
THIS COMPOSITE DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Lotus Horizon Holdings Limited, you should at once hand this Composite Document and the accompanying Form of Acceptance to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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 Composite Document and the accompanying 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 Composite Document and the accompanying Form of Acceptance.

This Composite Document should be read in conjunction with the accompanying Form of Acceptance, the contents of which form part of the terms and conditions of the Offer.

VICTOR XU LIMITED

(Incorporated in the British Virgin Islands with limited liability)

LOTUS HORIZON HOLDINGS LIMITED

智中國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 6063)

COMPOSITE DOCUMENT RELATING TO MANDATORY UNCONDITIONAL CASH OFFER BY RAINBOW CAPITAL (HK) LIMITED FOR AND ON BEHALF OF VICTOR XU LIMITED TO ACQUIRE ALL OF THE ISSUED SHARES OF LOTUS HORIZON HOLDINGS LIMITED (OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY VICTOR XU LIMITED, ITS ULTIMATE BENEFICIAL OWNERS OR PARTIES ACTING IN CONCERT WITH ANY OF THEM)

Financial Adviser to the Offeror



**Independent Financial Adviser to
the Independent Board Committee**



Unless the context otherwise requires, capitalised terms used in this cover page shall have the same meanings as those defined in the section headed "Definitions" in this Composite Document.

A letter from Rainbow Capital containing, among other things, details of the terms of the Offer, is set out on pages 10 to 23 of this Composite Document.

A letter from the Board is set out on pages 24 to 32 of this Composite Document. A letter from the Independent Board Committee is set out on pages IBC-1 to IBC-2 of this Composite Document. A letter from the Independent Financial Adviser, containing its advice to the Independent Board Committee, is set out on pages IFA-1 to IFA-23 of this Composite Document.

The procedures for acceptance and settlement of the Offer are set out in Appendix I to this Composite Document and in the accompanying Form of Acceptance.

Form of Acceptance of the Offer must be received by the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:00 p.m. on Tuesday, 20 October 2026 (Hong Kong time) (or such later time and/or date as the Offeror may determine and the Offeror and the Company may jointly announce with the consent of the Executive in accordance with the Takeovers Code).

Any persons including, without limitation, custodians, nominees and trustees, who would, or otherwise intend to, forward this Composite Document and/or the accompanying Form of Acceptance to any jurisdiction outside Hong Kong should read the section headed "IMPORTANT NOTICE" in this Composite Document before taking any action. It is the responsibility of the Overseas Independent Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer, including the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required or the compliance with other necessary formalities, or legal and regulatory requirements and the payment of any transfer or other taxes or other required payments due from such Overseas Independent Shareholder in respect of such jurisdictions. Overseas Independent Shareholders are advised to seek professional advice on deciding whether or not to accept the Offer.

This Composite Document will remain on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.lotushorizonholdings.com as long as the Offer remains open.

29 September 2026

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EXPECTED TIMETABLE

The expected timetable set out below is indicative only and may be subject to changes. Further announcement(s) will be made in the event of any changes to the timetable as and when appropriate. All time and date references contained in this Composite Document and the accompanying Form of Acceptance refer to Hong Kong time and dates.

Events	Time and Date
Despatch date of this Composite Document and the accompanying Form of Acceptance (<i>Note 1</i>)	Tuesday, 29 September 2026
Offer opens for acceptance (<i>Note 1</i>)	Tuesday, 29 September 2026
Latest time and date for acceptance of the Offer (<i>Notes 2, 3 and 5</i>)	By 4:00 p.m. on Tuesday, 20 October 2026
Closing Date (<i>Notes 3 and 5</i>)	Tuesday, 20 October 2026
Announcement of the results of the Offer (or its extension or revision, if any) on the website of the Stock Exchange (<i>Notes 3 and 5</i>)	no later than 7:00 p.m. on Tuesday, 20 October 2026
Latest date for posting of remittances in respect of valid acceptances received under the Offer (<i>Notes 4 and 5</i>)	Thursday, 29 October 2026

Notes:

1. The Offer, which is unconditional in all respects, is made on the date of posting of this Composite Document, and is capable of acceptance on and from that date until 4:00 p.m. on the Closing Date, unless the Offeror decides to revise or extend the Offer in accordance with the Takeovers Code. Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, except in the circumstances set out in the paragraph headed “6. RIGHT OF WITHDRAWAL” in Appendix I to this Composite Document.
2. Beneficial owners of Shares who hold their Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements (as set out in the paragraph headed “1. GENERAL PROCEDURES FOR ACCEPTANCE OF THE OFFER” in Appendix I to this Composite Document) for causing instructions to be made to CCASS in accordance with the General Rules of HKSCC and HKSCC Operational Procedures.
3. In accordance with the Takeovers Code, the Offer must initially be open for acceptance for at least 21 days after the date of this Composite Document. The latest time and date for acceptance of the Offer is 4:00 p.m. on Tuesday, 20 October 2026 unless the Offeror revises or extends the Offer in accordance with the Takeovers Code. An announcement will be issued jointly by the Offeror and the Company through the website of the Stock Exchange by 7:00 p.m. on the Closing Date stating whether the Offer has been extended, revised or expired. In the event that the Offeror decides to revise or extend the Offer, all Independent Shareholders, whether or not they have already accepted the Offer, will be entitled to accept the revised Offer under the revised terms. The revised Offer must be kept open for at least 14 days after the date of the revised offer document(s) and shall not close earlier than the Closing Date.

EXPECTED TIMETABLE

4. Remittances in respect of the cash consideration (after deducting the seller's ad valorem stamp duty) payable for the Offer Shares tendered under the Offer will be despatched to the Independent Shareholders accepting the Offer by ordinary post at their own risk as soon as possible, but in any event no later than seven (7) Business Days after the date of receipt by the Registrar of all relevant documents required to render such acceptance complete and valid in accordance with the Takeovers Code.
5. If there is a tropical cyclone warning signal number 8 or above, or a "black rainstorm warning signal" or "extreme conditions" as announced by the Hong Kong Government:
 - a. in force in Hong Kong at any local time before 12:00 noon but no longer in force at or after 12:00 noon on the latest date for acceptance of the Offer under Rule 15.1 of the Takeovers Code, any publication date of a closing announcement under Rule 19.1 of the Takeovers Code or the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances, these dates, as the case may be, will remain on the same Business Day; or
 - b. in force in Hong Kong at any local time at 12:00 noon and/or thereafter on the latest date for acceptance of the Offer under Rule 15.1 of the Takeovers Code, any publication date of a closing announcement under Rule 19.1 of the Takeovers Code or the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances, these dates, as the case may be, will be rescheduled to the following Business Day which does not have any of those warnings or condition in force in Hong Kong at any local time at 12:00 noon and/or thereafter or such other day as the Executive may approve in accordance with the Takeovers Code.

Save as mentioned above, if the latest time for acceptance of the Offer does not take effect on the date and time as stated above, the other dates mentioned above may be affected. The Offeror and the Company will notify the Independent Shareholders by way of joint announcement(s) on any change to the expected timetable as soon as practicable.

IMPORTANT NOTICE

NOTICE TO THE OVERSEAS INDEPENDENT SHAREHOLDERS

The making of the Offer to persons with a registered address in jurisdictions outside Hong Kong may be prohibited or affected by the laws or regulations of the relevant jurisdictions. Overseas Independent Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should inform themselves about and observe any applicable legal and regulatory requirements and, where necessary, seek legal advice in respect of the Offer.

It is the responsibility of the Overseas Independent Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdiction in connection with the acceptance of the Offer, including the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required or the compliance with other necessary formalities, legal and/or regulatory requirements and the payment of any issue, transfer, cancellation or other taxes and duties due by such Overseas Independent Shareholders in respect of the acceptance of the Offer in such jurisdictions.

Any acceptance by the Overseas Independent Shareholders will be deemed to constitute a representation and warranty from such Overseas Independent Shareholders to the Offeror that the local laws and requirements have been complied with and such acceptance shall be lawful, valid and binding in accordance with all applicable laws. Such Overseas Independent Shareholders should consult their respective professional advisers if in doubt.

For (i) the Offeror, the Offeror's ultimate beneficial owners or parties acting in concert with any of them; (ii) the Company; (iii) Rainbow Capital; (iv) High Surplus; (v) the Independent Financial Adviser; (vi) the Registrar; or (vii) as the case may be, any of their respective ultimate beneficial owners, directors, officers, agents, advisers and associates and any other person involved in the Offer, each of them shall be entitled to be fully indemnified and held harmless by the Overseas Independent Shareholders for any taxes or duties as such persons may be required to pay. Please see the paragraphs headed "Overseas Independent Shareholders" in the "Letter from Rainbow Capital" and "7. OVERSEAS INDEPENDENT SHAREHOLDERS" in Appendix I to this Composite Document for further details.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Composite Document contains forward-looking statements, which may be identified by words such as "believe", "expect", "anticipate", "intend", "plan", "seek", "estimate", "will", "would" or words of similar meaning, that involve risks and uncertainties, as well as assumptions. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. The forward-looking statements included herein are made only as at the Latest Practicable Date. The Offeror and the Company assume no obligation to correct or update the forward-looking statements or opinions contained in this Composite Document, except as required pursuant to applicable laws or regulations, including but not limited to the Listing Rules and/or the Takeovers Code.

DEFINITIONS

In this Composite Document, unless the context otherwise requires, the following terms or expressions shall have the following meanings:

“Acquisition”	the acquisition by the Offeror of the Sale Shares on the terms and subject to the conditions set out in the Sale and Purchase Agreement from the Vendor pursuant to the Sale and Purchase Agreement
“acting in concert”	has the meaning ascribed to it under the Takeovers Code and “concert parties” shall be construed accordingly
“associates”	has the meaning ascribed to it under the Takeovers Code
“Board”	the board of Directors
“Business Day”	a day on which the Stock Exchange is open for the transaction of business
“BVI”	the British Virgin Islands
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Charged Shares”	the Sale Shares acquired and the Offer Shares to be acquired by the Offeror pursuant to the Offer (if any) which are/will be charged to High Surplus pursuant to the Facility Agreement and its associated share charges
“Closing Date”	Tuesday, 20 October 2026, being the closing date of the Offer, which is at least 21 days after the date of this Composite Document, or if the Offer is extended, any subsequent closing date of the Offer as may be determined by the Offeror and jointly announced by the Offeror and the Company in accordance with the Takeovers Code
“Company”	Lotus Horizon Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the main board of the Stock Exchange (stock code: 6063)
“Completion”	the completion of the Acquisition with respect to the Sale Shares in accordance with the terms and condition set out in the Sale and Purchase Agreement, which took place on 2 September 2026

DEFINITIONS

“Composite Document”	this composite offer and response document jointly issued by the Offeror and the Company to the Independent Shareholders in connection with the Offer in compliance with the Takeovers Code containing, among other things, details of the Offer (accompanied by the Form of Acceptance) and the respective letters of advice from the Independent Board Committee and the Independent Financial Adviser
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration in the total amount of HK\$101,660,000 for the Acquisition payable by the Offeror to the Vendor with respect to the Sale Shares under the Sale and Purchase Agreement (being HK\$0.068 per Sale Share)
“controlling Shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Facility”	the guaranteed and secured loan facility of up to HK\$35,000,000 provided by High Surplus to the Offeror pursuant to the Facility Agreement for the purpose of financing the Offer, which is secured by (i) a personal guarantee of Mr. Xu, the ultimate beneficial owner of the Offeror; and (ii) share charges over the Sale Shares and the Offer Shares to be acquired by the Offeror under the Offer (if any)
“Facility Agreement”	the loan facility agreement dated 2 September 2026 entered into by High Surplus as lender and the Offeror as borrower in relation to the Facility
“Form(s) of Acceptance”	the relevant form(s) of acceptance and transfer of the Offer Shares in respect of the Offer
“GEM”	GEM operated by the Stock Exchange
“Group”	the Company and its subsidiaries

DEFINITIONS

“High Surplus”	High Surplus International Limited, a company incorporated in Hong Kong with limited liability and a licensed money lender under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong), the lender of the Facility Agreement
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent board committee of the Company comprising all the independent non-executive Directors, namely Ms. Leung Yin Fai, Mr. Ma Tsz Chun and Ms. Yuen Wai Yee, who have no direct or indirect interest in the Offer, which has been established to advise the Independent Shareholders in connection with the Offer and as to the acceptance of the Offer
“Independent Financial Adviser” or “First Global”	First Global Corporate Finance Co., Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed to advise the Independent Board Committee in respect of the Offer and as to the acceptance of the Offer
“Independent Shareholder(s)”	all Shareholder(s) other than the Offeror, its ultimate beneficial owners and parties acting in concert with any of them
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons and is not acting in concert (as defined under the Takeovers Code) with any of the connected persons of the Company or any of their respective associates (as defined under the Listing Rules)
“Irrevocable Undertaking”	the irrevocable undertaking dated 2 September 2026 given by the Vendor in favour of the Offeror in respect of the 5,000,000 Undertaking Shares beneficially owned by the Vendor upon Completion, representing 0.25% of the entire issued share capital of the Company as at the Latest Practicable Date

DEFINITIONS

“Joint Announcement”	the announcement jointly published by the Offeror and the Company dated 8 September 2026 in relation to, among other things, the Acquisition and the Offer pursuant to Rule 3.5 of the Takeovers Code
“Last Trading Day”	2 September 2026, being the last trading day of the Shares immediately prior to the suspension of trading in the Shares with effect from 9:00 a.m. on 3 September 2026, pending the publication of the Joint Announcement
“Latest Practicable Date”	25 September 2026, being the latest practicable date prior to the printing of this Composite Document for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Chu”	Mr. Chu Kwok Fun, an executive Director, the chairman of the Board and the sole beneficial owner of the Vendor as at the Latest Practicable Date
“Mr. Xu”	Mr. Xu Changcheng (徐長城), the sole director of the Offeror who legally and beneficially owns 99% of the entire issued share capital of the Offeror as at the Latest Practicable Date
“Offer”	the mandatory unconditional cash offer made by Rainbow Capital for and on behalf of the Offeror to acquire all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror, its ultimate beneficial owners or parties acting in concert with any of them) pursuant to Rule 26.1 of the Takeovers Code
“Offer Period”	has the meaning ascribed to it under the Takeovers Code which commences on 8 September 2026 (being the date of the Joint Announcement) and ends on the Closing Date
“Offer Price”	the price of HK\$0.068 per Offer Share payable by the Offeror to the Shareholders for each Offer Share accepted under the Offer
“Offer Share(s)”	all of the issued Share(s), other than those already owned and/or agreed to be acquired by the Offeror, its ultimate beneficial owners or parties acting in concert with any of them

DEFINITIONS

“Offeror”	Victor Xu Limited, a company incorporated in BVI with limited liability, which is owned as to 99% by Mr. Xu and 1% by Ms. Lam Sin Shi
“Overseas Independent Shareholder(s)”	the Independent Shareholder(s) whose address(es), as shown on the register of members of the Company, are outside Hong Kong
“PRC”	the People’s Republic of China, which for the purpose of this Composite Document, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Rainbow Capital”	Rainbow Capital (HK) Limited, a corporation licensed by the SFC to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the financial adviser to the Offeror in respect of the Offer and the agent making the Offer for and on behalf of the Offeror
“Registrar”	Tricor Investor Services Limited, the Hong Kong branch share registrar and transfer office of the Company, with its address at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Relevant Period”	the period from 8 March 2026, being the date falling six months preceding the commencement of the Offer Period, up to and including the Latest Practicable Date
“RMB”	Renminbi, the lawful currency of the PRC
“Sale and Purchase Agreement”	the sale and purchase agreement dated 2 September 2026 entered into by the Offeror and the Vendor, pursuant to which the Vendor agreed to sell and the Offeror agreed to acquire, the Sale Shares (i.e. a total number of 1,495,000,000 Shares, being 74.75% of the entire issued share capital of the Company as at the Latest Practicable Date), for a total cash consideration of HK\$101,660,000 (equivalent to HK\$0.068 per Sale Share)
“Sale Shares”	a total number of 1,495,000,000 Shares acquired by the Offeror from the Vendor pursuant to the Sale and Purchase Agreement, representing 74.75% of the entire issued Shares as at the Latest Practicable Date
“SFC”	The Securities and Futures Commission of Hong Kong

DEFINITIONS

“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary shares in the issued share capital of the Company, in the par value of HK\$0.01
“Shareholder(s)”	holder(s) of the Share(s)
“Significant Public Float Shortfall”	has the meaning ascribed thereto under Rule 13.32F of the Listing Rules
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed thereto in the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“trading day”	means a day on which the Stock Exchange is open for the trading of securities
“Undertaking Shares”	5,000,000 Shares (representing 0.25% of the entire issued share capital of the Company as at the Latest Practicable Date) beneficially owned by the Vendor which are subject to the Irrevocable Undertaking
“Vendor”	Platinum Lotus Holdings Limited, an investment holding company established under the laws of BVI with limited liability and wholly-owned by Mr. Chu, which beneficially owned (i) 1,500,000,000 Shares, representing 75.00% of the entire issued share capital of the Company, immediately prior to Completion; and (ii) 5,000,000 Shares, representing 0.25% of the entire issued share capital of the Company, upon Completion
“%”	per cent

LETTER FROM RAINBOW CAPITAL



RAINBOW CAPITAL (HK) LIMITED
滙博資本有限公司

Unit 710, 7/F, Wing On House
71 Des Voeux Road Central
Central, Hong Kong

29 September 2026

To the Independent Shareholders

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
RAINBOW CAPITAL (HK) LIMITED FOR AND ON BEHALF OF
VICTOR XU LIMITED TO ACQUIRE ALL THE ISSUED SHARES OF
LOTUS HORIZON HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE
ACQUIRED BY VICTOR XU LIMITED, ITS ULTIMATE BENEFICIAL
OWNERS OR PARTIES ACTING IN CONCERT WITH ANY OF THEM)**

INTRODUCTION

Reference is made to the Joint Announcement jointly published by the Offeror and the Company dated 8 September 2026 in relation to, among other things, the Acquisition and the Offer.

As disclosed in the Joint Announcement, on 2 September 2026 (after trading hours of the Stock Exchange), the Offeror (as the purchaser) and the Vendor (as the vendor) entered into the Sale and Purchase Agreement, pursuant to which the Vendor agreed to sell and the Offeror agreed to acquire, the Sale Shares (i.e. a total number of 1,495,000,000 Shares, being 74.75% of the entire issued share capital of the Company as at the Latest Practicable Date), for total cash consideration of HK\$101,660,000 (equivalent to HK\$0.068 per Sale Share). Pursuant to the Sale and Purchase Agreement, the Vendor agreed to sell 1,495,000,000 Sale Shares (representing 74.75% of the entire issued share capital of the Company as at the Latest Practicable Date). The Consideration in the amount of HK\$101,660,000 payable by the Offeror to the Vendor under the Sale and Purchase Agreement at Completion. The Consideration was fully settled by the Offeror by cash from its internal resources immediately upon the signing of the Sale and Purchase Agreement. Such internal resources were neither borrowed from nor provided by any third party.

Completion took place immediately upon the signing of the Sale and Purchase Agreement on 2 September 2026.

Immediately prior to Completion, the Offeror, its ultimate beneficial owners or parties acting in concert with any of them did not own, control or have direction over any Shares or

LETTER FROM RAINBOW CAPITAL

other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

Immediately upon Completion and as at the Latest Practicable Date, the Offeror, its ultimate beneficial owners or parties acting in concert with any of them are interested in a total number of 1,495,000,000 Shares, representing 74.75% of the entire issued share capital of the Company as at the Latest Practicable Date and have become the controlling Shareholders.

