayman Islands with limited liability, acting for and on behalf of one of its segregated portfolios, Wade Investment SP1 (being an investment fund), in relation to the sale and purchase of the Sale Shares and the Offer. The Offeror is a legal person which may establish one or more segregated portfolios. Wade Investment SP1, as a segregated portfolio of the Offeror, is not a legal entity. Any action of Wade Investment SP1 shall be taken by the Offeror acting on behalf of and for the account of Wade Investment SP1. The Offeror is principally engaged in investment holding and managed by Austen Capital in its capacity as the manager.

As at the Latest Practicable Date, the authorised share capital of the Offeror comprises one management share which carries voting rights and participating shares which do not carry voting rights. The participating shares may be issued in respect of different segregated portfolios, and participating shares of any segregated portfolio may be further divided into classes and series at the discretion of the directors of the Offeror. As at the Latest Practicable Date, (i) there are two classes of participating shares attributable to Wade Investment SP1 (being a segregated portfolio of the Offeror) – Class 1A participating shares (“**Class 1A Shares**”) and Class 1B participating shares (“**Class 1B Shares**”); (ii) the management share is owned by Austen Capital and the Class 1A Shares are owned approximately 13.33% by Spirit age Technology Limited and 86.67% by Wonder Ladies Limited; and (iii) there is currently no holder of Class 1B Shares.

Spirit age Technology Limited is a company incorporated in Hong Kong. Wonder Ladies Limited is a company incorporated in the British Virgin Islands. Both of them are principally engaged in international trading and wholly owned by Mr. Li Feng. Mr. Wang Zhibao is the sole director of Spirit age Technology Limited. Mr. Li Feng is the sole director of Wonder Ladies Limited. Mr. Li Feng is a businessman principally engaged in the technology sector, covering internet, e-commerce, semiconductor, and software. He is the founder of Shenzhen Jinglianglongqing Network Technology Limited* (深圳市京糧隆慶網絡科技有限公司) and involved in its management.

For illustration purpose only, set out below is a diagram showing the structure of the Offeror as at the Latest Practicable Date:



Austen Capital is a company incorporated in Hong Kong with limited liability. It is licensed to carry out Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO.

Austen Capital is principally engaged in the investment advisory and/or management of private equity investment, listed company investment, venture capital investment, and real estate and special opportunity investment. As at the Latest Practicable Date, the directors and responsible officers of Austen Capital are Mr. Lu, Ms. Jiang Shanshan, and Mr. Chan Kin Wah Kenneth. The directors of the Offeror are Mr. Lu and Ms. Jiang Shanshan. Austen Capital is wholly owned by Jolly Atom Limited, a company incorporated in the British Virgin Islands, which is wholly owned by Mr. Lu. Mr. Lu is also the sole director of Jolly Atom Limited.

A brief biography of Mr. Lu is set out below:

Mr. Lu Xiaoma, aged 58, has more than 20 years of experience in investment, financing, and strategic mergers and acquisitions. Apart from being a director and a responsible officer of Austen Capital, he is currently an independent director of Helport AI Limited (Stock Code: HAPI) (a company listed on Nasdaq) since August 2024 and an independent non-executive director of Forgame Holdings Limited (Stock Code: 00484) (a company listed on the Main Board of the Stock Exchange) since October 2020.

Mr. Lu was a managing partner of East Stone Capital Limited Partners (深圳前海東方弘遠資產管理有限公司*), an investment management company focusing on cross-border opportunities, from January 2018 to September 2024, where he was primarily responsible for

overall management and project sourcing. Mr. Lu was the chief executive officer of East Stone Acquisition Corporation from February 2020 to November 2022, where he was primarily responsible for acquisition target sourcing and compliance.

Mr. Lu was previously an independent director of BOC International (China) Co., Ltd* (中銀國際證券股份有限公司) (Stock Code: 601696) (a company listed on the Shanghai Stock Exchange) from October 2018 to December 2024 and NWTN, Inc (Stock Code: NWTN) (a company listed on Nasdaq) from November 2022 to December 2024, respectively.

He graduated with a bachelor's degree and a master's degree in Thermal Engineering from Tsinghua University* (清華大學) in 1988 and 1993, respectively, and a master's degree in business administration from Boston College (波士頓學院) in 1999.