Pursuant to Rule 26.1 of the Takeovers Code, upon Completion, the Offeror is required to make the mandatory unconditional cash offer to acquire all of the Shares in the issued share capital of the Company (other than those already owned or agreed to be acquired by the Offeror, its ultimate beneficial owners or parties acting in concert with any of them). Rainbow Capital is, on behalf of the Offeror, making the Offer in compliance with the Takeovers Code on the terms set out in this Composite Document.

This letter sets out, among other things, the principal terms of the Offer, together with the information on the Offeror and the Offeror's intentions regarding the Group. Further details of the Offer and the procedures for acceptance and settlement of the Offer are also set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

The Independent Shareholders are strongly advised to consider carefully the information contained in the "Letter from the Board", the "Letter from the Independent Board Committee" to the Independent Shareholders, the "Letter from the Independent Financial Adviser" to the Independent Board Committee and the Independent Shareholders and the appendices as set out in this Composite Document and to consult their professional advisers if in doubt before reaching a decision as to whether or not to accept the Offer.

THE OFFER

Principal terms of the Offer

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

For each Offer Share HK\$0.068 in cash

The Offer Price of HK\$0.068 per Offer Share is equivalent to the Consideration paid by the Offeror (i.e. HK\$101,660,000), divided by the number of the Sale Shares (i.e. 1,495,000,000 Shares).

Save for the acquisition of the Sale Shares under the Sale and Purchase Agreement, the Facility Agreement and the share charges over the Sale Shares in connection with the Facility, neither the Offeror, the Offeror's sole director (i.e. Mr. Xu), the Offeror's ultimate beneficial owners nor any parties acting in concert with any of them (including but not limited to High

LETTER FROM RAINBOW CAPITAL

Surplus and Mr. Yiu To Wa) had dealt for value in any Shares, convertible securities, warrants or options of the Company or any derivatives in respect of such securities during the Relevant Period.

The Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of Offer Shares or any other conditions.

The Offer is extended to all Independent Shareholders, being Shareholders other than the Offeror, its ultimate beneficial owners and parties acting in concert with any of them in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer shall be fully paid and free from all encumbrance and together with all rights and benefits attached and accrued thereto, including all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of this Composite Document.

As at the Latest Practicable Date, there are 2,000,000,000 Shares in issue. The Company does not have any other outstanding Shares, options, derivatives, warrants or other securities which are convertible or exchangeable into Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code), and has not entered into any agreement for the issue of such Shares, options, derivatives, warrants or securities which are convertible or exchangeable into Shares or other relevant securities in the Company.

The Company confirms that as at the Latest Practicable Date, (i) it has not declared any dividend which is not yet paid; (ii) there was no dividend declared but unpaid; and (iii) it does not have any intention to make, declare or pay any future dividend or make other distributions prior to and including the date of closing of the Offer.

Further details of the terms of the Offer and the procedures for acceptance of the Offer are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

The Offer Price will not be increased and the Offeror does not reserve the right to do so. Shareholders and potential investors of the Company should be aware that, following the making of such statement, the Offeror will not be allowed to increase the Offer Price save in wholly exceptional circumstances, as provided in Rule 18.3 of the Takeovers Code.

Comparison of value

The Offer Price of HK\$0.068 per Offer Share represents:

- (i) a discount of 93.20% to the last trading price of HK\$1.000 per Share as quoted on the Stock Exchange on 25 September 2026, being the Latest Practicable Date;
- (ii) a discount of approximately 94.65% to the closing price of HK\$1.270 per Share as quoted on the Stock Exchange on 2 September 2026, being the Last Trading Day;

LETTER FROM RAINBOW CAPITAL

- (iii) a discount of approximately 93.95% to the average closing price of HK\$1.124 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 93.70% to the average closing price of HK\$1.079 per Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days up to and including the Last Trading Day;
- (v) a discount of approximately 93.98% to the average closing price of HK\$1.130 per Share as quoted on the Stock Exchange for the last thirty (30) consecutive trading days up to and including the Last Trading Day; and
- (vi) a premium of approximately 7.94% over the audited consolidated net assets per Share of approximately HK\$0.063 as at 31 March 2026, which was calculated based on the audited consolidated net asset value attributable to owners of the Company of approximately HK\$125,658,000 as at 31 March 2026 (the date on which the latest audited financial results of the Group were made up) and 2,000,000,000 Shares in issue as at the Latest Practicable Date.

The Vendor disposed of its Sale Shares to the Offeror at a consideration of HK\$0.068 per Sale Share, which represents a material discount to the prevailing market price of the Shares. This pricing is commercially justified and reflects a prudent valuation, having due regard to the following factors:

- (i) the Group recorded a net loss of approximately HK\$3.3 million and negative earnings before interest, taxes, depreciation, and amortization (EBITDA) of approximately HK\$80,000 for the year ended 31 March 2026, therefore judging the Group's valuation based on earnings multiples is not feasible;
- (ii) due to the loss-making position of the Group, the Vendor has considered the net asset backing of the Group in evaluating the market value of the Group. As at 31 March 2026, the Group's net asset value stood at approximately HK\$125.7 million, equating to approximately HK\$0.063 per Share; and
- (iii) on top of the loss-making financial performance, it is of the Vendor's view that market capitalization has only a very limited and remote connection to the Group's intrinsic value (if any) as the market capitalization is based on the multiplication on the number of Shares and the price per Share (which could have created a mistaken image towards the intrinsic value of the Group subject to the liquidity of the Company and market's contemplation).

Accordingly, the Consideration of HK\$0.068 per Sale Share, whilst below the prevailing trading price of the Shares, is grounded on more objective financial metrics by means of evaluating based on net asset value, thereby reflecting a fairer assessment of the Group's fundamental worth. The discount is not only commercially reasonable but also consistent with

LETTER FROM RAINBOW CAPITAL

the Vendor's genuine intention to effect an orderly disposal on terms that adequately account for the Group's current financial position and market realities.

As at the Latest Practicable Date, there is no past, present or contemplated relationship, arrangement, agreement or understanding between (i) the Vendor and/or Mr. Chu on one hand; and (ii) the Offeror, Mr. Xu and/or Ms. Lam on the other hand, other than as expressly disclosed in this Composite Document with respect to the Sale and Purchase Agreement and the Irrevocable Undertaking.

Highest and lowest Share Prices

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$1.415 per Share on 7 August 2026 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.405 per Share on 13 March 2026.

Irrevocable Undertaking

Immediately following Completion and as at the Latest Practicable Date, the Vendor holds 5,000,000 Shares, representing 0.25% of the entire issued share capital of the Company.

The Vendor's retention of the Undertaking Shares serves as a strategic mechanism to signal confidence in the Group's future prospects, align ongoing interests post-Completion, and facilitate a smooth operational transition by reassuring employees, customers, and key commercial stakeholders. By maintaining a minority foothold in the Group, the Vendor preserves a direct financial incentive to support its growth trajectory and ensure business continuity during the handover phase. Going forward, the Vendor regards this residual shareholding as a passive financial investment for capital appreciation, with no immediate intention of disposal; however, it may consider realizing value through open-market transactions or other exit arrangements as and when appropriate market conditions arise.

The Vendor has given the Irrevocable Undertaking in favour of the Offeror, pursuant to which it has undertaken that it (i) shall not accept the Offer in respect of the Undertaking Shares (i.e. 5,000,000 Shares held by the Vendor); (ii) shall not sell, transfer or otherwise dispose of, or charge, pledge or otherwise encumber, or grant any option or other right over the Undertaking Shares; and (iii) shall not otherwise make the Undertaking Shares available for acceptance under the Offer.

The Irrevocable Undertaking will cease to be binding upon the Offer being closed or withdrawn in compliance with the Takeovers Code.

Total value of the Offer

As at the Latest Practicable Date, there are 2,000,000,000 Shares in issue. Assuming that there is no change in the issued share capital of the Company and based on the Offer Price of

LETTER FROM RAINBOW CAPITAL

HK\$0.068 per Offer Share, the entire issued share capital of the Company is valued at HK\$136,000,000.

Immediately following Completion, save for the 1,495,000,000 Sale Shares (representing 74.75% of the entire issued share capital of the Company as at the Latest Practicable Date) acquired under the Sale and Purchase Agreement by the Offeror, on the assumption that there is no change in the issued share capital of the Company between the Latest Practicable Date and up to the close of the Offer:

- (i) a total of 505,000,000 Shares are subject to the Offer; and
- (ii) based on a total of 505,000,000 Offer Shares and the Offer Price of HK\$0.068 per Offer Share, the Offer is valued at HK\$34,340,000.

Confirmation of financial resources available for the Offeror

Immediately upon Completion and as at the Latest Practicable Date, the Offeror, its ultimate beneficial owners or parties acting in concert with any of them are interested in a total number of 1,495,000,000 Shares, representing 74.75% of the entire issued share capital of the Company as at the Latest Practicable Date, and accordingly 505,000,000 Shares are subject to the Offer, the maximum amount of cash payable by the Offeror in respect of the consideration payable upon full acceptance of the Offer is HK\$34,340,000.00 (based on the Offer Price of HK\$0.068 per Offer Share).

For the purpose of the Offer and in view of the Irrevocable Undertaking, based on the Offer Price of HK\$0.068 per Offer Share and 500,000,000 Offer Shares (being 505,000,000 Shares held by the Vendor and public Shareholders less the 5,000,000 Undertaking Shares which are subject to the Irrevocable Undertaking), the maximum amount of cash payable by the Offeror in respect of the consideration payable upon full acceptance of the Offer is HK\$34,000,000, 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.

The Offeror will finance and satisfy the maximum consideration payable under the Offer in the amount of HK\$34,000,000 by means of the Facility provided by High Surplus pursuant to the Facility Agreement in the amount of up to HK\$35,000,000.

The drawdown of the Facility is not subject to any subjective conditions. The Facility is secured by (i) a personal guarantee of Mr. Xu, the ultimate beneficial owner of the Offeror; and (ii) share charges over the Sale Shares and the Offer Shares to be acquired by the Offeror pursuant to the Offer (if any). The value of the Facility will not be affected by the value of the Charged Shares.

The Offeror (as borrower) has entered into the Facility Agreement with High Surplus (as lender), pursuant to which High Surplus has granted the Facility in the amount of up to

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HK\$35,000,000 to the Offeror, which can fully cover the maximum amount of cash payable by the Offeror under the Offer.

Rainbow Capital, being the financial adviser to the Offeror in respect of the Offer, is satisfied that sufficient financial resources are, and will remain, available to the Offeror to satisfy the amount of funds required upon full acceptance of the Offer.

High Surplus is a licensed money lender under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and is wholly- and beneficially-owned by Mr. Yiu To Wa, who is a Hong Kong citizen and an investor with investments mainly in listed securities and properties in Hong Kong and with experience in the money lending sector in Hong Kong.

Accordingly, High Surplus and Mr. Yiu To Wa are parties acting in concert with the Offeror under class (9) of the presumptions in the definition of “acting in concert” under the Takeovers Code. Save as aforesaid, the Offeror confirms that the Offeror, its ultimate beneficial owners or parties acting in concert with any of them have no other relationship with High Surplus and Mr. Yiu To Wa. High Surplus and Mr. Yiu To Wa were not Shareholders as at the Latest Practicable Date.

Effect of accepting the Offer

The Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions.

By accepting the Offer, the Independent Shareholders will be deemed to warrant that all Offer Shares to be sold by such person under the Offer are fully paid and free from all encumbrances and together with all rights and benefits attaching thereto as at the date of the Composite Document or subsequently becoming attached to them, including but not limited to the right to receive in full all dividends, distributions and any return of capital, if any, which may be made or declared or agreed to be made or declared, and the record date of which falls on or after the date on which the Offer is made, being the date of despatch of the Composite Document.

Acceptances of the Offer shall be irrevocable and shall not be capable of being withdrawn, except as permitted under the Takeovers Code, details of which are set out in the paragraph headed “6. RIGHT OF WITHDRAWAL” in Appendix I to this Composite Document.

Payment and settlement

Payment in cash in respect of acceptance 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 is received in accordance with Rule 20.1 of the Takeovers Code. Relevant document(s) evidencing title in respect of such acceptance must be received by or on behalf of the Offeror (or its agent) to render each such acceptance of the Offer complete and valid in accordance with Note 1 to Rule 30.2 of the Takeovers Code.

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No fractions of a cent (HK\$) will be payable and the amount of the consideration payable to a Shareholder who accepts the Offer will be rounded up to the nearest cent (HK\$).

Hong Kong's stamp duty

In Hong Kong, seller's ad valorem stamp duty payable by the Shareholders who accept the Offer is calculated at a rate of 0.1% of (i) the market value of the Offer Shares; or (ii) the consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, will be deducted from the amount payable by the Offeror to the relevant Independent Shareholders accepting the Offer. The Offeror will arrange for payment of the sellers' 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 Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Taxation advice

The Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of (i) the Offeror, the Offeror's ultimate beneficial owners or parties acting in concert with any of them; (ii) the Company; (iii) Rainbow Capital; (iv) High Surplus; (v) the Independent Financial Adviser; (vi) the Registrar; and (vii) as the case may be, any of their respective ultimate beneficial owners, 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.

Overseas Independent Shareholders

The Offeror intends to make the Offer available to all Independent Shareholders including the Overseas Independent Shareholders. However, as the Offer to persons not being resident in Hong Kong may be affected by the laws of the relevant jurisdiction in which they are resident, the Overseas Independent Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice. It is the sole responsibility of the Overseas Independent Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental, exchange control or other consent which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes due from the accepting Overseas Independent Shareholders in respect of such jurisdictions).

Any acceptance by Overseas Independent Shareholders will be deemed to constitute a representation and warranty from such Overseas Independent Shareholders to the Offeror that the local laws and requirements have been complied with and such acceptance shall be valid and

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binding in accordance with all applicable laws and regulations. Such Overseas Independent Shareholders should consult their respective professional advisers if in doubt.

According to the register of members of the Company as at the Latest Practicable Date, there were (i) one Overseas Independent Shareholder with registered address located in the PRC, who held 20,000,000 Shares as at the Latest Practicable Date (representing approximately 1% of the entire issued share capital of the Company as at the Latest Practicable Date); and (ii) one Overseas Independent Shareholder with registered address located in the British Virgin Islands, who held 5,000,000 Shares as at the Latest Practicable Date (representing approximately 0.25% of the entire issued share capital of the Company as at the Latest Practicable Date).

Advice has been obtained from legal advisers respectively qualified to advise on the laws of British Virgin Islands and that of the PRC, which opined that there is no requirement to obtain any prior approval, consent or registration with any governmental, regulatory or such other authority in the relevant jurisdictions in relation to the despatch of this Composite Document and the Form of Acceptance and to make the Offer to the Overseas Independent Shareholders in the British Virgin Islands and the PRC. The Offeror will therefore despatch this Composite Document and Form of Acceptance to such Overseas Independent Shareholders.

INFORMATION OF THE GROUP

The Company was incorporated in the Cayman Islands with limited liability and the Shares are listed on the main board of the Stock Exchange (stock code: 6063) since 15 April 2020. The Company is an investment holding company and its subsidiaries are principally engaged in the provision of design, supply and installation services for façade works and building metal finishing works.

Further information on the Group is set out in the “Letter from the Board” as contained in this Composite Document. Financial Information on the Group is set out in Appendix II to this Composite Document. Your attention is also drawn to the further information in relation to the Group as set out in Appendix III to this Composite Document.

INFORMATION ON THE OFFEROR

The Offeror is a company incorporated in the BVI with limited liability and is an investment holding company. As at the Latest Practicable Date, the Offeror is owned as to 99% by Mr. Xu and 1% by Ms. Lam Sin Shi, both of whom are professional investors. Mr. Xu is the sole director of the Offeror.

Mr. Xu, aged 55, is a seasoned merchant with over 13 years of experience overseeing the overall operations and business development of multiple enterprises in the PRC that are engaged in the research, development, technological consultation and sales of different areas of health products and goat milk products.

LETTER FROM RAINBOW CAPITAL

Mr. Xu is the founder and the controlling shareholder of Jiangsu Boling Technology Co. Ltd.* (江蘇博領科技股份有限公司) (“**Jiangsu Boling**”). He was also the controlling shareholder of Shaan’Xi Shengtang Dairy Co. Ltd.* (陝西聖唐乳業有限公司) (“**Shengtang Dairy**”) from September 2018 to April 2025, and served as the chairman of the board of directors of Shengtang Dairy from May 2019 to April 2025. Through these roles, Mr. Xu has accumulated extensive experience in management, business operations, brand building and investment. Jiangsu Boling is a comprehensive industrial group principally engaged in the goat milk business with integration of production and sales of local agricultural and pastoral specialty products; and Shengtang Dairy is a vertically-integrated goat milk enterprise encompassing organic forage cultivation, dairy goat breeding and rearing, as well as the research, development, processing, sales and tourism associated with dairy products, and its sales network has a national coverage of over 200 cities. Mr. Xu is also a substantial shareholder of Sheng Tang Holdings Limited, a company listed on the GEM of the Stock Exchange (stock code: 8305), holding approximately 18.6% of its entire issued share capital.

Ms. Lam Sin Shi, aged 35, has over 10 years of experience in cross-border logistics, healthcare retail management, and brand channel development. She is the sole shareholder and director of China Lion Hong Kong Investment Limited (華獅香港投資有限公司), a company established in Hong Kong and principally engaged in investment business in the PRC.

The Acquisition is principally driven by Mr. Xu’s objective to secure a Hong Kong-listed platform, thereby facilitating direct access to international capital markets, enhancing corporate reputation, and providing strategic flexibility for potential future equity financing, asset injections, or corporate spin-offs. Notwithstanding that Mr. Xu does not possess prior direct operational experience in the Group’s industry, the transaction enables Mr. Xu to diversify his investment portfolio into Hong Kong’s construction and engineering services sector, thereby mitigating sector-concentration risks associated with his existing interests in the goat dairy and agricultural sectors. Furthermore, Mr. Xu intends to deploy his operational, brand management, and investment expertise to optimize the Group’s project delivery, internal controls, and overall financial performance. The Group also presents compelling standalone investment merit, supported by sustained market demand for specialized façade and structural metal finishing works in Hong Kong. Accordingly, the Acquisition represents a balanced strategic initiative combining platform utility, portfolio diversification, operational value creation, and underlying business fundamentals. For details regarding Mr. Xu’s intentions in relation to the Group, please refer to the following section headed “Intention of the Offeror regarding the Group” in this Composite Document.

The Offeror and its ultimate beneficial owners (i.e. Mr. Xu and Ms. Lam Sin Shi), were Independent Third Parties prior to Completion.

* For identification purpose only

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Immediately before Completion, none of the Offeror, its ultimate beneficial owners, its director or the parties acting in concert with any of them held any Shares. Immediately following the Completion, save and except for the total number of 1,495,000,000 Shares acquired by the Offeror under the Sale and Purchase Agreement, none of the Offeror, the ultimate beneficial owners and director of the Offeror and the parties acting in concert with any of them holds any other Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

As at the Latest Practicable Date, save and except as disclosed above, none of the Offeror, its ultimate beneficial owners or parties acting in concert with any of them is a substantial shareholder of any listed company in Hong Kong nor a director of any listed company in Hong Kong.

INTENTIONS OF THE OFFEROR REGARDING THE GROUP

Upon Completion, the Offeror and parties acting in concert with it (i.e. Mr. Xu) became the controlling Shareholders of the Company and are interested in 74.75% of the issued share capital of the Company.

Following the close of the Offer, it is the intention of the Offeror that the Company's existing principal activities will be maintained in the long run and does not intend to introduce any major changes to the existing operations and business of the Group immediately after close of the Offer and will neither redeploy nor dispose of any of the assets (including fixed assets) of the Group other than in the ordinary and usual course of business. However, the Offeror reserves the right and cannot rule out making any changes that it deems necessary or appropriate to the Group's businesses and operations to enhance the value of the Group.

Moreover, in order to enhance and strengthen the business of the Group, the Offeror intends to conduct a detailed review over the Group by appraising and assessing the existing principal businesses, operations, financial position and investments of the Group for the purpose of formulating long-term business plans and strategies for the future business development of the Group. Subject to the results of such review and should suitable investment or business opportunities arise, the Offeror may explore such arisen opportunities and consider whether any asset disposals, asset acquisitions, business rationalisation, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Company.

Any acquisition or disposal of the assets or business of the Group, if any, will be conducted in compliance with the Listing Rules and the Takeovers Code.

LETTER FROM RAINBOW CAPITAL

As at the Latest Practicable Date, (i) the Offeror did not have any intention, understanding, negotiation, arrangement, and agreements (whether formal or informal, express or implied, verbal or in writing) to downsize or dispose of any existing business or assets of the Group; and (ii) no investment or business opportunity had been identified nor had the Offeror entered into any agreement, arrangement, understanding or negotiation (whether formal or informal, express or implied, verbal or in writing) in relation to the disposal of any assets or business of the Group.

Furthermore, the Offeror intends to nominate new director(s) to the Board with effect from a date which is no earlier than that permitted under the Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate. It is intended that Mr. Xu will be appointed as a Director, and the Offeror is in the course of identifying additional candidates for the Board. As at the Latest Practicable Date, save for the above, the Offeror has not reached any final decision as to (i) who will be nominated as new Director(s) of the Company; and (ii) the final composition of the Board. Any changes to the Board will be made in compliance with the Takeovers Code, the Listing Rules and the articles of association of the Company, and a separate announcement will be made in this regard in accordance with the Listing Rules as and when appropriate.

As at the Latest Practicable Date, no Director has expressed and/or indicated intention to resign.

Save for the Offeror's intention regarding the Group set out above, the Offeror has no intention to make material changes to the employment of the employees of the Group.

PUBLIC FLOAT AND MAINTENANCE OF THE LISTING STATUS OF THE COMPANY

The Offeror intends to maintain the listing of the Shares on the Stock Exchange following the close of the Offer. The Offeror does not intend to avail itself of any powers of compulsory acquisition of any Shares outstanding after the close of the Offer.

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

- (i) a false market exists or may exist in the trading of the Shares; or
- (ii) an orderly market does not exist or may not exist,

the Stock Exchange will consider exercising its discretion to suspend dealings in the Shares; and if, at the close of the Offer, the Company has a Significant Public Float Shortfall, then:

- (i) the Stock Exchange will add a designated marker to the stock name of the Shares; and

LETTER FROM RAINBOW CAPITAL

- (ii) the Stock Exchange will cancel the listing of the Company's Shares if the Company fails to re-comply with Rule 13.32B of the Listing Rules for a continuous period of 18 months from the commencement of the Significant Public Float Shortfall.

The Offeror intends the Company to remain listed on the Stock Exchange. The director of the Offeror and the new Director(s) to be appointed to the Board of the Company will jointly and severally undertake to the Stock Exchange that if, at the close of the Offer, the Company fails to comply with the requirement of Rule 13.32B of the Listing Rules, they will take appropriate steps to ensure the Company's compliance with Rule 13.32B of the Listing Rules at the earliest possible moment.

The steps that the Offeror may take include but not limited to placing down or selling sufficient number of accepted Shares which it will acquire from the Offer to selected independent third parties or in the market. No arrangements have been confirmed or put in place as at the Latest Practicable Date.

ACCEPTANCE AND SETTLEMENT OF THE OFFER

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

COMPULSORY ACQUISITION

The Offeror does not intend to exercise any right which may be available to it to compulsorily acquire any outstanding Offer Shares not acquired under the Offer.

GENERAL

This Composite Document has been prepared for the purposes of complying with the laws of Hong Kong, the Takeovers Code and the Listing Rules and the information disclosed may not be the same as which would have been disclosed if this Composite Document had been prepared in accordance with the laws of jurisdictions outside Hong Kong.

To ensure equality of treatment of all Independent Shareholders, those Independent Shareholders who hold Shares as nominee on behalf of more than one beneficial owner should, as far as practicable, treat the holding of such 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.

Attention of the Overseas Independent Shareholders is drawn to the paragraph headed "7. OVERSEAS INDEPENDENT SHAREHOLDERS" in Appendix I to this Composite Document. All communications, notices, Form of Acceptance, share certificate(s), transfer receipt(s), other document(s) 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

LETTER FROM RAINBOW CAPITAL

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. None of the Offeror and the parties acting in concert with it, the Company, Rainbow Capital, the Independent Financial Adviser, the Registrar or (as the case may be) their respective ultimate beneficial owners, directors, officers, agents and associates nor any other person involved in the Offer will be responsible for any loss or delay in postage or any other liabilities that may arise as a result thereof or in connection therewith. Further details have been set out in Appendix I to this Composite Document and in the accompanying Form of Acceptance.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this Composite Document and the accompanying Form of Acceptance, which form part of this Composite Document. You are reminded to carefully read the “Letter from the Board”, the “Letter from the Independent Board Committee”, the “Letter from the Independent Financial Adviser” and other information about the Group, which are set out in this Composite Document and the accompanying Form of Acceptance before deciding whether or not to accept the Offer.

In considering what action to take in connection with the Offer, you should consider your own tax or financial position and if you are in any doubt, you should consult your professional advisers.

Yours faithfully
For and on behalf of
Rainbow Capital (HK) Limited
Larry Choi
Managing Director

LETTER FROM THE BOARD

LOTUS HORIZON HOLDINGS LIMITED

智中國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 6063)

Executive Directors:

Mr. CHU Kwok Fun

(Chairman and Chief Executive Officer)

Mr. YEUNG Kin Wa

(Chief Financial Officer)

Independent non-executive Directors:

Ms. LEUNG Yin Fai

Mr. MA Tsz Chun

Ms. YUEN Wai Yee

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

Principal place of business

in Hong Kong:

Unit 2102–2107, 21/F, Delta House

3 On Yiu Street

Shatin, New Territories

Hong Kong

29 September 2026

To the Independent Shareholders

Dear Sirs,

**MANDATORY UNCONDITIONAL CASH OFFER BY
RAINBOW CAPITAL (HK) LIMITED FOR AND ON BEHALF OF
VICTOR XU LIMITED TO ACQUIRE ALL THE ISSUED SHARES OF
LOTUS HORIZON HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE
ACQUIRED BY VICTOR XU LIMITED, ITS ULTIMATE BENEFICIAL
OWNERS OR PARTIES ACTING IN CONCERT WITH ANY OF THEM)**

INTRODUCTION

Reference is made to the Joint Announcement jointly published by the Offeror and the Company dated 8 September 2026 in relation to, among other things, the Acquisition and the Offer.

As disclosed in the Joint Announcement, on 2 September 2026 (after trading hours of the Stock Exchange), the Offeror (as the purchaser) and the Vendor (as the vendor) entered into the Sale and Purchase Agreement, pursuant to which the Vendor agreed to sell and the Offeror

LETTER FROM THE BOARD

agreed to acquire, the Sale Shares (i.e. a total number of 1,495,000,000 Shares, being 74.75% of the entire issued share capital of the Company as at the Latest Practicable Date), for total cash consideration of HK\$101,660,000 (equivalent to HK\$0.068 per Sale Share). Pursuant to the Sale and Purchase Agreement, the Vendor agreed to sell 1,495,000,000 Sale Shares (representing 74.75% of the entire issued share capital of the Company as at the Latest Practicable Date). The Consideration in the amount of HK\$101,660,000 payable by the Offeror to the Vendor under the Sale and Purchase Agreement at Completion. The Consideration was fully settled by the Offeror by cash from its internal resources immediately upon the signing of the Sale and Purchase Agreement. Such internal resources were neither borrowed from nor provided by any third party.

Completion took place immediately upon the signing of the Sale and Purchase Agreement on 2 September 2026.

The purpose of this Composite Document (of which this letter forms part) is to provide you with, among other things, (i) further information relating to the Group, the Offeror and parties acting in concert with it and the Offer; (ii) the Letter from Rainbow Capital containing, among others, the details of the Offer; (iii) the letter from the Independent Board Committee containing its recommendations to the Independent Shareholders in respect of the Offer; and (iv) the letter from the Independent Financial Adviser containing its advice to the Independent Board Committee in respect of the terms of the Offer and as to the acceptance of the Offer.

Terms used in this letter shall have the same meanings as those defined in this Composite Document unless the context otherwise requires.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

Under Rule 2.1 of the Takeovers Code, a board which receives an Offer or is approached with a view to an Offer being made, must, in the interests of shareholders, establish an independent committee of the board to make a recommendation: (i) as to whether the Offer is, or is not, fair and reasonable; and (ii) as to acceptance.

The Independent Board Committee comprising all the independent non-executive Directors who have no direct or indirect interest in the Offer, namely Ms. Leung Yin Fai, Mr. Ma Tsz Chun and Ms. Yuen Wai Yee, has been established in accordance with Rules 2.1 and 2.8 of the Takeovers Code to make a recommendation to the Independent Shareholders in respect of the Offer as to whether the Offer is fair and reasonable and as to acceptance of the Offer.

First Global has been appointed as the Independent Financial Adviser with the approval of the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code to advise the Independent Board Committee in respect of the Offer and, in particular, as to whether the Offer is fair and reasonable and as to the acceptance of the Offer. The advice of the Independent Financial Adviser and the recommendations of the Independent Board Committee are included in the Composite Document despatched to the Independent Shareholders.

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The full texts of the letter from the Independent Board Committee addressed to the Independent Shareholders and the letter from the Independent Financial Adviser addressed to the Independent Board Committee are set out in this Composite Document.

You are strongly advised to read the “Letter from the Independent Board Committee” to the Independent Shareholders, the “Letter from the Independent Financial Adviser” and the additional information contained in the appendices to this Composite Document before taking any action in respect of the Offer.

THE OFFER

Principal terms of the Offer

As disclosed in the “Letter from Rainbow Capital”, Rainbow Capital is making the Offer for and on behalf of the Offeror in compliance with the Takeovers Code on the following basis:

For each Offer Share HK\$0.068 in cash

The Offer Price of HK\$0.068 per Offer Share is equivalent to the Consideration paid by the Offeror (i.e. HK\$101,660,000), divided by the number of the Sale Shares (i.e. 1,495,000,000 Shares).

Save for the acquisition of the Sale Shares under the Sale and Purchase Agreement, the Facility Agreement and the share charges over the Sale Shares in connection with the Facility, neither the Offeror, its sole director (i.e. Mr. Xu), the Offeror’s ultimate beneficial owners nor any parties acting in concert with any of them (including but not limited to High Surplus and Mr. Yiu To Wa) had dealt for value in any Shares, convertible securities, warrants or options of the Company or any derivatives in respect of such securities during the Relevant Period.

The Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of Offer Shares or any other conditions.

The Offer is extended to all Independent Shareholders, being Shareholders other than the Offeror, its ultimate beneficial owners and parties acting in concert with any of them in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer shall be fully paid and free from all encumbrance and together with all rights and benefits attached and accrued thereto, including all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of this Composite Document.

As at the Latest Practicable Date, there are 2,000,000,000 Shares in issue. The Company does not have any other outstanding Shares, options, derivatives, warrants or other securities which are convertible or exchangeable into Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code), and has not entered into any agreement for the issue

LETTER FROM THE BOARD

of such Shares, options, derivatives, warrants or securities which are convertible or exchangeable into Shares or other relevant securities in the Company.

The Company confirms that as at the Latest Practicable Date, (i) it has not declared any dividend which is not yet paid; (ii) there was no dividend declared but unpaid; and (iii) it does not have any intention to make, declare or pay any future dividend or make other distributions prior to and including the date of closing of the Offer.

Further details of the terms of the Offer and the procedures for acceptance of the Offer are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

The Offer Price

Please see the paragraphs headed “Comparison of value” and “Highest and lowest Share Prices” in the “Letter from Rainbow Capital” for details of the Offer Price.

Total Value of the Offer

Please see the paragraphs headed “Total Value of the Offer” in the “Letter from Rainbow Capital” for details of the Offer Price.

Further details of the Offer

Further details of the Offer, including, among other things, its extension to the Overseas Independent Shareholders, information on taxation, the terms and conditions and the procedures for acceptance and settlement and acceptance period can be found in the “Letter from Rainbow Capital” and “Appendix I – Further Terms and Procedures of Acceptance of the Offer” to this Composite Document and the accompanying Form of Acceptance.

INFORMATION ON THE GROUP

The Company was incorporated in the Cayman Islands with limited liability and the Shares are listed on the main board of the Stock Exchange (stock code: 6063) since 15 April 2020. The Company is an investment holding company and its subsidiaries are principally engaged in the provision of design, supply and installation services for façade works and building metal finishing works.

LETTER FROM THE BOARD

Set out below is the summary of the financial information of the Group for the financial years ended 31 March 2026 and 31 March 2025 as extracted from the annual report of the Company for the year ended 31 March 2026:

	For the year ended 31 March	
	2026	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(audited)	(audited)
Revenue	225,980	259,826
Profit/(Loss) before taxation	(3,130)	3,637
Profit/(Loss) for the year	(3,307)	3,193
	As at 31 March	
	2026	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(audited)	(audited)
Total assets	171,075	160,768
Total equity	125,658	128,963

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

SHAREHOLDING STRUCTURE OF THE COMPANY

As at the Latest Practicable Date, the authorized share capital of the Company was HK\$100,000,000 divided into 10,000,000,000 ordinary Shares, and there are 2,000,000,000 Shares in issue. Save as aforesaid, the Company has no other outstanding Shares, options, warrants, derivatives or other securities that are convertible or exchangeable into Shares or other relevant securities in the Company (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the Latest Practicable Date.

LETTER FROM THE BOARD

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

Shareholders	Immediately before Completion		Immediately after Completion and as at the Latest Practicable Date	
	Number of Shares	Approximate %	Number of Shares	Approximate %
The Offeror, its ultimate beneficial owners or parties acting in concert with any of them				
– The Offeror	–	–	1,495,000,000	74.75
Vendor				
Platinum Lotus Holdings Limited ⁽¹⁾	1,500,000,000	75.00	5,000,000	0.25
Public Shareholders ⁽²⁾	<u>500,000,000</u>	<u>25.00</u>	<u>500,000,000</u>	<u>25.00</u>
Total⁽³⁾	<u><u>2,000,000,000</u></u>	<u><u>100.00</u></u>	<u><u>2,000,000,000</u></u>	<u><u>100.00</u></u>

Notes:

1. The entire issued share capital of Platinum Lotus Holdings Limited is legally, beneficially and wholly-owned by Mr. Chu (an executive Director and the chairman of the Board), which in turn held 1,500,000,000 Shares. Therefore, Mr. Chu is deemed to be interested in 1,500,000,000 Shares held by Platinum Lotus Holdings Limited, and he is deemed, or taken to be, interested in all the Shares held by Platinum Lotus Holdings Limited by virtue of Part XV of the SFO. Ms. Dai Wing Yi Marjor is the spouse of Mr. Chu and is therefore deemed to be interested in all the Shares which Mr. Chu is interested in for the purpose of the SFO.
2. Other than Mr. Chu, none of the Directors held any Shares immediately before and following Completion and as at the Latest Practicable Date.
3. Certain percentage figures included in this table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

INFORMATION ON THE OFFEROR

Your attention is drawn to the section headed “Information on the Offeror” in the “Letter from Rainbow Capital” and Appendix IV “General Information of the Offeror” to this Composite Document.

INTENTIONS OF THE OFFEROR REGARDING THE GROUP

Your attention is drawn to the section headed “Intentions of the Offeror regarding the Group” in the “Letter from Rainbow Capital” in this Composite Document.

LETTER FROM THE BOARD

The Board is pleased to note that, as at the Latest Practicable Date, it is the intention of the Offeror that the Group's existing principal activities will be maintained in the long run and does not intend to introduce any major changes to the existing operations and business of the Group immediately after close of the Offer and will neither redeploy nor dispose of any of the assets (including fixed assets) of the Group other than in the ordinary and usual course of business. However, the Offeror reserves the right and cannot rule out making any changes that it deems necessary or appropriate to the Group's businesses and operations to enhance the value of the Group.

Nevertheless, it is also noted by the Board that in order to enhance and strengthen the business of the Group, the Offeror intends to conduct a detailed review over the Group by appraising and assessing the existing principal businesses, operations, financial position and investments of the Group for the purpose of formulating long-term business plans and strategies for the future business development of the Group. Subject to the results of such review and should suitable investment or business opportunities arise, the Offeror may explore such arisen opportunities and consider whether any asset disposals, asset acquisitions, business rationalisation, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Company.

Any acquisition or disposal of the assets or business of the Group, if any, will be conducted in compliance with the Listing Rules.

As at the Latest Practicable Date, the Board is given the understanding that (i) the Offeror did not have any intention, understanding, negotiation, arrangement, and agreements (whether formal or informal, express or implied, verbal or in writing) to downsize or dispose of any existing business or assets of the Group; and (ii) no investment or business opportunity have been identified nor had the Offeror entered into any agreement, arrangement, understanding or negotiation (whether formal or informal, express or implied, verbal or in writing) in relation to the disposal of any assets or business of the Group.

Furthermore, the Offeror intends to nominate new director(s) to the Board with effect from a date which is no earlier than that permitted under the Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate. It is intended that Mr. Xu will be appointed as a Director, and the Offeror is in the course of identifying additional candidates for the Board. As at the Latest Practicable Date, the Offeror has not reached any final decision as to (i) who will be nominated as new Director(s) of the Company; and (ii) the final composition of the Board. Any changes to the Board will be made in compliance with the Takeovers Code, the Listing Rules and the articles of association of the Company, and a separate announcement will be made in this regard in accordance with the Listing Rules as and when appropriate.

As at the Latest Practicable Date, no Director has expressed and/or indicated intention to resign.

LETTER FROM THE BOARD

Save for the Offeror's intention regarding the Group set out above, the Offeror has no intention to make material changes to the employment of the employees of the Group.

The Board is willing to cooperate with the Offeror and act in the best interests of the Company and its Shareholders as a whole.

PUBLIC FLOAT AND MAINTENANCE OF THE LISTING STATUS OF THE COMPANY

As disclosed in the paragraph headed "Public Float and Maintenance of the Listing Status of the Company" in the "Letter from Rainbow Capital" of this Composite Document, the Board is aware that the Offeror intends to maintain the listing of the Shares on the Stock Exchange following the close of the Offer and that the Offeror does not intend to avail itself of any powers of compulsory acquisition of any outstanding Offer Shares after the close of the Offer.

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

- (i) a false market exists or may exist in the trading of the Shares; or
- (ii) an orderly market does not exist or may not exist,

the Stock Exchange will consider exercising its discretion to suspend trading in the Shares. Furthermore, if, at the close of the Offer, the Company has a Significant Public Float Shortfall, then:

- (i) the Stock Exchange will add a designated marker to the stock name of the Shares; and
- (ii) the Stock Exchange will cancel the listing of the Company's Shares if the Company fails to re-comply with Rule 13.32B of the Listing Rules for a continuous period of 18 months from the commencement of the Significant Public Float Shortfall.