INFORMATION ON THE GROUP

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

INTENTIONS OF THE OFFEROR IN RELATION TO THE GROUP

Following the completion of the Offer, the Offeror intends to continue the Group's focus on consumer products and has no intention to scale down the existing businesses. Mr. Samson Fung and Mr. Fung Kar Chue Alexander, both being executive Directors, are expected to continue their employment at the existing subsidiaries of the Company. The Offeror also notes that the Group's revenue increased in HY2024/2025, as compared with HY2023/2024, and such increase was driven by broad-based revenue growth across the printing, food and daily necessities and restaurant operation segments. Notwithstanding the aforesaid, the current business climate is in flux, largely due to geopolitical factors which are likely to have macro effects on global economy (including Hong Kong). The strained trade relationships between China and the United States, the conflicts in Ukraine and the Middle East, and the trade tariffs imposed by the United States recently, have all resulted in substantial uncertainties to the global economic environment and may impact the demand for the Group's apparel labels and packaging printing products going forward. The Offeror considers that the effect of these external factors on the Company's revenue may exhibit a degree of latency and the recent US tariff policies may affect printing order volumes in the forthcoming financial year and will closely monitor and assess its business performance.

Subject to a review of market demand, business environment and climate, and conditions going forward, the Offeror, whilst intending to continue the existing principal businesses, will likely deploy more resources into growing the Group's E-cigarette business segment of the Group. Based on the Offeror's review of the “Management Discussion and Analysis – Industry Overview” section in the annual report of Smoore International Holdings Limited (Stock Code: 6969), (being a global leader in offering atomization technology solutions, including manufacturing vaping devices and vaping components for heat-not-burn products) published on 11 April 2025 (the “**Smoore Annual Report**”), the Offeror noted that the industry remains in a stage of robust growth. As stated in the Smoore Annual Report,

according to the independent market research report issued by industry consultant, Frost & Sullivan, in March 2025, the global vaping device market size increased at a compound growth rate of approximately 12.9% at ex-factory prices from 2020 to 2024, and is expected to increase at an estimated compound growth rate of approximately 9.3% from US\$12,444.9 million in 2024 to US\$19,435.0 million in 2029.

A feature of the E-cigarette sector is that it operates under increasing regulatory scrutiny globally, with ongoing updates to policy frameworks. Some countries have adopted a complete ban on E-cigarettes (as in the case of Hong Kong where only transshipment in compliance with regulations are permitted), some countries permit the import of E-cigarettes provided the products comply with local regulatory requirements (as is the case with the USA where the Food and Drug Administration has regulations on this) and in some cases, import of products are permitted provided they do not target youth. In the case of New Zealand, where the Company has commenced its sales deliveries in February 2025, it is noted that, in March 2025, New Zealand introduced smokeless laws requiring E-cigarette sellers to notify the Ministry of Health to be recognised as regulated product sellers.

Nevertheless, given that the global vaping device market size is expected to increase at an estimated compound growth rate of approximately 9.3% from US\$12,444.9 million in 2024 to US\$19,435.0 million in 2029, the Offeror believes that this sector is worth more consideration as a growth opportunity for the Company's business given that it is more easily scalable (with appropriate distribution networks and means of regulatory compliance) as compared to other existing business segments, and, if appropriately scaled, is believed to be able to facilitate the business development of the Group.

As at the Latest Practicable Date, the Offeror has no plan to inject any assets or businesses into the Group or to procure the Group to acquire or dispose of any assets.

The Offeror has no intention to terminate any employment of the employees of the Group or to make significant changes to any employment or to dispose of or reallocate the Group's assets which are not in the ordinary and usual course of business of the Group. However, the Offeror reserves the right to make such changes that it deems necessary or appropriate to the Group's business and operations to optimize the value of the Group.

The Offeror is managed by Austen Capital and given the asset management and business experience of Mr. Lu in cross border investment opportunities, the Offeror intends to work closely with the Directors and senior management of the Company from time to time to drive both customer and shareholder value. Having assumed director roles in various listed companies in Hong Kong and the United States, both Mr. Lu and Ms. Geffner have extensive experience in management of international businesses. Please refer to the section headed "INFORMATION ON THE OFFEROR" in the "Letter from Altus Capital" in this Composite Document for a brief biography of Mr. Lu, and the section headed "PROPOSED CHANGE OF COMPOSITION OF THE BOARD" in the "Letter from Altus Capital" in this Composite Document for a brief biography of Ms. Geffner. Mr. Lu's experience with the US markets from his time there, coupled with his China business experience, enhances the Group's understandings of both markets which in turn facilitates informed decision making and better risk assessment for business opportunities. Ms. Geffner has recently worked in Dorsett Hospitality International Services Limited, which is part of Far East Consortium

International Limited (Stock Code: 035), a Hong Kong listed company, and therefore can contribute her experience in the development and marketing profile of a Hong Kong listed company. Besides, it is expected that Mr. Samson Fung and Mr. Fung Kar Chue Alexander will remain as directors or management of the principal subsidiaries engaging in the printing, food and daily necessities, and restaurant operation business, ensuring continuity in management.

PROPOSED CHANGE OF COMPOSITION OF THE BOARD

As at the Latest Practicable Date, the Board is made up of five Directors, comprising three executive Directors, namely, Mr. Samson Fung, Mr. David Fung and Mr. Fung Kar Chue Alexander and two independent non-executive Directors, namely, Ms. Fung Po Yee and Dr. Sung Ting Yee.