The Board is aware that the sole director of the Offeror has undertaken, and the new Director(s) (if any) proposed by the Offeror will jointly and severally undertake, to the Stock Exchange that if, at the close of the Offer, the Company fails to comply with the requirement of Rule 13.32B of the Listing Rules, they will take appropriate steps to ensure the Company's compliance with Rule 13.32B of the Listing Rules at the earliest possible moment.

RECOMMENDATION

None of the members of the Independent Board Committee is interested in or involved in the Offer.

Your attention is drawn to (i) the "Letter from the Independent Board Committee" as set out on pages IBC-1 to IBC-2 of this Composite Document which contains its recommendation to the Independent Shareholders as to whether the Offer is, or is not, fair and reasonable and as to

LETTER FROM THE BOARD

their acceptance of the Offer; and (ii) the “Letter from the Independent Financial Adviser” as set out on pages IFA-1 to IFA-23 of this Composite Document which contains its advice to the Independent Board Committee in connection with the Offer and the principal factors considered by it in arriving at its advice.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information contained in the appendices to the Composite Document. Further details on the terms and the procedures for acceptance of the Offer are set out in Appendix I “Further Terms and Procedures of Acceptance of the Offer” to the Composite Document and the accompanying Form of Acceptance.

In considering what action to take in connection with the Offer, you should consider your own tax positions, if any, and, in case of any doubt, consult your professional advisers.

By Order of the Board
Lotus Horizon Holdings Limited
Chu Kwok Fun
Chairman and Executive Director

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

LOTUS HORIZON HOLDINGS LIMITED

智中國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 6063)

29 September 2026

To the Independent Shareholders

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
RAINBOW CAPITAL (HK) LIMITED FOR AND ON BEHALF OF
VICTOR XU LIMITED TO ACQUIRE ALL THE ISSUED SHARES OF
LOTUS HORIZON HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE
ACQUIRED BY VICTOR XU LIMITED, ITS ULTIMATE BENEFICIAL
OWNERS OR PARTIES ACTING IN CONCERT WITH ANY OF THEM)**

INTRODUCTION

We refer to the Composite Document jointly issued by the Company and the Offeror dated 29 September 2026 of which this letter forms part. Unless the context requires otherwise, capitalised terms used in this letter shall have the same meanings as those defined in the Composite Document.

We have been appointed by the Board to form the Independent Board Committee to consider the Offer and to advise to you as to, in our opinion, whether or not the Offer is fair and reasonable so far as the Independent Shareholders are concerned, and to make recommendation as to acceptance of the Offer after taking into account the advice from the Independent Financial Adviser. We have declared that we are independent and have no direct or indirect interests in the Offer, and therefore are able to consider the Offer and to make recommendations to the Independent Shareholders.

First Global has been appointed with our approval as the Independent Financial Adviser to advise us and the Independent Shareholders in respect of the Offer, in particular, as to whether the Offer is, or is not, fair and reasonable, and as to the acceptance thereof. Your attention is drawn to the section headed “Letter from the Independent Financial Adviser” of the Composite Document which contains the details of the Independent Financial Adviser’s advice and the principal factors and reasons taken into consideration in arriving at its recommendation in respect of the Offer.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

We also wish to draw your attention to the section headed “Letter from Rainbow Capital” of the Composite Document, the section headed “Letter from the Board” of the Composite Document and the additional information set out in the Composite Document, including the appendices to the Composite Document and the accompanying Form of Acceptance in respect of the terms of the Offer and acceptance and settlement procedures for the Offer.

RECOMMENDATION

Having taken into account the terms of the Offer and the independent advice from the Independent Financial Adviser, as well as the principal factors and reasons considered in arriving at its recommendation, we concur with the view of the Independent Financial Adviser and consider that the Offer is not fair and reasonable so far as the Independent Shareholders are concerned. As such, we recommend the Independent Shareholders not to accept the Offer.

Notwithstanding our recommendation, the Independent Shareholders are strongly advised that the decision to realise or to hold your investment is subject to individual circumstances and investment objectives. If in doubt, the Independent Shareholders should consult your own professional advisers for professional advice. Furthermore, the Independent Shareholders who wish to accept the Offer are recommended to read carefully the terms and procedures for acceptance of the Offer as detailed in the Composite Document and the accompanying Form of Acceptance.

Yours faithfully,
the Independent Board Committee

Ms. Leung Yin Fai
*Independent non-executive
Director*

Mr. Ma Tsz Chun
*Independent non-executive
Director*

Ms. Yuen Wai Yee
*Independent non-executive
Director*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of a letter of advice from First Global Corporate Finance Co., Limited, the Independent Financial Adviser to the Independent Board Committee in respect of the Offer, which has been prepared for the purpose of incorporation in this Composite Document.



Room 1706–07, 17/F
China Insurance Group Building
No. 141 Des Voeux Road Central
Central, Hong Kong

29 September 2026

To: The Independent Board Committee and the Independent Shareholders

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
RAINBOW CAPITAL (HK) LIMITED
FOR AND ON BEHALF OF VICTOR XU LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
LOTUS HORIZON HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE
ACQUIRED BY THE OFFEROR, ITS ULTIMATE BENEFICIAL OWNERS
OR PARTIES ACTING IN CONCERT WITH ANY OF THEM)**

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer, details of which are set out in the Composite Document dated 29 September 2026, of which this letter forms part. Unless the context otherwise requires, capitalised terms used in this letter shall have the same meanings as those defined in the Composite Document.

The Company was informed by the Vendor that on 2 September 2026 (after trading hours), the Offeror (as purchaser) and the Vendor (as vendor) entered into the Sale and Purchase Agreement, pursuant to which the Vendor agreed to sell and the Offeror agreed to acquire the Sale Shares, being 1,495,000,000 Shares representing approximately 74.75% of the entire issued share capital of the Company as at the date of the Joint Announcement, for a total cash consideration of HK\$101,660,000 (equivalent to HK\$0.068 per Sale Share). Completion took place immediately upon the signing of the Sale and Purchase Agreement on 2 September 2026, and the Consideration was fully settled by the Offeror in cash.

Immediately prior to Completion, none of the Offeror, its ultimate beneficial owners or parties acting in concert with any of them owned, controlled or had direction over any Shares or

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

other relevant securities of the Company. Immediately upon Completion, the Offeror and parties acting in concert with it became interested in 1,495,000,000 Shares, representing approximately 74.75% of the entire issued share capital of the Company, and have become the controlling Shareholders. Accordingly, the Offeror is required under Rule 26.1 of the Takeovers Code to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror, its ultimate beneficial owners or parties acting in concert with any of them).

THE INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

Pursuant to Rules 2.1 and 2.8 of the Takeovers Code, the Independent Board Committee, comprising all the independent non-executive Directors, namely Ms. Leung Yin Fai, Mr. Ma Tsz Chun and Ms. Yuen Wai Yee, who have no direct or indirect interest in the Offer, has been established to advise the Independent Shareholders in connection with the Offer and, in particular, as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer.

We, First Global Corporate Finance Co., Limited, have been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer and, in particular, as to whether the Offer is, or is not, fair and reasonable and as to its acceptance. Pursuant to Rule 2.1 of the Takeovers Code, our appointment has been approved by the Independent Board Committee.

OUR INDEPENDENCE

As at the Latest Practicable Date, we are not associated or connected financially or otherwise with any member of the Group or the Offeror, their respective substantial or controlling shareholders or any party acting, or presumed to be acting, in concert with any of them. During the past two years immediately preceding and up to the Latest Practicable Date, save for this appointment as the Independent Financial Adviser, there were no other engagements between First Global Corporate Finance Co., Limited and the Group, the Offeror or the parties acting in concert with it. Apart from the normal professional fees paid or payable to us in connection with this appointment as the Independent Financial Adviser, no arrangement exists whereby we will receive any fees or benefits from the Group or the Offeror, their respective substantial or controlling shareholders and financial or other professional advisers or any party acting, or presumed to be acting, in concert with any of them. Accordingly, we are considered eligible to give independent advice in respect of the Offer.

BASIS OF OUR OPINION

In formulating our opinion and advice, we have relied on (i) the information and facts contained or referred to in the Composite Document; (ii) the information provided to us by the Group and its advisers; (iii) the opinions expressed by, and the representations of, the Directors and the management of the Group; and (iv) our review of the relevant public information. We

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

have assumed that all information provided and representations and opinions expressed to us, or contained or referred to in the Composite Document, were true, accurate and complete in all respects as at the date thereof and may be relied upon. Shareholders will be notified of any subsequent material changes to such statements, information, opinions and/or representations as soon as practicable in accordance with Rule 9.1 of the Takeovers Code.

We have also assumed that all statements contained and representations made or referred to in the Composite Document were true in all material respects at the time they were made and continue to be true as at the Latest Practicable Date, and all statements of belief, opinion and intention of the Directors and the management of the Group and those set out or referred to in the Composite 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, and we have sought and received confirmation from the Directors that no material facts have been withheld or omitted.

All the Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Composite Document (other than the information relating to the Offeror, its ultimate beneficial owners or parties acting in concert with any of them), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Composite Document (other than those expressed by the sole director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in the Composite Document, the omission of which would make any statement therein misleading.

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this Composite Document (other than the information relating to the Group and the Vendor), and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this Composite Document (other than those expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statement in this Composite Document misleading.

Should there be any subsequent material changes (including any change to this letter) occurring during the period from the date of the Composite Document up to the close of the Offer, we will notify the Independent Board Committee and the Independent Shareholders as soon as possible in accordance 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 provide a reasonable basis for our recommendation. We have not, however, carried out any independent verification of the information provided, representations made or opinions expressed by the Directors and the management of the Group, nor have we conducted any form of in-depth investigation into the business, affairs, operations, financial position or future prospects of the Group, or any of its respective substantial shareholders, subsidiaries or associates.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We have not considered the tax implications on the Independent Shareholders of their acceptance or non-acceptance of the Offer since these are particular to their own individual circumstances. In particular, the Independent Shareholders who are resident outside Hong Kong or subject to overseas taxes or Hong Kong taxation on securities dealings should consider their own tax position and, if in any doubt, should consult their own professional advisers.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In assessing the Offer and in giving our recommendations to the Independent Board Committee and the Independent Shareholders, we have taken into account the following principal factors and reasons:

1. Principal terms of the Offer

Rainbow Capital is making the Offer for and on behalf of the Offeror in compliance with the Takeovers Code on the following basis:

For each Offer Share HK\$0.068 in cash

The Offer Price of HK\$0.068 per Offer Share is equal to the price per Sale Share paid by the Offeror under the Sale and Purchase Agreement. The Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of Offer Shares or any other conditions.

As at the Latest Practicable Date, there were 2,000,000,000 Shares in issue and the Company did not have any outstanding options, warrants, derivatives or other securities which are convertible or exchangeable into Shares. The Offeror and parties acting in concert with it were interested in 1,495,000,000 Shares (approximately 74.75%). In view of the Irrevocable Undertaking given by the Vendor in respect of the 5,000,000 Undertaking Shares (approximately 0.25%), the Offer is extended to a maximum of 500,000,000 Offer Shares, and the maximum consideration payable by the Offeror upon full acceptance of the Offer is approximately HK\$34,000,000. We note that the Offeror has confirmed that the Offer Price will not be increased and that the Offeror does not reserve the right to do so.

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

2. Background of the Group

The Group is principally engaged in the provision of construction engineering services. Along with subsidiaries, the Company is engaged in the provision of design, supply, and installation services for facade works and building metal finishing works projects.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

3. Business and financial performance of the Group

(i) Financial performance

Set out below is a summary of the consolidated financial information of the Group for the years ended 31 March 2024 (“FY2024”), 2025 (“FY2025”) and 2026 (“FY2026”) as extracted from the annual reports of the Company for FY2025 (the “2025 Annual Report”) and for FY2026 (the “2026 Annual Report”) respectively:

	FY2024	FY2025	FY2026
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(audited)	(audited)	(audited)
<i>Continuing operations</i>			
Revenue	242,638	259,826	225,980
Cost of sales	(216,245)	(233,642)	(205,284)
Gross profit	26,393	26,184	20,696
Other income, gains and losses, net	1,680	2,587	1,021
Net impairment losses (recognised) reversed under expected credit loss model	248	(285)	(219)
Operating and administrative expenses	(22,946)	(24,713)	(24,300)
Share of results of an associate	–	–	(48)
Finance costs	(1,446)	(136)	(280)
(Loss)/profit before tax	3,929	3,637	(3,130)
Income tax expense	(609)	(444)	(177)
(Loss)/profit for the year	3,320	3,193	(3,307)

FY2025 as compared to FY2024

Revenue of the Group increased by approximately HK\$17.2 million or 7.1% from approximately HK\$242.6 million for the FY2024 to approximately HK\$259.8 million for the FY2025. The increase in revenue recognised was primarily attributed to the increased number of facade works projects awarded and kick-started during FY2025.

The Group’s gross profit slightly decreased by approximately HK\$0.2 million from approximately HK\$26.4 million for the FY2024 to approximately HK\$26.2 million for the FY2025. The gross profit margin slightly decreased from approximately 10.9% for the FY2024 to approximately 10.1% for the FY2025. The decrease of the Group’s gross profit margin was mainly due to lower gross profit margins of projects newly awarded during the FY2025 as a result of fierce competition in Hong Kong market.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As a result of the foregoing factors, the Group's net profit for the FY2025 slightly decreased by approximately HK\$0.1 million from approximately HK\$3.3 million for the FY2024 to approximately HK\$3.2 million for the FY2025.

FY2026 as compared to FY2025

Revenue of the Group decreased by approximately HK\$33.8 million or 13.0% from approximately HK\$259.8 million for the FY2025 to approximately HK\$226.0 million for the FY2026. The decrease in revenue recognised was primarily attributable to the slowdown in the construction progress of certain key projects during the FY2026.

The Group's gross profit decreased by approximately HK\$5.5 million or 21.0% from approximately HK\$26.2 million for the FY2025 to approximately HK\$20.7 million for the FY2026. The gross profit margin decreased from approximately 10.1% for the FY2025 to approximately 9.2% for the FY2026. The decrease in the Group's gross profit margin was mainly due to lower gross profit margins on newly awarded projects as a result of fierce competition in the Hong Kong market.

The gross profit margin on projects awarded in FY2025 and FY2026 declined consecutively, driven by intensifying competition in tender pricing. The steeper margin contraction in FY2026 was mainly due to the project execution cycle; as major projects generally take over a year to complete, a higher proportion of FY2026 revenue was derived from lower-margin contracts secured in the second half of FY2025, compared with FY2025.

As a result of the foregoing factors, the Group's net loss for the FY2026 amounted to approximately HK\$3.3 million, compared to the Group's net profit of approximately HK\$3.2 million for the FY2025.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

(ii) Financial position

Set out below is a summary of consolidated financial position of the Group as at 31 March 2025 and 31 March 2026 as extracted from the 2026 Annual Report:

	As at 31 March 2025 HK\$'000 (audited)	As at 31 March 2026 HK\$'000 (audited)
Non-current assets	5,977	17,586
Current assets	154,791	153,489
Total assets	160,768	171,075
Non-current liabilities	192	3,359
Current liabilities	31,613	42,058
Total liabilities	31,805	45,417
Net assets	128,963	125,658

Financial position as at 31 March 2026 as compared with that as at 31 March 2025

The total assets of the Group were approximately HK\$160.8 million and HK\$171.1 million as at 31 March 2025 and 31 March 2026, respectively, representing an approximately 6.4% increase, which is mainly attributable to the increase in bank balances and cash. The total liabilities of the Group were approximately HK\$31.8 million and HK\$45.4 million as at 31 March 2025 and 31 March 2026, respectively, representing an approximately 42.8% increase, which is mainly attributable to the increase in contract liabilities. The consolidated net assets decreased by approximately 2.6%, from approximately HK\$129.0 million as at 31 March 2025 to approximately HK\$125.7 million as at 31 March 2026.

(iii) Business outlook and prospects of the Group

The Group is principally engaged in the provision of construction engineering services. Along with subsidiaries, the Company is engaged in the provision of design, supply, and installation services for facade works and building metal finishing works projects in Hong Kong. Following a sharp multi-year downturn, Hong Kong's private sector property market has recently been showing signs of bottoming out and stabilising. Hong Kong's residential property prices have seen a significant rebound in the first quarter of year 2026, driven by a relatively strong equity market recovery and a massive influx of mainland Chinese talent and buyers. Residential property developers are shifting from inventory clearance back towards cautious project activation. Commercial property developers in Hong Kong, on the other hand, still

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

face persistent challenges amid high office vacancy rates and high-profile liquidity strains. Market participants have actively frozen or delayed new commercial ground breakings. An extended period of consolidation in commercial and office property market is expected.

We noted that the Hong Kong construction industry is currently experiencing a pronounced slowdown, driven primarily by a sharp contraction in private sector activity. Private sector construction works fell by approximately 16.8% year-on-year in 2025 and contracted by a further 15.9% in real terms in the first quarter of 2026, as developers deferred or scaled back new starts amid elevated financing costs, high commercial vacancy rates and structural changes in demand for office and retail space. While public sector works have increased and are expected to account for a larger share of total construction expenditure going forward, the overall tendering environment has become increasingly competitive, with contractors bidding aggressively for a limited pool of private sector projects, exerting downward pressure on pricing and margins for specialised subcontractors such as façade and metal finishing contractors. The Group's outstanding order book of approximately HK\$518.9 million as at 31 March 2026 provides a degree of near-term revenue visibility. However, a substantial portion of these projects are at advanced stages of completion, and new contracts awarded in FY2025 and FY2026 were secured in a highly competitive environment with lower contract sums and compressed margins. As these lower-margin contracts contribute a larger proportion of revenue in the coming financial years, the Group's gross profit margin is expected to remain under pressure, and there is a risk of further margin erosion if competitive tendering conditions persist.

The Group's revenue remains heavily dependent on a limited number of main contractors and property developers in Hong Kong. Any delays, suspensions or cancellations of projects by key customers, or any deterioration in their financial condition, could materially and adversely affect the Group's business, financial condition and results of operations. While the Group is pursuing selective diversification initiatives, including a restaurant operation in Macao expected to commence operation by the end of 2026 or in the first quarter of 2027, such initiatives are at an early stage, require upfront investment and management resources, and may not generate satisfactory returns or fully offset any downturn in the core construction business.

In light of the above, we consider that the Group's business prospects in the near to medium term are subject to significant uncertainty, and there is a risk that the Group's revenue and profitability in the coming financial years could decline, with gross profit margins remaining at depressed levels or deteriorating further if market conditions worsen. Furthermore, as the Offeror intends to continue the Group's existing principal business and does not intend to introduce any major changes to the existing operations and business of the Group immediately after close of the Offer and will neither redeploy nor dispose of any of the assets (including fixed assets) of the

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Group other than in the ordinary course of business, we do not expect material change in the business outlook and prospect of the Group in near future.

4. Information of the Offeror

The Offeror is a company incorporated in the BVI with limited liability and is an investment holding company. As at the Latest Practicable Date, the Offeror is owned as to 99% by Mr. Xu and 1% by Ms. Lam Sin Shi, both of which are professional investors. Mr. Xu is the sole director of the Offeror.

Mr. Xu, aged 55, is a seasoned merchant with over 13 years of experience overseeing the overall operations and business development of multiple enterprises in the PRC that are engaged in the research, development, technological consultation and sales of different areas of health products and goat milk products.

Mr. Xu is the founder and the controlling shareholder of Jiangsu Boling Technology Co. Ltd.* (江蘇博領科技股份有限公司) (“**Jiangsu Boling**”). He was also the controlling shareholder of Shaan’Xi Shengtang Dairy Co. Ltd.* (陝西聖唐乳業有限公司) (“**Shengtang Dairy**”) from September 2018 to April 2025, and served as the chairman of the board of directors of Shengtang Dairy from May 2019 to April 2025. Through these roles, Mr. Xu has accumulated extensive experience in management, business operations, brand building and investment. Jiangsu Boling is a comprehensive industrial group principally engaged in the goat milk business with integration of production and sales of local agricultural and pastoral specialty products; and Shengtang Dairy is a vertically-integrated goat milk enterprise encompassing organic forage cultivation, dairy goat breeding and rearing, as well as the research, development, processing, sales and tourism associated with dairy products, and its sales network has a national coverage of over 200 cities. Mr. Xu is also a substantial shareholder of Sheng Tang Holdings Limited, a company listed on the GEM of the Stock Exchange (stock code: 8305), holding approximately 18.6% of its entire issued share capital.

Ms. Lam Sin Shi, aged 35, has over 10 years of experience in cross-border logistics, healthcare retail management, and brand channel development. She is the sole shareholder and director of China Lion Hong Kong Investment Limited (華獅香港投資有限公司), a company established in Hong Kong and principally engaged in investment business in the PRC.

Based on the information set out in the Composite Document, the Acquisition is principally driven by Mr. Xu’s objective to secure a Hong Kong-listed platform, thereby facilitating direct access to international capital markets, enhancing corporate reputation, and providing strategic flexibility for potential future equity financing, asset injections, or corporate spin-offs. Notwithstanding that Mr. Xu does not possess prior direct operational experience in the Group’s industry, the transaction enables Mr. Xu to diversify his investment portfolio into Hong Kong’s construction and engineering services sector, thereby mitigating sector-concentration risks associated with his existing interests in the

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goat dairy and agricultural sectors. Furthermore, Mr. Xu intends to deploy his operational, brand management, and investment expertise to optimize the Group's project delivery, internal controls, and overall financial performance. The Group also presents compelling standalone investment merit, supported by sustained market demand for specialized façade and structural metal finishing works in Hong Kong. Accordingly, the Acquisition represents a balanced strategic initiative combining platform utility, portfolio diversification, operational value creation, and underlying business fundamentals. For details regarding Mr. Xu's intentions in relation to the Group, please refer to the section headed "Intention of the Offeror in relation to the Group" below.

We note that, while Mr. Xu has extensive experience in business operations, management and brand building, neither Mr. Xu nor Ms. Lam has experience in the Group's principal businesses of facade and building metal finishing works, and Ms. Lam's minor shareholding in the Offeror reflects her intention as a passive investor. On this basis, and having regard to the fact that the Offeror has yet to conduct a detailed review of the Group's operations and formulate long-term business strategies, it remains uncertain whether the Offeror possesses sufficient industry-specific knowledge to enhance the development of the Group's existing businesses, notwithstanding that Mr. Xu's general management and brand-building background may be beneficial to the Group's future development.

5. Intentions of the offeror in relation to the Group

As set out in the Composite Document, following the close of the Offer, it is the intention of the Offeror that the Company's existing principal activities will be maintained in the long run and does not intend to introduce any major changes to the existing operations and business of the Group immediately after close of the Offer and will neither redeploy nor dispose of any of the assets (including fixed assets) of the Group other than in the ordinary and usual course of business. However, the Offeror reserves the right and cannot rule out making any changes that it deems necessary or appropriate to the Group's businesses and operations to enhance the value of the Group.

Moreover, in order to enhance and strengthen the business of the Group, the Offeror intends to conduct a detailed review over the Group by appraising and assessing the existing principal businesses, operations, financial position and investments of the Group for the purpose of formulating long-term business plans and strategies for the future business development of the Group. Subject to the results of such review and should suitable investment or business opportunities arise, the Offeror may explore such arisen opportunities and consider whether any asset disposals, asset acquisitions, business rationalisation, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Company.

Any acquisition or disposal of the assets or business of the Group, if any, will be conducted in compliance with the Listing Rules and the Takeovers Code.

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As at the Latest Practicable Date, no investment or business opportunities has been identified nor have the Offeror entered into any agreement, arrangements, understandings or negotiation (whether verbally or in writing) in relation to the injection of any assets or business into the Group.

Furthermore, the Offeror intends to nominate new director(s) to the Board with effect from a date which is no earlier than that permitted under the Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate. As at the Latest Practicable Date, the Offeror has not reached any final decision as to (i) who will be nominated as new Director(s) of the Company; and (ii) the final composition of the Board. Any changes to the Board will be made in compliance with the Takeovers Code, the Listing Rules and the articles of association of the Company, and a separate announcement will be made in this regard in accordance with the Listing Rules as and when appropriate.

Save for the Offeror's intention regarding the Group set out above, the Offeror has no intention to make material changes to the employment of the employees of the Group.

Taking into account that (i) neither the Offeror, Mr. Xu nor Ms. Lam has relevant experience in the Company's current principal business, suggesting that the Offeror, Mr. Xu or Ms. Lam may not be able to bring positive influence to the existing principal business of the Group; and (ii) the Offeror has yet to provide any plan regarding the long-term strategy for the future development of the Group or for improving the Group's business operation and financial condition, we consider that the Offeror's intension is unclear and the prospect of the Group is uncertain as at the Latest Practicable Date.

Public float and maintaining the listing status of the Company

The Offeror intends to maintain the listing of the Shares on the Stock Exchange following the close of the Offer, and does not intend to exercise any right to compulsorily acquire any outstanding Offer Shares. The sole director of the Offeror, the Directors and any new Director(s) to be appointed will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure the Company's compliance with the public float requirement under Rule 13.32B of the Listing Rules. We would nonetheless draw the attention of the Independent Shareholders to the risk that, if the Offer results in a Significant Public Float Shortfall or an insufficient public float, or if the Stock Exchange believes a false or disorderly market exists or may exist, trading in the Shares may be suspended and the listing status of the Company may be affected, as more particularly described in the section headed "Public Float and Maintenance of the Listing Status of the Company" in the Composite Document.

6. Analysis on the Offer Price

Offer price analysis

The Offer Price of HK\$0.068 per Offer Share represents:

- (i) a discount of 93.20% to the closing price of HK\$1.000 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 94.65% to the closing price of HK\$1.270 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 93.95% to the average closing price of approximately HK\$1.124 per Share for the last five consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 93.70% to the average closing price of approximately HK\$1.079 per Share for the last ten consecutive trading days up to and including the Last Trading Day;
- (v) a discount of approximately 93.98% to the average closing price of approximately HK\$1.130 per Share for the last thirty consecutive trading days up to and including the Last Trading Day; and
- (vi) a premium of approximately 7.94% over the audited consolidated net assets per Share of approximately HK\$0.063 as at 31 March 2026, which was calculated based on the audited consolidated net asset value attributable to owners of the Company of approximately HK\$125,658,000 as at 31 March 2026 (the date on which the latest audited financial results of the Group were made up) and 2,000,000,000 Shares in issue as at the Latest Practicable Date.

The Vendor disposed of its Sale Shares to the Offeror at a consideration of HK\$0.068 per Sale Share, which represents a material discount to the prevailing market price of the Shares. This pricing is commercially justified and reflects a prudent valuation, having due regard to the following factors:

- (i) the Group recorded a net loss of approximately HK\$3.3 million and a negative earnings before interest, taxes, depreciation, and amortization (EBITDA) of approximately HK\$80,000 for the year ended 31 March 2026, therefore judging the Group's valuation based on earnings multiples is not feasible;

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- (ii) due to the loss-making position of the Group, the Vendor has considered the net asset backing of the Group in evaluating the market value of the Group. As at 31 March 2026, the Group's net asset value stood at approximately HK\$125.7 million, equating to approximately HK\$0.063 per Share; and
- (iii) on top of the loss-making financial performance, it is of the Vendor's view that market capitalization has only a very limited and remote connection to the Group's intrinsic value (if any) as the market capitalization is based on the multiplication on the number of Shares and the price per Share (which could have mistaken image towards the intrinsic value of the Group subject to the liquidity of the Company and market's contemplation).

According to the "Letter from Rainbow Capital", the Consideration of HK\$0.068 per Sale Share, whilst below the prevailing trading price of the Shares, is grounded on more objective financial metrics by means of evaluating based on net asset value, thereby reflecting a fairer assessment of the Group's fundamental worth. The discount is not only commercially reasonable but also consistent with the Vendor's genuine intention to effect an orderly disposal on terms that adequately account for the Group's current financial position and market realities. However, we consider the Offer Price to be unfair and unreasonable as it represents a substantial discount of approximately 93.70% to 94.65% to the recent market prices of the Shares, and discounts of approximately 54.36%, 95.19% and 86.64% to the Lowest Closing Price (as defined in the section below), the Highest Closing Price (as defined in the section below) and the Average Closing Price (as defined in the section below) of the Shares respectively during the Review Period; the daily closing price of the Shares remained above the Offer Price throughout the entire Review Period. Detailed analysis regarding the historical price performance of the Shares is set out in the below paragraph headed "Historical price performance of the Shares".

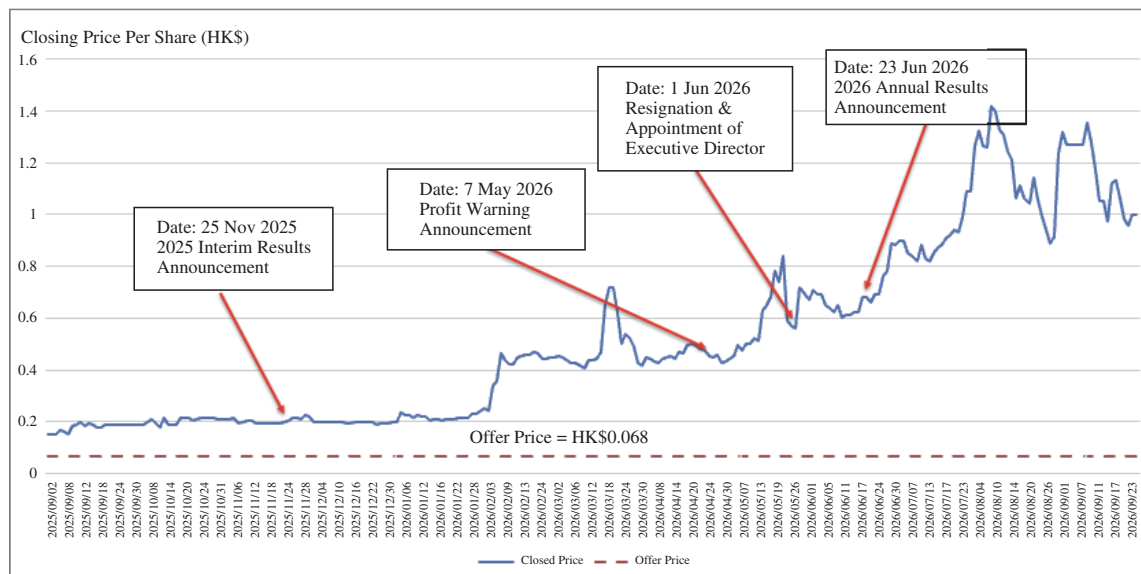
As at the Latest Practicable Date, there is no past, present or contemplated relationship, arrangement, agreement or understanding between (i) the Vendor and/or Mr. Chu on one hand; and (ii) the Offeror, Mr. Xu and/or Ms. Lam on the other hand, other than as expressly disclosed in the Joint Announcement with respect to the Sale and Purchase Agreement and the Irrevocable Undertaking.

Historical price performance of the Shares

In order to assess the fairness and reasonableness of the Offer Price, we have performed a review on the daily closing prices of the Shares from 2 September 2025 (being the date of approximately one year prior to the Last Trading Day) up to the Latest Practicable Date (the "**Review Period**"). We consider that the Review Period, covering a full twelve-months prior to the Last Trading Day, (i) is appropriate for illustration of the general trend and level of movement of the daily closing prices of the Shares which can reflect the correlation between the recent business performance of the Company and the latest market reaction in the Share price; (ii) is long enough

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to avoid any short-term fluctuation which may distort our analysis; and (iii) is sufficient and a common market practice.



During the Review Period, the average closing price was approximately HK\$0.521 per Share (the “**Average Closing Price**”). The daily closing price ranged from a lowest closing price of HK\$0.149 per Share (the “**Lowest Closing Price**”), recorded on 2 to 4 September 2025, to a highest closing price of HK\$1.415 per Share (the “**Highest Closing Price**”), recorded on 7 August 2026.

Since the beginning of the Review Period, the daily closing price of the Shares remained in a relatively flat and steady trend from early September 2025 to late January 2026, generally ranging between approximately HK\$0.149 and HK\$0.237 per Share. Commencing in early February 2026, the closing price of the Shares began to exhibit a significant and sustained upward trend, rising from HK\$0.243 per Share on 5 February 2026 to HK\$0.465 per Share on 10 February 2026, and further advancing to a range of approximately HK\$0.405 to HK\$0.720 per Share between mid-February and late March 2026. We have discussed with the Company regarding this increasing trend of the Share price and were advised that the Company is not aware of any particular reason that led to the increase in the price of the Shares.

Following a period of consolidation between approximately HK\$0.415 and HK\$0.520 per Share during April and early May 2026, the closing price of the Shares resumed a marked upward trend, rising to HK\$0.840 per Share on 27 May 2026 before easing, and thereafter climbing steadily throughout June and July 2026 from approximately HK\$0.560 to HK\$1.090 per Share. The upward momentum continued into August 2026, with the closing price reaching the Highest Closing Price of HK\$1.415 per Share on 7 August 2026. We have discussed with the Company regarding this continued increasing trend of the Share price and were advised that the

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Company is not aware of any particular reason that led to the increase in the price of the Shares.

Subsequent to reaching the Highest Closing Price, the closing price of the Shares retreated to a range of approximately HK\$0.890 to HK\$1.140 per Share during the latter part of August 2026, before rebounding to HK\$1.230 per Share on 31 August 2026 and HK\$1.315 per Share on 1 September 2026. The closing price of the Shares was HK\$1.270 per Share on the Last Trading Day (2 September 2026).

The daily closing prices of the Shares remained above the Offer Price throughout the entire Review Period. The Offer Price of HK\$0.068 per Offer Share represents (a) a discount of approximately 54.36% to the Lowest Closing Price of HK\$0.149 per Share; (b) a discount of approximately 95.19% to the Highest Closing Price of HK\$1.415 per Share; and (c) a discount of approximately 86.64% to the Average Closing Price of approximately HK\$0.479 per Share for the Review Period. Trading in the Shares was halted with effect from 3 September 2026 pending the release of the Joint Announcement and resumed on 9 September 2026. Following resumption, the closing price of the Shares ranged from HK\$0.975 to HK\$1.355 per Share up to and including the Latest Practicable Date.

We note that, throughout the Review Period, the Shares closed at price levels significantly above the Offer Price, and that the Offer Price represents a substantial discount of approximately 86.94% to the Average Closing Price of the Shares and a discount of approximately 94.65% to the closing price of HK\$1.270 per Share on the Last Trading Day. Notwithstanding the foregoing, the Offer Price represents a premium of approximately 7.94% over the audited consolidated net asset value attributable to owners of the Company of approximately HK\$0.063 per Share as at 31 March 2026. In this connection, as disclosed in the Joint Announcement, the Offer Price was determined by reference to, among other things, the sale of the controlling shareholding under the Sale and Purchase Agreement, which was reached after arm's length negotiations on the basis of an assessment of the Group's underlying businesses and the Group's audited net asset value of approximately HK\$125.7 million (or approximately HK\$0.063 per Share) as at 31 March 2026, consistent with the market practice that the sale of a controlling shareholding in a Hong Kong listed company is commonly assessed on the basis of the underlying business and net asset value rather than the prevailing market price of the shares. We are of the view that although the Group is not an asset-intensive business in the nature of a property investment company, its operations as a construction subcontractor are working-capital intensive, with contract assets, trade receivables and retention monies forming a substantial portion of its net assets. Therefore, we consider that the Group's net asset value provides a relevant reference point in assessing the underlying value of the Shares as well as the determination of the Consideration, particularly in the context of a sale of a controlling shareholding.

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In this context, we consider that the Offer Price, which represents a premium of approximately 7.94% to the Group's audited NAV per Share, provides a reasonable reflection of the underlying value of the Shares, particularly for Independent Shareholders who may otherwise be exposed to the continued operational and market risks facing the Group.

Having regard to the fact that the Shares have consistently traded at price levels materially above the Offer Price throughout the Review Period, we consider that an Independent Shareholder who wishes to realise his/her/its investment in the Shares may, subject to the liquidity of the Shares (as further discussed in the section headed "Historical trading liquidity of the Shares" below) and prevailing market conditions, be able to dispose of his/her/its Shares in the open market at a price higher than the Offer Price, instead of accepting the Offer. However, there is no assurance that the market price of the Shares will be sustained at, or will remain above, the Offer Price during or after the period for the acceptance of the Offer.

Independent Shareholders should note that the information set out above is not an indicator of the future performance of the Shares, and that the market price of the Shares may increase or decrease from its closing price as at the Latest Practicable Date.

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Historical trading liquidity of the Shares

Set out below in the table are figures during the Review Period regarding (i) the number of trading days of the Shares in each month; (ii) the total trading volume of the Share for each month; (iii) the average daily trading volume of the Shares; (iv) the percentages of the average daily trading volume to the Shares to the total issued Shares:

Month	Monthly total trading volume of the Shares (A)	No. of trading days (B)	Average daily trading volume of the Shares (C) = (A) / (B)	Total issued Shares at the end of each month (D)	Approximate percentage of the average daily trading volume of the Shares to the total issued Shares (C) / (D) (Note 1)	Trading of Shares in public hands	Approximate percentage of the average daily trading volume of the Shares in public hands
2025							
September	3,240,000	21	154,286	2,000,000,000	0.0077%	500,000,000	0.0309%
October	5,080,000	20	254,000	2,000,000,000	0.0127%	500,000,000	0.0508%
November	2,520,000	20	126,000	2,000,000,000	0.0063%	500,000,000	0.0252%
December	4,296,000	21	204,571	2,000,000,000	0.0102%	500,000,000	0.0409%
2026							
January	6,064,000	21	288,762	2,000,000,000	0.0144%	500,000,000	0.0578%
February	138,024,000	17	8,119,059	2,000,000,000	0.4060%	500,000,000	1.6238%
March	146,728,000	22	6,669,455	2,000,000,000	0.3335%	500,000,000	1.3339%
April	81,832,000	19	4,306,947	2,000,000,000	0.2153%	500,000,000	0.8614%
May	114,242,000	19	6,012,737	2,000,000,000	0.3006%	500,000,000	1.2025%
June	39,128,000	21	1,863,238	2,000,000,000	0.0932%	500,000,000	0.3726%
July	76,562,000	22	3,480,091	2,000,000,000	0.1740%	500,000,000	0.6960%
August	167,510,140	21	7,976,673	2,000,000,000	0.3988%	500,000,000	1.5953%
September (Up to the Latest Practicable Date)	138,960,000	19	7,313,684	2,000,000,000	0.3657%	500,000,000	1.4627%

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

Note:

1. The calculation is based on the average daily trading volume of the Shares divided by the total issued Shares at the end of each month or at the Latest Practicable Date as applicable.