It is intended that all Directors will resign from a date which is no earlier than such date as permitted under Rule 7 of the Takeovers Code (i.e. after the close of the Offer). As at the Latest Practicable Date, the Offeror intends to nominate Mr. Lu Xiaoma and Ms. Xin Yue Jasmine Geffner as executive Directors with effect on the date of posting of this Composite Document. Any changes to the members of the Board will be made in compliance with the Takeovers Code and the Listing Rules and further announcement(s) will be made as and when appropriate.

Please refer to the section headed “INFORMATION ON THE OFFEROR” in the “Letter from Altus Capital” in this Composite Document for a brief biography of Mr. Lu. A brief biography of Ms. Geffner is set out below:

Ms. Xin Yue Jasmine Geffner, aged 53, has more than 20 years of experience in management, financing, fund raising and mergers and acquisitions. Ms. Geffner is currently an independent director of Aureus Greenway Holdings Inc. (Stock Code: AGH) and Helpport AI Limited (Stock Code: HAPI), respectively, both of which are companies listed on Nasdaq. The principal business of Aureus Greenway Holdings Inc. is managing the operation of public golf country clubs in Florida, USA, while the principal business of Helpport AI Limited is developing and delivering AI-powered software and digital platforms for enterprise customer contact centers.

Ms. Geffner had served as Chief Financial Officer of various listed companies, including (i) Dorsett Hospitality International Services Limited (part of Far East Consortium International Limited (Stock Code: 035), a company listed on the Main Board of the Stock Exchange) from February 2019 to March 2025; (ii) GreenTree Hospitality Group Limited (Stock Code: GHG), a company listed on the New York Stock Exchange, from October 2017 to December 2018; and (iii) Carnival Group International Holdings Limited (Stock Code: 0996), a company listed on the Main Board of the Stock Exchange before its delisting on 7 December 2023, from August 2014 to March 2016. She served as the vice president in charge of corporate finance and development in Asia Pacific with LeEco from October 2016 to August 2017. Apart from the aforementioned work experiences, Ms. Geffner also has experiences working in regional and international banks such as ANZ Hong Kong, HSBC and Cr dit Agricole.

Ms. Geffner received a bachelor's degree in international marketing and finance from Baruch College at the City University of New York in February 1994 and an MBA degree from the Stern School of Business at New York University in September 1997. She is a Certified Public Accountant (CPA) of the American Institute of Certified Public Accountants and the Hong Kong Institute of Certified Public Accountants, and a Chartered Financial Analyst (CFA).

Ms. Geffner was previously an independent director of NWTN Inc. (Stock Code: NWTN) (a company listed on Nasdaq) from November 2022 to December 2024, Tristar Acquisition I Corp. (Stock Code: TRIS) (a company listed on the New York Stock Exchange) from August 2023 to August 2024, and China Finance Online Co. Limited (Stock Code: JRJC) (a company listed on Nasdaq) from May to November 2021, respectively.

The Company will publish an announcement in respect of the appointment of Mr. Lu and Ms. Geffner as executive Directors after posting of this Composite Document. Please refer to the said announcement for further details of Mr. Lu and Ms. Geffner.

PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

The Offeror has no intention to privatise the Company and intends the Company to remain listed on the Stock Exchange.

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares, are held by the public or if the Stock Exchange believes that:

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

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

Therefore, it should be noted that upon close of the Offer, there may be insufficient public float of the Shares and the trading in the Shares may be suspended until sufficient public float exists in the Shares. The directors of the Offeror and the new Directors to be appointed to the Board of the Company on the date of posting of this Composite Document will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Company's Shares.

For the avoidance of doubt, the Offer Shares to be tendered by the Independent Shareholders upon valid acceptance of the Offer will be retained by the Offeror. In case there is less than 25% of the Shares held by the public following the close of the Offer, the Offeror will place down the Shares held by it in order to ensure that there will be 25% of the issued Shares held by the public.

GENERAL

To ensure equality of treatment to all Independent Shareholders, those registered Independent Shareholders who hold the Shares as nominees for more than one beneficial owner should, as far as practicable, treat the holding of each beneficial owner separately. It is essential for the beneficial owners of the Shares whose investments are registered in the names of nominees to provide instructions to their nominees of their intentions with regard to the Offer.

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

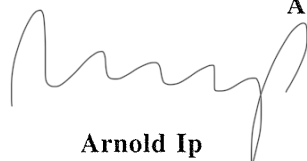
WARNING

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

ADDITIONAL INFORMATION

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

Yours faithfully,
For and behalf of
Altus Capital Limited



Arnold Ip
Responsible Officer



Chang Sean Pey
Responsible Officer