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As illustrated in the table above, the average daily trading volume of the Shares during the Review Period recorded the lowest of approximately 126,000 Shares in November 2025 and the highest of approximately 8,119,059 Shares in February 2026, representing approximately 0.0063% and 0.4060% respectively of the total issued Shares, and approximately 0.0252% and 1.6238% respectively of the total number of Shares held by the public, as at the end of the relevant month. We note that the trading volume of the Shares was relatively thin during the period from September 2025 to January 2026, but increased substantially from February 2026 onwards, broadly coinciding with the upward movement in the Share price over the same period. We have discussed with the Company regarding the increase in the trading volume of the Shares and were advised that the Company is not aware of any particular reason that led to the increase in the trading volume of the Shares. There is no assurance that the trading volume could be maintained at such level. The average daily trading volume of the Shares for the Review Period was approximately 3,514,016 Shares, representing approximately 0.1757% of the total number of issued Shares, and approximately 0.7028% of the total number of Shares held by the public, as at the Latest Practicable Date.

Notwithstanding the improvement in trading liquidity from February 2026 onwards, there is no assurance that such level of trading liquidity will be sustained during and after the period for the acceptance of the Offer. Should the Independent Shareholders, in particular those holding a large number of Shares, wish to dispose of a significant number of Shares in the open market within a short period of time, they may not be able to do so at a price close to the prevailing market price without causing an adverse impact on the market price level of the Shares. Accordingly, the market trading price of the Shares may not necessarily reflect the actual proceeds that the Independent Shareholders can receive on the disposal of a significant number of Shares in the open market.

Independent Shareholders should nevertheless note that the daily closing prices of the Shares have remained substantially above the Offer Price throughout the Review Period, and that, subject to the prevailing market conditions and the liquidity of the Shares, an Independent Shareholder who wishes to realise his/her/its investment may be able to dispose of his/her/its Shares in the open market at a price higher than the Offer Price, instead of accepting the Offer.

Market comparable analysis

In order to further assess the fairness and reasonableness of the Offer Price, we have considered the price-to-book ratio (the “**P/B Ratio**”), the price-to-earnings ratio (the “**P/E Ratio**”), the price-to-sales ratio (the “**P/S Ratio**”) and dividend yield which are commonly adopted trading multiple analyses. The P/B ratio analysis is the assessment methodology that commonly adopted for evaluating the value of a company as a reference for the independent shareholders’ consideration. Given that the Group was loss-making for the FY2026 and no dividend was distributed for the years ended 31 March 2024, 2025 and 2026, the P/E Ratio analysis and dividend yield analysis are not applicable. We consider P/B Ratio and P/S Ratio to be an appropriate indicator of the fair values of the comparable companies which are comparable to the Company in terms of business with implied P/B Ratio (the “**Implied P/B Ratio**”) and implied P/S Ratio (the “**Implied P/S Ratio**”) of the Offer Share using the Offer Price. Although the Group is not an asset-intensive business in the nature of a property investment company, its operations as a construction subcontractor are working-capital intensive, with contract assets, trade receivables and retention monies forming a substantial portion of its net assets. Given the volatility in the Group’s earnings and margins, we consider that the Group’s net asset value and the implied price-to-book ratio of the Offer provide a relevant reference point in assessing the underlying value of the Shares, particularly in the context of a sale of a controlling shareholding. Accordingly, we have conducted a P/B and P/S analysis alongside other valuation metrics in forming our opinion.

The principal business of the Company is the provision of design, supply, and installation services for facade works and building metal finishing works. Accordingly, we have identified an exhaustive list of 4 comparable companies (the “**Comparable Companies**”) based on the criteria that they are (i) listed on the Stock Exchange; (ii) principally engaged in the provision of facade works, curtain wall installation, or building construction and engineering services; and (iii) have a market capitalisation of less than HK\$1,000 million as at the Last Trading Day.

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Set out below is the table illustrating the Comparable Companies, their market capitalisations, net asset values attributable to their owners, and respective P/B Ratios based on their latest published financial information and market prices as at the Last Trading Day:

Stock Code	Company Name	Principal Business	Market Capitalisation (HK\$ million) (note 1)	Net asset value attributable to the shareholders of the company	P/B Ratio (time) (note 3)	Revenue (HK\$ million) (note 2)	P/S Ratio (time) (note 4)
				(HK\$ million) (note 2)			
06038.HK	G & M Holdings Limited	Engaged in the provision of design, build, repair, and maintenance services for podium façades and curtain wall works	441.32	297.47	1.48	380.42	1.16
02663.HK	KPA-BM HOLDINGS LTD	Engaged in the building construction businesses	245.05	259.11	0.95	392.24	0.62
09938.HK	Wah Wo Holdings Group Limited	Engaged in the provision of exterior wall engineering services	260.00	202.49	1.28	410.61	0.63
01897.HK	Million Hope Industries Holdings Ltd	Engaged in the design, supply and installation of facade and curtain walls, aluminium windows and doors	181.52	527.98	0.34	320.47	0.57
				Average	1.01		0.75
				Median	1.11		0.63
				Maximum	1.48		1.16
				Minimum	0.34		0.57
The Group			136.00 (note 5)	125.66	1.08	225.98	0.60

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

Notes:

1. The market capitalisation is calculated as the closing price of the shares of the respective company multiplied by their respective number of issued shares as at the Last Trading Day.
2. The net asset value refers to net assets attributable to owners of the company reported in the respective companies' latest published financial reports or results announcements. The revenue refers to revenue reported in the respective companies' latest published financial reports or results announcements.
3. The P/B Ratios of the Comparable Companies are calculated as their respective market capitalisation divided by their respective equity attributable to owners of the company according to their latest published interim or annual reports.
4. The P/S Ratios of the Comparable Companies are calculated as their respective market capitalisation divided by their respective revenue of the company according to their latest published annual reports.

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5. The implied market capitalisation of the Company is calculated by multiplying the Offer Price with the number of Shares in issue as at the Last Trading Day.

Upon comparison with the Comparable Companies, we note that the P/B Ratios of the Comparable Companies range from approximately 0.34 time to 1.48 times, with an average of approximately 1.01 times and median of approximately 1.11 times. The P/S Ratios of the Comparable Companies range from approximately 0.57 time to 1.16 times, with an average of approximately 0.75 times and median of approximately 0.63 times.

Based on the Offer Price of HK\$0.068 per Offer Share and the audited consolidated net asset value attributable to owners of the Company of approximately HK\$0.063 per Share as at 31 March 2026, the implied P/B Ratio of the Company is approximately 1.08 times.

The implied P/B Ratio of the Company of approximately 1.08 times is within the range of the P/B Ratios of the Comparable Companies, and is slightly above the average but marginally below the median. This suggests that, on a price-to-book basis, the Offer Price provides an implied valuation that is broadly consistent with the net asset backing of the Group when benchmarked against sector peers.

The implied P/S Ratio of the Company of approximately 0.60 times is within the range of, but close to the lower end of, the P/S Ratios of the Comparable Companies, and is below both the average and the median. This indicates that, on a price-to-sales basis, the Offer Price does not fully reflect the Group's revenue-generating capacity relative to sector peers.

In this regard, the implied P/S Ratio at the lower end of the comparable range, together with the substantial discounts to the prevailing and historical trading prices of the Shares as discussed above, reinforce our view that the Offer Price does not adequately reflect the overall value of the Shares. We consider that the comparable analysis, taken as a whole, supports our assessment that the Offer is not fair and not reasonable so far as the Independent Shareholders are concerned.

We wish to highlight that the above analysis is for reference purpose only. Independent Shareholders should consider the overall perspective of various factors, including the historical price performance of the Shares, the trading liquidity, and the future prospects of the Group.

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RECOMMENDATION

Having considered the principal factors and reasons set out above, and in particular:

- (i) the Offeror intended to continue the existing principal businesses of the Group and had no intention to introduce any major changes to the existing operations or business immediately after the close of the Offer, nor to redeploy or dispose of the Group's assets other than in the ordinary and usual course of business, and intends to maintain the listing status of the Shares and not to exercise any compulsory acquisition rights; however, the Offeror has reserved the right to make such changes as it deems necessary or appropriate, has yet to complete a detailed review of the Group or to formulate long-term business strategies, and neither Mr. Xu nor Ms. Lam has immediate experience in the Group's principal businesses; we are therefore of the view that it remains uncertain whether the Offeror possesses sufficient industry-specific knowledge to capture business opportunities within this competitive industry and to enhance the overall development of the Group;
- (ii) the Offer Price represents a substantial discount of approximately 93.70% to 94.65% to the recent market prices of the Shares, and discounts of approximately 54.36%, 95.19% and 86.64% to the Lowest Closing Price, the Highest Closing Price and the Average Closing Price of the Shares respectively during the Review Period; the daily closing price of the Shares remained above the Offer Price throughout the entire Review Period; and
- (iii) whilst the trading volume of the Shares was relatively thin between September 2025 and January 2026, trading liquidity improved substantially from February 2026 onwards; accordingly, subject to prevailing market conditions and the sustainability of such liquidity, an Independent Shareholder who wishes to realise his/her/its investment should generally be able to dispose of his/her/its Shares in the open market at a price materially higher than the Offer Price, instead of accepting the Offer, save that Independent Shareholders holding a large number of Shares who wish to dispose of them within a short period may not be able to do so without adversely affecting the market price.

Based on the above, we consider that the Offer is not fair and reasonable so far as the Independent Shareholders are concerned. We advise the Independent Board Committee to recommend the Independent Shareholders not to accept the Offer.

Independent Shareholders who nevertheless wish to realise their investment in the Shares should, subject to sufficient liquidity and prevailing market conditions, consider disposing of their Shares in the open market rather than accepting the Offer, where the net proceeds from such sale (after deducting transaction costs, including stamp duty and brokerage) would be higher than that receivable under the Offer.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Independent Shareholders, in particular those who intend to accept the Offer or to dispose of their Shares in the open market, are reminded that there is no guarantee that the Share price will or will not be sustained at, or be higher than, the Offer Price during and after the period for the acceptance of the Offer, and that the current level of trading liquidity may not be maintained. The Independent Shareholders are reminded to closely monitor the market price and the liquidity of the Shares during the period for the acceptance of the Offer and shall, having regard to their own circumstances, investment objectives and risk preference, make their own decisions.

The Independent Shareholders should read carefully the procedures for accepting the Offer as detailed in the Composite Document, the appendices to the Composite Document and the accompanying Form of Acceptance, if they wish to accept the Offer.

For those Independent Shareholders who are optimistic about the future prospects and operating performance of the Group and/or have a relatively long-term investment horizon, they may retain their investment in the Shares by not accepting the Offer and are reminded to monitor the development of the Group, in particular the Offeror's business strategy, and any announcements of the Company during and after the Offer Period.

Yours faithfully,
For and on behalf of
First Global Corporate Finance Co., Limited
Wendy Liu
Managing Director

Ms. Liu is a licensed person registered with SFC and regarded as a responsible officer of Type 6 (advising on corporate finance) of First Global Corporate Finance Co., Limited. Ms. Liu has been a responsible officer of Type 6 (advising on corporate finance) regulated activities under SFO since 2014.

1. GENERAL PROCEDURES FOR ACCEPTANCE OF THE OFFER

- (a) To accept the Offer, you should complete and sign the accompanying Form of Acceptance in accordance with the instructions printed thereon, which form part of the terms of the Offer.
- (b) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in your name, and you wish to accept the Offer in respect of your Shares (whether in full or in part), you must send the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for the number of Shares in respect of which you intend to accept the Offer, by post or by hand, to the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, marked “Lotus Horizon Holdings Limited – General Offer” on the envelope, as soon as possible and in any event so as to reach the Registrar by no later than 4:00 p.m. on the Closing Date or such later time and/or date as the Offeror may determine and the Offeror and the Company may jointly announce with the consent of the Executive in accordance with the Takeovers Code.
- (c) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in the name of a nominee company or a name other than your own, and you wish to accept the Offer in respect of your Shares (whether in full or in part), you must either:
 - (i) lodge your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares with the nominee company, or other nominee, with instructions authorizing it to accept the Offer on your behalf and requesting it to deliver the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares to the Registrar by no later than 4:00 p.m. on the Closing Date; or
 - (ii) arrange for the Shares to be registered in your name by the Company through the Registrar, and deliver the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares to the Registrar by no later than 4:00 p.m. on the Closing Date; or

- (iii) if your Shares have been lodged with your licensed securities dealer/registered institution in securities/custodian bank through CCASS, instruct your licensed securities dealer/registered institution in securities/custodian bank to authorise HKSCC Nominees Limited to accept the Offer on your behalf on or before the deadline set by HKSCC Nominees Limited. In order to meet the deadline set by HKSCC Nominees Limited, you should check with your licensed securities dealer/registered institution in securities/custodian bank for the timing on the processing of your instruction, and submit your instruction to your licensed securities dealer/registered institution in securities/custodian bank as required by them; or
 - (iv) if your Shares have been lodged with your investor participant's account maintained with CCASS, give your instruction via the CCASS Phone System or CCASS Internet System on or before the deadline set by HKSCC Nominees Limited.
- (d) If the share certificate(s) and/or transfer receipts and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are not readily available and/or is/are lost, as the case may be, and you wish to accept the Offer in respect of your Shares, the Form of Acceptance should nevertheless be completed and signed and delivered to the Registrar together with a letter stating that you have lost one or more of your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares or that it is/they are not readily available. If you find such document(s) or if it/they become(s) available, it/they should be forwarded to the Registrar as soon as possible thereafter. If you have lost your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title, you should also write to the Registrar a letter of indemnity which, when completed in accordance with the instructions given, should be delivered to the Registrar. The Offeror shall have the absolute discretion to decide whether any Shares in respect of which the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title is/are not readily available and/or is/are lost will be taken up by the Offeror.
- (e) If you have lodged transfer(s) of any of your Shares for registration in your name and have not yet received your share certificate(s), and you wish to accept the Offer in respect of your Shares, you should nevertheless complete and sign the Form of Acceptance and deliver it to the Registrar together with the transfer receipt(s) duly signed by yourself. Such action will constitute an irrevocable authority to the Offeror and/or Rainbow Capital and/or their respective agent(s) to collect from the Company or the Registrar on your behalf the relevant share certificate(s) when issued and to deliver such share certificate(s) to the Registrar on your behalf and to authorise and

instruct the Registrar to hold such share certificate(s), subject to the terms and conditions of the Offer, as if it was/they were delivered to the Registrar with the Form of Acceptance.

- (f) Acceptance of the Offer will be treated as valid only if the duly completed and signed Form of Acceptance is received by the Registrar by no later than 4:00 p.m. on the Closing Date (or such later time and/or date as the Offeror may determine and the Offeror and the Company may jointly announce with the consent of the Executive in accordance with the Takeovers Code) and the Registrar has recorded that the Form of Acceptance and any relevant documents as required by Note 1 to Rule 30.2 of the Takeovers Code have been so received, and is:
 - (i) accompanied by the relevant share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares and, if that/those share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) is/are not in your name, such other documents (e.g. a duly stamped transfer of the relevant Share(s) in blank or in favour of the acceptor executed by the registered holder) in order to establish your right to become the registered holder of the relevant Shares; or
 - (ii) from a registered Shareholder or his/her personal representative (but only up to the amount of the registered holding and only to the extent that the acceptance relates to the Shares which are not taken into account under another sub-paragraph of this paragraph (f)); or
 - (iii) certified by the Registrar or the Stock Exchange.
- (g) If the Form of Acceptance is executed by a person other than the registered Shareholders, appropriate documentary evidence of authority (e.g. grant of probate or certified copy of a power of attorney) to the satisfaction of the Registrar must be produced.
- (h) In Hong Kong, seller's ad valorem stamp duty payable by the Independent Shareholders who accept the Offer and calculated at a rate of 0.1% of the market value of the Offer Shares or consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is the higher, will be deducted from the amount payable by the Offeror to the relevant Shareholders on the acceptance of the Offer. The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the Independent Shareholders who accept the Offer and will pay the buyer's ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

- (i) No acknowledgement of receipt of any Form of Acceptance, share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares will be given.

2. SETTLEMENT OF THE OFFER

- (a) Provided that a valid Form of Acceptance and the relevant certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the relevant Shares are complete and in good order in all respects and have been received by the Registrar before the close of the Offer, a cheque for the amount (rounding up to the nearest cent) due to each of the Independent Shareholders who accepts the Offer less seller's ad valorem stamp duty in respect of the Shares tendered by him/her/it under the Offer will be despatched to such Independent Shareholder by ordinary post at his/her/its own risk as soon as possible but in any event no later than seven (7) Business Days after the date of receipt by the Registrar of the duly completed acceptances of the Offer and all relevant documents of title which render such acceptance complete, valid and in compliance with Note 1 to Rule 30.2 of the Takeovers Code.
- (b) Settlement of the consideration to which any accepting Independent Shareholder is entitled under the Offer will be implemented in full in accordance with the terms of the Offer (save with respect to the payment of seller's ad valorem stamp duty), 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 accepting Independent Shareholder.
- (c) Cheque(s) not presented for payment within six months from the date of issue of the relevant cheques will not be honoured and be of no further effect, and in such circumstances cheque holders should contact the Offeror for payment.

3. ACCEPTANCE PERIOD AND REVISIONS

- (a) In order to be valid for the Offer, the Form of Acceptance must be received by the Registrar in accordance with the instructions printed thereon by 4:00 p.m. on the Closing Date, unless the Offer is extended or revised with the consent of the Executive.
- (b) The Offeror and the Company will jointly publish an announcement on the Stock Exchange's website no later than 7:00 p.m. on the Closing Date stating the results of the Offer and whether the Offer has been extended, revised or has expired.

- (c) If the Offer is extended or revised, the Offeror and the Company will jointly publish an announcement on the Stock Exchange's website, and the announcement of such extension or revision will state the next closing date or that the Offer will remain open until further notice. In the latter case, at least fourteen (14) days' notice in writing will be given before the Offer is closed to the Independent Shareholders who have not accepted the Offer.
- (d) If, in the course of the Offer, the Offeror revises the terms of the Offer, all Independent Shareholders, whether or not they have already accepted the Offer, will be entitled to accept the revised Offer under the revised terms. The revised Offer will be kept open for at least fourteen (14) days after the date of the revised Offer document.
- (e) If the Closing Date is extended, any reference in this Composite Document and in the Form of Acceptance to the Closing Date shall, except where the context otherwise requires, be deemed to refer to the closing date of the Offer as so extended.

4. NOMINEE REGISTRATION

To ensure equality of treatment of all Independent Shareholders, those registered Independent Shareholders who hold Shares as nominees on behalf of more than one beneficial owner should, as far as practicable, treat the holding of such 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.

5. ANNOUNCEMENTS

- (a) By 6:00 p.m. (or such later time as the Executive may in exceptional circumstances permit) on the Closing Date, the Offeror must inform the Executive and the Stock Exchange of its decision in relation to the revision, extension or expiry of the Offer. The Offeror must post an announcement in accordance with the requirements of the Listing Rules on the Stock Exchange's website by 7:00 p.m. on the Closing Date stating, amongst other information required under Rule 19.1 of the Takeovers Code, whether the Offer has been revised, extended, or has expired. The announcement will state the total number of Shares and rights over Shares:
 - (i) for which acceptances of the Offer have been received;
 - (ii) held, controlled or directed by the Offeror and/or parties acting in concert with it before the Offer Period; and
 - (iii) acquired or agreed to be acquired during the Offer Period by the Offeror and/or parties acting in concert with it.

The announcement must include details of any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror or parties acting in concert with it have borrowed or lent, save for any borrowed Shares which have been either on-lent or sold.

The announcement must also specify the percentages of the issued share capital of the Company and the percentages of voting rights of the Company represented by these numbers.

- (b) In computing the total number of Shares represented by acceptances as of the Closing Date, only valid acceptances that are in all respects complete, in good order and fulfill the acceptance conditions set out in this Appendix, and which have been received by the Registrar no later than 4:00 p.m. on the Closing Date, unless the Offer is extended or revised with the consent of the Executive, shall be included.
- (c) As required under the Takeovers Code, all announcements in relation to the Offer will be made in accordance with the requirements of the Takeovers Code and the Listing Rules, where appropriate.

6. RIGHT OF WITHDRAWAL

- (a) Acceptance of the Offer tendered by the Independent Shareholders shall be irrevocable and cannot be withdrawn, except in the circumstances set out in the sub-paragraph (b) below.
- (b) In the circumstances set out in Rule 19.2 of the Takeovers Code (which is to the effect that if the Offeror is unable to comply with any of the requirements of making announcements relating to the Offer as described under the paragraph headed “5. Announcements” above), the Executive may require that acceptors of the Offer be granted a right of withdrawal, on terms acceptable to the Executive, until such requirements can be met.

In such case, when the Independent Shareholders withdraw their acceptance(s), the Offeror shall, as soon as possible but in any event no later than seven (7) Business Days after the Offer is withdrawn, return by ordinary post the share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) lodged with the Form of Acceptance to the relevant Independent Shareholders at their own risks.

7. OVERSEAS INDEPENDENT SHAREHOLDERS

The Offeror intends to make the Offer available to all Independent Shareholders, including the Overseas Independent Shareholders. As the Offer to persons with a registered address in a jurisdiction outside Hong Kong may be affected by the laws of the relevant overseas

jurisdictions, the Overseas Independent Shareholders and beneficial owners of the Shares who are citizens, residents or nationals of a jurisdiction outside Hong Kong should inform themselves about and observe any applicable legal or regulatory requirements and, where necessary, seek legal advice in respect of the Offer. It is the responsibility of the Overseas Independent 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 but not limited to the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required or the compliance with other necessary formalities, legal and/or regulatory requirements and the payment of any issue, transfer, cancellation or other taxes and duties due by such Overseas Independent Shareholders in respect of the acceptance of the Offer in such jurisdictions.

For (i) the Offeror, the Offeror's ultimate beneficial owners or parties acting in concert with any of them; (ii) the Company; (iii) Rainbow Capital; (iv) High Surplus; (v) the Independent Financial Adviser; (vi) the Registrar; or (vii) as the case may be, any of their respective ultimate beneficial owners, directors, officers, agents, advisers and associates and any other person involved in the Offer, each of them shall be entitled to be fully indemnified and held harmless by the Overseas Independent Shareholders for any taxes or duties as such persons may be required to pay.

Acceptance of the Offer by any Overseas Independent Shareholder will be deemed to constitute a representation and warranty from such Overseas Independent Shareholder to the Offeror that all applicable laws and requirements have been complied with and such Overseas Independent Shareholder is permitted under all applicable laws and regulations to receive and accept the Offer, and any revision thereof, and such acceptance shall be valid and binding in accordance with all applicable laws and regulations. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above representation and warranty. The Overseas Independent Shareholders should consult their professional advisers if in doubt.

8. TAXATION ADVICE

Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of (i) the Offeror, the Offeror's ultimate beneficial owners or parties acting in concert with any of them; (ii) the Company; (iii) Rainbow Capital; (iv) High Surplus; (v) the Independent Financial Adviser; (vi) the Registrar; and (vii) as the case may be, any of their respective ultimate beneficial owners, directors, officers, agents or associates or any other person involved in the Offer accept responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

9. GENERAL

- (a) All communications, notices, Form(s) of Acceptance, share certificate(s), transfer receipt(s), other document(s) 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 (i) the Offeror, the Offeror's ultimate beneficial owners or parties acting in concert with any of them; (ii) the Company; (iii) Rainbow Capital; (iv) the Independent Financial Adviser and any of their respective directors nor the Registrar or other parties involved in the Offer or any of their respective agents accept any liability for any loss in postage, delay in transmission or any other liabilities that may arise as a result thereof.
- (b) The provisions set out in the Form of Acceptance form part of the terms and conditions of the Offer.
- (c) The accidental omission to despatch this Composite Document and/or Form of Acceptance or any of them to any person to whom the Offer is made will not invalidate the Offer in any way.
- (d) The Offer is, and all acceptances will be, governed by and construed in accordance with the laws of Hong Kong.
- (e) Due execution of the Form of Acceptance will constitute an authority to the Offeror, Rainbow Capital and/or such person or persons as the Offeror may direct to complete, amend and execute any document on behalf of the person or persons accepting the Offer and to do any other act that may be necessary or expedient for the purposes of vesting in the Offeror, or such person or persons as they may direct, the Shares in respect of which such person or persons has/have accepted the Offer.
- (f) Acceptance of the Offer by any person or persons will be deemed to constitute a representation and warranty by such person or persons to the Offeror and Rainbow Capital that the Offer Shares are sold to the Offeror free from all encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of this Composite Document. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above representation and warranty.
- (g) Acceptance of the Offer by any nominee will be deemed to constitute a warranty by such nominee to the Offeror that the number of Shares in respect of which as indicated in the Form of Acceptance is the aggregate number of Shares held by such nominee for such beneficial owner who is accepting the Offer.

- (h) Any Independent Shareholders accepting the Offer will be responsible for payment of any other transfer or cancellation or other taxes or duties payable in respect of the relevant jurisdiction due by such persons.
- (i) Unless otherwise expressly stated in this Composite Document and/or the Form of Acceptance, no person other than the Offeror and the accepting Independent Shareholders may enforce any terms of the Offer that will arise out of complete and valid acceptances under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong).
- (j) Reference to the Offer in this Composite Document and in the Form of Acceptance shall include any extension and/or revision thereof.
- (k) All acceptance, instructions, authorities and undertakings given by the Independent Shareholders in the Form of Acceptance shall be irrevocable except as permitted under the Takeovers Code.
- (l) The English text of this Composite Document and the Form of Acceptance shall prevail over their respective Chinese text for the purpose of interpretation in case of inconsistency.
- (m) In making their decisions, the Independent Shareholders must rely on their own examination of the Offeror, the Group and the terms of the Offer, including the merits and risks involved. The contents of this Composite Document, including any general advice or recommendation contained herein together with the Form of Acceptance, shall not be construed as any legal or business advice on the part of (i) the Offeror, the Offeror's ultimate beneficial owners or parties acting in concert with any of them; (ii) the Company; (iii) Rainbow Capital; (iv) High Surplus; (v) the Independent Financial Adviser; (vi) the Registrar; and (vii) as the case may be, any of their respective ultimate beneficial owners, directors, officers, agents or associates or any other persons involved in the Offer. The Independent Shareholders should consult their own professional advisers for professional advice.
- (n) The Offer is made in accordance with the Takeovers Code.

1. SUMMARY OF THE FINANCIAL INFORMATION OF THE GROUP

Set out below is a summary of the audited financial information of the Group for each of the three financial years ended 31 March 2024, 31 March 2025 and 31 March 2026, as extracted from the published annual reports of the Company for the years ended 31 March 2024, 31 March 2025 and 31 March 2026 respectively.

	For the year ended 31 March		
	2024	2025	2026
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Audited)	(Audited)	(Audited)
REVENUE	242,638	259,826	225,980
Cost of sales	(216,245)	(233,642)	(205,284)
Gross profit	26,393	26,184	20,696
Other income and gains, net	1,680	2,587	1,021
Net impairment losses (recognised)/ reversed under expected credit loss model	248	(285)	(219)
Operating and administrative expenses	(22,946)	(24,713)	(24,300)
Finance costs	(1,446)	(136)	(280)
PROFIT/(LOSS) BEFORE TAXATION	3,929	3,637	(3,130)
Income tax expense	(609)	(444)	(177)
PROFIT/(LOSS) FOR THE YEAR	3,320	3,193	(3,307)
OTHER COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR:			
<i>Item that may be subsequently reclassified to profit or loss:</i>			
– Exchange differences arising on translation of foreign operations	–	(11)	2
TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR	3,320	3,182	(3,305)
EARNINGS/(LOSS) PER SHARE, BASIC	HKD0.17 cents	HKD0.16 cents	HKD(0.17) cents

	As at 31 March		
	2024	2025	2026
	HK\$'000 (Audited)	HK\$'000 (Audited)	HK\$'000 (Audited)
NON-CURRENT ASSETS	9,333	5,977	17,586
CURRENT ASSETS	162,864	154,791	153,489
CURRENT LIABILITIES	44,453	31,613	42,058
NET CURRENT ASSETS	118,411	123,178	111,431
TOTAL ASSETS LESS CURRENT LIABILITIES	127,744	129,155	129,017
NON-CURRENT LIABILITIES	1,963	192	3,359
NET ASSETS	125,781	128,963	125,658
TOTAL EQUITY	125,781	128,963	125,658

The Company did not distribute any dividends to the Shareholders for the three financial years ended 31 March 2024, 31 March 2025 and 31 March 2026. Save as disclosed above, there are no other items or expenses that were material in respect of the consolidated financial statements of the Group for the three financial years ended 31 March 2024, 31 March 2025 and 31 March 2026. There were no changes in accounting policies during the three financial years ended 31 March 2024, 31 March 2025 and 31 March 2026 that would result in the financial figures not being comparable to a material extent.

The auditor's reports issued by Deloitte Touche Tohmatsu in respect of the Group's audited consolidated financial statements for each of the three financial years ended 31 March 2024, 31 March 2025 and 31 March 2026 did not contain any qualified or modified opinion (including emphasis of matter, adverse opinion, disclaimer of opinion, and material uncertainty related to going concern).

2. CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP

The Company is required to set out or refer to in this Composite Document the consolidated statements of profit or loss, the consolidated statement of financial position, consolidated statement of cash flows and any other primary statement as shown in: (i) the audited consolidated financial statements of the Group for the year ended 31 March 2024 (the “**2024 Financial Statements**”); (ii) the audited consolidated financial statements of the Group for the year ended 31 March 2025 (the “**2025 Financial Statements**”); and (iii) the audited consolidated financial statements of the Group for the year ended 31 March 2026 (the “**2026**”).

Financial Statements”), together with significant accounting policies and notes to the relevant published financial statements which are of major relevance to the appreciation of the above financial information.

The 2024 Financial Statements are set out on pages 92 to 175 of the annual report of the Company for the year ended 31 March 2024 (the “**2024 Annual Report**”), which was published on 18 July 2024. The 2024 Annual Report is posted on the websites of the Stock Exchange and the Company. Please also see below a direct link to the 2024 Annual Report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0718/2024071801041.pdf>

The 2025 Financial Statements are set out on pages 92 to 171 of the annual report of the Company for the year ended 31 March 2025 (the “**2025 Annual Report**”), which was published on 17 July 2025. The 2025 Annual Report is posted on the websites of the Stock Exchange and the Company. Please also see below a direct link to the 2025 Annual Report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0717/2025071700505.pdf>

The 2026 Financial Statements are set out on pages 122 to 199 of the annual report of the Company for the year ended 31 March 2026 (the “**2026 Annual Report**”), which was published on 16 July 2026. The 2026 Annual Report is posted on the websites of the Stock Exchange and the Company. Please also see below a direct link to the 2026 Annual Report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0716/2026071600359.pdf>

The 2024 Financial Statements, the 2025 Financial Statements and the 2026 Financial Statements (but not any other part of the 2024 Annual Report, the 2025 Annual Report or the 2026 Annual Report in which they respectively appear) are incorporated by reference into this Composite Document and form part of this Composite Document.

3. STATEMENT OF INDEBTEDNESS

At the close of business on 31 July 2026, being the latest practicable date for the purpose of preparing this indebtedness statement prior to the printing of this Composite Document, details of the indebtedness of the Group are set out as follows:

Bank borrowings

As at 31 July 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this indebtedness statement prior to the printing of this Composite Document, the maximum limit of the banking facilities available to the Group amounted to approximately HK\$69,879,000, while the Group did not utilise any banking facilities for bank borrowings.

Lease liabilities

As at 31 July 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this indebtedness statement prior to the printing of this Composite Document, the Company has recognised all leases that meet the definition under the relevant standard (except for short-term leases and leases of low-value assets) in the balance sheet.

The carrying value of lease liabilities amounted to approximately HK\$3,133,000, and the carrying value of right-of-use assets amounted to approximately HK\$3,622,000. The resulting lease obligations are reflected as lease liabilities measured at the present value of lease payments that are unpaid at that date. Variable lease payments that do not depend on an index or a rate are not included in the measurement of lease liabilities and right-of-use assets, and are recognised as expense in the period in which the event or condition that triggers the payment occurs.

Guarantees and pledge of assets

As at 31 July 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this indebtedness statement prior to the printing of this Composite Document, to secure the performance of the Group's banking facilities and construction contract, the Company has, in accordance with the requirements of the relevant financial institutions and the contractor of the construction contract, legally established corresponding guarantee and pledge arrangements. All such guarantees and pledges are legal and valid, with specific details as follows:

As at 31 July 2026, the maximum limit of the banking facilities available to the Group amounted to approximately HK\$69,879,000, out of which an aggregate amount of approximately HK\$16,836,000 was utilised for performance guarantees, which represented surety bonds given by financial institutions in favour of the Group's customers as security for the performance and observance of the Group's obligations under the construction contracts entered into between the Group and the customers. If the Group fails to provide satisfactory performance to the customers to whom the performance guarantees have been given, such customers may demand the financial institutions to pay to them the sum or sums stipulated in such demand. The Group will become liable to compensate such financial institutions accordingly. The performance guarantees will be released upon completion of the contract works. The performance guarantees were granted under letters of guarantees of the Group and were secured by the Group's pledged bank deposit of HK\$3,000,000 and other pledged deposit of HK\$2,000,000 as at 31 July 2026.

As at 31 July 2026, the Company provided a guarantee (the “**Parent Company Guarantee**”) for the performance of all obligations and liabilities of a wholly owned subsidiary of the Company (the “**Sub-Contract Subsidiary**”) under a construction contract (the “**Sub-Contract**”) entered into between the Sub-Contract Subsidiary and

the contractor (the “**Main Contractor**”) of the Sub-Contract. The maximum liability of the Company under the Parent Company Guarantee shall be limited to HK\$22,830,000, which is approximately 10.0% of the contract sum of the Sub-Contract. The Parent Company Guarantee will be released upon the date of completion stated in the certificate of completion in accordance with the main contract signed between the Main Contractor and the employer of the Main Contractor.

The management of the Group does not consider it is probable that a claim will be made against the Group in respect of the above performance guarantees.

Contingent liabilities

As at 31 July 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this indebtedness statement prior to the printing of this Composite Document, the Group did not have any material contingent liabilities.

Save as disclosed above, as at the close of business on 31 July 2026, the Group did not have any loan capital issued and outstanding, or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchase commitments, guarantees or contingent liabilities.

As at the Latest Practicable Date, the Directors confirmed that there were no material changes in terms of indebtedness and contingent liabilities of the Group since 31 July 2026 and up to and including the Latest Practicable Date.

4. MATERIAL CHANGE

The Directors confirm that, there has been no material change in the financial or trading position or outlook of the Group since 31 March 2026, being the date to which the latest published audited consolidated financial statements of the Company were made up, up to and including the Latest Practicable Date.

1. RESPONSIBILITY STATEMENT

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than any information relating to the Offeror, its ultimate beneficial owners or parties acting in concert with any of them) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than those expressed by the sole director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statements in this Composite Document misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company as at the Latest Practicable Date were as follows:

HK\$

Authorised share capital:

<u>10,000,000,000</u>	Shares of HK\$0.01 each	<u>100,000,000.0</u>
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Issued and fully paid:

<u>2,000,000,000</u>	Shares of HK\$0.01 each	<u>20,000,000.0</u>
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All the existing issued Shares are fully paid up or credited as fully paid and rank *pari passu* in all respects with each other, including the rights as to voting, dividends and return of capital. The Shares are listed on the main board of the Stock Exchange and none of the securities of the Company is listed or dealt in on any other stock exchange and no such listing or permission to deal is being or is proposed to be sought.

Since 31 March 2026 (being the date to which the Company's latest published audited consolidated financial statements were made up) and up to and including the Latest Practicable Date, the Company has not issued any Shares.

As at the Latest Practicable Date, the Company had no outstanding warrants, derivatives, options or other securities which may confer any rights to the holder(s) thereof to subscribe for, convert or exchange into Shares and the Company had not entered into any agreement to issue any Shares or warrants, derivatives, options or other securities which may confer any rights to the holder(s) thereof to subscribe for, convert or exchange into Shares.

3. MARKET PRICES

The table below shows the closing prices of the Shares quoted on the Stock Exchange on (a) the last day on which trading took place in each of the calendar months during the Relevant Period; (b) the Last Trading Day; and (c) the Latest Practicable Date:

Date	Closing price per Share HK\$
31 March 2026	0.490
30 April 2026	0.450
29 May 2026	0.570
30 June 2026	0.690
31 July 2026	1.090
31 August 2026	1.230
2 September 2026 (the Last Trading Day)	1.270
25 September 2026 (the Latest Practicable Date)	1.000

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$1.415 per Share on 7 August 2026 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.405 per Share on 13 March 2026.

4. DISCLOSURE OF INTERESTS

(a) Interests and short positions of the Directors and the chief executive of the Company in the securities of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions held by the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short position which they are taken or deemed to have taken under such provisions of the SFO), or which are required to be entered into the register kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the “**Model Code**”) contained in Appendix C3 to the Listing Rules, or which is required to be disclosed under the Takeovers Code, were as follows:

Name	Nature of interest	Number of Shares interested ^(Note 1)	Approximate percentage of shareholding in the Company
Mr. Chu	Interest in a controlled corporation ^(Note 2)	5,000,000	0.25%

Notes:

1. All interests stated are long position. This is based on the total Shares in issue as at the Latest Practicable Date, being 2,000,000,000 Shares.
2. Platinum Lotus Holdings Limited (i.e. the Vendor) is legally, beneficially and wholly-owned by Mr. Chu, the chairman of the Company and an executive Director, by virtue of Part XV of the SFO, Mr. Chu is deemed to be interested in the 5,000,000 Shares owned by Platinum Lotus Holdings Limited.

Save as disclosed above, as at the Latest Practicable Date, none of the directors, chief executive of the Company or their respective associates had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short position which they are taken or deemed to have taken under such provisions of the SFO), or which will be required to be entered into the register kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, or which is required to be disclosed under the Takeovers Code.

(b) Persons who have an interest or short position which is discloseable under Divisions 2 and 3 of Part XV of the SFO and substantial Shareholders

So far as is known to the Directors, as at the Latest Practicable Date, the following persons (not being Director or chief executive of the Company) had, or was deemed to have, interests or short positions in the shares or underlying shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

(i) Long positions in Shares

Name of Shareholder	Capacity	Number of Shares^(Note 1)	Approximate percentage of interest in the issued share capital of the Company
Victor Xu Limited (the Offeror)	Beneficial owner	1,495,000,000	74.75%
Mr. Xu	Interest in controlled corporation ^(Note 2)	1,495,000,000	74.75%
High Surplus ^(Note 3)	Person having a security interest in shares ^(Note 4)	1,495,000,000	74.75%
Mr. Yiu To Wa ^(Note 3)	Person having a security interest in shares ^(Note 4)	1,495,000,000	74.75%

Notes:

1. All interests stated are long position. This is based on the total Shares in issue as at the Latest Practicable Date, being 2,000,000,000 Shares.
2. Mr. Xu is the sole director of the Offeror. As the Offeror is legally and beneficially owned as to 99% by Mr. Xu and 1% by Ms. Lam Sin Shi, respectively, Mr. Xu is deemed to be interested in the 1,495,000,000 Shares directly held by the Offeror under the SFO.
3. High Surplus is a licensed money lender under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and is wholly- and beneficially-owned by Mr. Yiu To Wa, who is a Hong Kong citizen and an investor with investments mainly in listed securities and properties in Hong Kong and with experience in the money lending sector in Hong Kong.

4. The Offeror (as borrower) has entered into the Facility Agreement with High Surplus (as lender), pursuant to which High Surplus has granted the Facility in the amount of up to HK\$35,000,000 to the Offeror, which can fully cover the maximum amount of cash payable by the Offeror under the Offer, which is secured by (i) a personal guarantee of Mr. Xu, the ultimate beneficial owner of the Offeror; and (ii) share charges over the Sale Shares and the Offer Shares to be acquired by the Offeror under the Offer (if any).

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the shares or underlying shares (including any interests in options in respect of such capital), which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was expected, directly or indirectly, to be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group or which were recorded in the register required to be kept under section 336 of the SFO or as otherwise notified to the Company and the Stock Exchange.

5. ADDITIONAL DISCLOSURE OF INTERESTS

- (a) As at the Latest Practicable Date, save as disclosed in the section headed “4. DISCLOSURE OF INTERESTS – Interests and short positions of the Directors and the chief executive of the Company in the securities of the Company and its associated corporations” in this Appendix, none of the Directors (save for Mr. Chu) was interested within the meaning of Part XV of the SFO in the Shares or any warrants, options, convertible securities or derivatives in respect of any Shares, and no such person held any beneficial shareholdings in the Company which would otherwise entitle them to accept or reject the Offer.
- (b) Pursuant to the Irrevocable Undertaking, the Vendor had undertaken that it (i) will not accept the Offer in respect of the Undertaking Shares (i.e. 5,000,000 Shares held by the Vendor); (ii) will not take any other action to make the Undertaking Shares available for acceptance of the Offer; and (iii) will not hold the Undertaking Shares until, and shall not sell, transfer, dispose of or create or agree to create any encumbrance of or otherwise create any interests on the Undertaking Shares before, the close of the Offer. The Irrevocable Undertaking will cease to be binding upon the close of the Offer or withdrawn in compliance with the Takeovers Code.
- (c) During the Relevant Period and as at the Latest Practicable Date, none of the subsidiaries of the Company, pension funds of the Company or of a subsidiary of the Company, or any person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of “acting in concert” in 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 (but excluding any exempt principal trader and exempt fund managers), had owned or controlled or dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares.

- (d) During the Offer Period and up to the Latest Practicable Date, save for the Sale and Purchase Agreement, there was no person who had 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) 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) or (4) of the definition of “associate” under the Takeovers Code, and no such person had owned, controlled or dealt for value in any Shares or any other convertible securities, warrants, options or derivatives in respect of the Shares.
- (e) During the Offer Period and up to the Latest Practicable Date, no Shares or any other convertible securities, warrants, options or derivatives in respect of the Shares were managed on a discretionary basis by fund managers (other than exempt fund managers) connected with the Company and no such person had dealt for value in any Shares or any other convertible securities, warrants, options or derivatives in respect of the Shares.
- (f) As at the Latest Practicable Date, none of the Company or the Directors had borrowed or lent any Shares or any convertible securities, warrants, options or derivatives or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in respect of any Shares.
- (g) As at the Latest Practicable Date, neither the Company nor the Directors had any shareholding interest or any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Offeror, and neither the Company nor the Directors had dealt in any such securities during the Relevant Period.
- (h) Save for the Sale and Purchase Agreement and the Irrevocable Undertaking, as at the Latest Practicable Date, there was no understanding, arrangement, agreement or special deal (as defined in Rule 25 of the Takeovers Code) between (i) any Shareholder; and (ii) the Company, its subsidiaries or associated companies.
- (i) Save for the 1,495,000,000 Sale Shares disposed by the Vendor as contemplated under the Sale and Purchase Agreement, neither the Vendor, Mr. Chu nor any parties acting in concert with any of them had dealt for value in any Shares or any options, warrants, derivatives or securities convertible into Shares or other derivatives in respect of securities in the Company during the Relevant Period.

6. ARRANGEMENTS AFFECTING AND RELATING TO DIRECTORS

As at the Latest Practicable Date:

- (a) no benefit (other than statutory compensation) was or would be given to any Director as compensation for loss of office or otherwise in connection with the Offer;
- (b) there was no agreement or arrangement between any Director and any other person which was conditional on or dependent upon the outcome of the Offer or otherwise connected with the Offer; and
- (c) save for the Sale and Purchase Agreement and the Irrevocable Undertaking, no material contracts had been entered into by the Offeror in which any Director had a material personal interest.

7. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and, no litigation or claims of material importance is pending or threatened by or against the Company and any of its subsidiaries.

8. MATERIAL CONTRACTS

None of the members of the Group entered into any contract, not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Company or any of its subsidiaries, within two years preceding the date of the commencement of the Offer Period and up to and including the Latest Practicable Date and which are material.

9. EXPERT AND CONSENT

The following are the qualifications of the expert who has given their opinion and advice which are contained in this Composite Document:

Name	Qualification
First Global Corporate Finance Co., Limited	a licensed corporation to conduct Type 6 (advising on corporate finance) regulated activity under the SFO

As at the Latest Practicable Date, First Global has given and has not withdrawn its written consents to the issue of this Composite Document with the inclusion herein of its letters, opinions or advices and references to its name in the form and context in which it appear, respectively.

As at the Latest Practicable Date, First Global did not have any shareholding, direct or indirect, in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group, nor did it have any direct or indirect interest in any assets which had been, since 31 March 2026, being the date of the latest published audited consolidated financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

10. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, saved as disclosed below, none of the Directors had any existing or proposed service contract with the Company or any of its subsidiaries or associated companies which (i) (including both continuous and fixed term contracts) had been entered into or amended within 6 months before the date of the commencement of the Offer Period; or (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; or (iv) was not determinable by the employer within one year without payment of compensation (other than statutory compensation).

Name	Position	Commencement Date	Term	Amount of annual remuneration HK\$
Mr. CHU	Executive Director and Chief Executive Officer	5 March 2020	A term of three years, renewable automatically for successive terms of one year each commencing from the day next after the expiry of the then current term of the appointment, unless terminated by not less than four months' notice in writing served by either party to the other	Basic salary of HK\$2,094,000 per annum, plus discretionary bonus determined by the Board and the remuneration committee (based on the minutes of Remuneration Committee passed on 23 June 2026)

Name	Position	Commencement Date	Term	Amount of annual remuneration HK\$
Mr. YEUNG Kin Wa	Executive Director, Chief Financial Officer and Company Secretary	1 June 2026 (while Mr. Yeung was appointed as the chief financial officer and the secretary of the Company on 23 December 2020)	A term of three years, renewable automatically for successive terms of one year each commencing from the day next after the expiry of the then current term of the appointment, unless terminated by not less than three months' notice in writing served by either party to the other	A director's fee of HK\$25,000 per month, a basic salary of HK\$85,000 per month and discretionary bonus based on his performance
Ms. LEUNG Yin Fai	Independent non-executive Director	5 March 2020 (extended by letter of appointment dated 31 March 2021)	A term of three years, renewable automatically for successive terms of one year each commencing from the day next after the expiry of the then current term of the appointment, unless terminated by not less than one month's notice in writing served by either party to the other	HK\$180,000
Mr. MA Tsz Chun	Independent non-executive Director	5 March 2020 (extended by letter of appointment dated 31 March 2021)	A term of three years, renewable automatically for successive terms of one year each commencing from the day next after the expiry of the then current term of the appointment, unless terminated by not less than one month's notice in writing served by either party to the other	HK\$180,000

Name	Position	Commencement Date	Term	Amount of annual remuneration HK\$
Ms. YUEN Wai Yee	Independent non-executive Director	5 March 2020 (extended by letter of appointment dated 31 March 2021)	A term of three years, renewable automatically for successive terms of one year each commencing from the day next after the expiry of the then current term of the appointment, unless terminated by not less than one month's notice in writing served by either party to the other	HK\$180,000

11. MISCELLANEOUS

- (a) The registered office of the Company is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.
- (b) The principal place of business of the Company in Hong Kong registered under Part 16 of the Companies Ordinance is situated at Unit 2102–2107, 21/F, Delta House, 3 On Yiu Street, Shatin, New Territories, Hong Kong.
- (c) The company secretary of the Company is Mr. Yeung Kin Wa, who is a member of the Hong Kong Institute of Certified Public Accountants.
- (d) The Company's principal share registrar and transfer office is Conyers Trust Company (Cayman) Limited, situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.
- (e) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Investor Services Limited, located at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (f) As at the Latest Practicable Date, the Board comprised Mr. Chu and Mr. Yeung Kin Wa as executive Directors, and Ms. Leung Yin Fai, Mr. Ma Tsz Chun, and Ms. Yuen Wai Yee as independent non-executive Directors.
- (g) The registered office of First Global is at Room 1706–07, 17/F, China Insurance Group Building, 141 Des Voeux Road Central, Central, Hong Kong.
- (h) The English text of this Composite Document shall prevail over their respective Chinese text, in case of any inconsistency.

12. DOCUMENTS ON DISPLAY

Copies of the following documents are available on display (i) on the website of the Company (www.lotushorizonholdings.com); and (ii) on the website of the SFC (www.sfc.hk), from the date of this Composite Document up to and including the Closing Date:

- (a) the third amended and restated memorandum and articles of association of the Company;
- (b) the annual reports of the Company for the years ended 31 March 2024, 31 March 2025 and 31 March 2026 respectively;
- (c) the letter from the Board, the text of which is set out in this Composite Document;
- (d) the letter from the Independent Board Committee, the text of which is set out in this Composite Document;
- (e) the letter of advice from Independent Financial Adviser, the text of which is set out in this Composite Document;
- (f) the Irrevocable Undertaking;
- (g) the written consents referred to under the paragraph headed “9. EXPERT AND CONSENT” in this Appendix;
- (h) the service contracts referred to under the paragraph headed “10. DIRECTORS’ SERVICE CONTRACTS” in this Appendix; and
- (i) this Composite Document and the accompanying Form(s) of Acceptance.

1. RESPONSIBILITY STATEMENT

This Composite Document includes particulars given in compliance with the Takeovers Code for the purpose of giving information with regard to the Offer, the Offeror and the Group.

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this Composite Document (other than the information relating to the Group and the Vendor), and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this Composite Document (other than those expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statement in this Composite Document misleading.

2. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, details of interests in the Shares, underlying Shares, debentures or other relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company owned, controlled or directed by the Offeror, its ultimate beneficial owners, parties acting in concert with any of them and the sole director of the Offeror were as follows:

Name of Shareholder	Capacity	Number of Shares ^(Note 1)	Approximate percentage of interest in the issued share capital of the Company
Victor Xu Limited (the Offeror)	Beneficial owner	1,495,000,000	74.75%
Mr. Xu	Interest in controlled corporation ^(Note 2)	1,495,000,000	74.75%
High Surplus ^(Note 3)	Person having a security interest in shares ^(Note 4)	1,495,000,000	74.75%
Mr. Yiu To Wa ^(Note 3)	Person having a security interest in shares ^(Note 4)	1,495,000,000	74.75%

Notes:

1. All interests stated are long position. This is based on the total Shares in issue as at the Latest Practicable Date, being 2,000,000,000 Shares.

2. Mr. Xu is the sole director of the Offeror. As the Offeror is legally and beneficially owned as to 99% by Mr. Xu and 1% by Ms. Lam Sin Shi, respectively, Mr. Xu is deemed to be interested in the 1,495,000,000 Shares directly held by the Offeror under the SFO.
3. High Surplus is a licensed money lender under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and is wholly- and beneficially-owned by Mr. Yiu To Wa, who is a Hong Kong citizen and an investor with investments mainly in listed securities and properties in Hong Kong and with experience in the money lending sector in Hong Kong.
4. The Offeror (as borrower) has entered into the Facility Agreement with High Surplus (as lender), pursuant to which High Surplus has granted the Facility in the amount of up to HK\$35,000,000 to the Offeror, which can fully cover the maximum amount of cash payable by the Offeror under the Offer, which is secured by (i) a personal guarantee of Mr. Xu, the ultimate beneficial owner of the Offeror; and (ii) share charges over the Sale Shares and the Offer Shares to be acquired by the Offeror under the Offer (if any).

Save as disclosed above, as at the Latest Practicable Date, none of the Offeror, its ultimate beneficial owners (i.e. Mr. Xu and Ms. Lam Sin Shi), parties acting in concert with any of them and the sole director of the Offeror owned, controlled, directed, or had any other interest in the relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company.

3. DEALING AND INTERESTS IN THE COMPANY'S SECURITIES AND OTHER ARRANGEMENTS

As at the Latest Practicable Date:

- (a) save for (1) the 1,495,000,000 Sale Shares acquired and owned by the Offeror as contemplated under the Sale and Purchase Agreement; and (2) the Facility Agreement and its associated share charges over the Sale Shares and the Offer Shares to be acquired by the Offeror under the Offer (if any), neither the Offeror, its ultimate beneficial owners nor any parties acting in concert with any of them (including but not limited to High Surplus and Mr. Yiu To Wa) had dealt for value in nor owned any Shares or any options, warrants, derivatives or securities convertible into Shares or other derivatives in respect of securities in the Company during the Relevant Period;
- (b) save for the Irrevocable Undertaking, none of the Offeror, its ultimate beneficial owners or parties acting in concert with any of them has received any irrevocable commitment to accept or reject the Offer or any irrevocable undertaking from any Shareholders not to sell or transfer (or cause the same to be done) or otherwise dispose of (or permit any such action to occur in respect of) any interest in any Shares held by he/she/it/them;
- (c) save for the 1,495,000,000 Sale Shares acquired and owned by the Offeror as contemplated under the Sale and Purchase Agreement as at the Latest Practicable Date, neither the Offeror, its ultimate beneficial owners, nor parties acting in concert with any of them owned or had control or direction over any voting rights or rights over Shares or convertible securities, warrants, options of the Company or any derivatives in respect of such securities or securities convertible into Shares or other derivatives in respect of securities in the Company;

- (d) there is no agreement or arrangement in relation to outstanding derivative in respect of the securities in the Company which has been entered into by the Offeror, its ultimate beneficial owners, or parties acting in concert with any of them;
- (e) save for the Charged Shares which are charged under the Facility Agreement and its associated share charges, there is no agreement, arrangement or understanding which may result in the securities of the Company to be acquired in pursuance of the Offer or the Sale Shares being transferred, charged or pledged to any other persons;
- (f) save for the Sale and Purchase Agreement and the Facility Agreement, there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the Shares or the shares of the Offeror and which may be material to the Offer;
- (g) save for the Sale and Purchase Agreement and the Facility Agreement, there was no arrangement (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code which existed between the Offeror, its ultimate beneficial owners and/or any person acting in concert with any of them and/or any other associate of the Offeror, and any other person;
- (h) there is no agreement or arrangement to which the Offeror, its ultimate beneficial owners and/or parties acting in concert with any of them is a party which relates to circumstances in which they may or may not invoke or seek to invoke a pre-condition or a condition to the Offer;
- (i) neither the Offeror, its ultimate beneficial owners or parties acting in concert with any of them has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (j) save for the Consideration paid by the Offeror to the Vendor under the Sale and Purchase Agreement, there is no consideration, compensation or benefit in whatever form paid or to be paid by the Offeror, its ultimate beneficial shareholders or any parties acting in concert with any of them to the Vendor, its ultimate beneficial owner or any party acting in concert with any of them in connection with the sale and purchase of the Sale Shares;
- (k) save for the Sale and Purchase Agreement and the Irrevocable Undertaking, there is no understanding, arrangement or agreement or special deal (as defined in Rule 25 of the Takeovers Code) between (1) the Offeror, its ultimate beneficial shareholders or any party acting in concert with any of them on one hand; and (2)(a) the Vendor, its ultimate beneficial owner or any party acting in concert with any of them, or (2)(b) any Shareholders on the other hand;

- (l) save for the Sale and Purchase Agreement and the Irrevocable Undertaking, there was no agreement, arrangement or understanding (including any compensation arrangement) between the Offeror, its ultimate beneficial owners or any person acting in concert with any of them and any of the Directors, recent Directors, Shareholders or recent Shareholders having any connection with or dependence upon the Offer;
- (m) no benefit (other than statutory compensation) was or would be given to any Director as compensation for loss of office or otherwise in connection with the Offer;
- (n) no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company was managed on a discretionary basis by any fund managers or principal traders connected with the Offeror or any person acting in concert with it, and no such person had dealt in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company during the Relevant Period; and
- (o) there were no conditions to which the Offer is subject to.

4. MARKET PRICES

The table below shows the closing prices of the Shares quoted on the Stock Exchange on (a) the last day on which trading took place in each of the calendar months during the Relevant Period; (b) the Last Trading Day; and (c) the Latest Practicable Date:

Date	Closing price per Share HK\$
31 March 2026	0.490
30 April 2026	0.450
29 May 2026	0.570
30 June 2026	0.690
31 July 2026	1.090
31 August 2026	1.230
2 September 2026 (the Last Trading Day)	1.270
25 September 2026 (the Latest Practicable Date)	1.000

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$1.415 per Share on 7 August 2026 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.405 per Share on 13 March 2026.

5. QUALIFICATIONS AND CONSENTS OF EXPERTS

The following are the qualifications of the expert who has given their opinion and advice which are contained in this Composite Document:

Name	Qualification
Rainbow Capital	a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the financial adviser to the Offeror and the agent making the Offer on behalf of the Offeror

Rainbow Capital has given and has not withdrawn its written consents to the issue of this Composite Document with the inclusion herein of its letters, opinions or advices and references to their name in the form and context in which it appear, respectively.

As at the Latest Practicable Date, Rainbow Capital did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

6. MISCELLANEOUS

- (a) The principal members of the Offeror's concert parties are the Offeror and Mr. Xu. The Offeror, Victor Xu Limited, is a company incorporated in the British Virgin Islands with limited liability on 18 December 2025. Mr. Xu is the sole director of the Offeror as at the Latest Practicable Date. The Offeror is legally and beneficially owned as to 99% by Mr. Xu and 1% by Ms. Lam Sin Shi, respectively.
- (b) The registered office of the Offeror is situated at Sea Meadow House, Road Town, Tortola, British Virgin Islands. The correspondence address of the Offeror and Mr. Xu in Hong Kong is 20/F, Central 88, Nos. 88-98 Des Voeux Road Central, Central, Hong Kong.
- (c) The registered office of Rainbow Capital is at Unit 710, 7/F, Wing On House, 71 Des Voeux Road Central, Central, Hong Kong.
- (d) The English text of this Composite Document and the accompanying Form of Acceptance shall prevail over their respective Chinese texts, in case of any inconsistency.

7. DOCUMENTS ON DISPLAY

Copies of the following documents are available for inspection on the website of the SFC (<http://www.sfc.hk>) and the Company (www.lotushorizonholdings.com) from the date of this Composite Document up to and including the Closing Date:

- (a) the memorandum of association and articles of association of the Offeror;
- (b) the “Letter from Rainbow Capital”, the text of which is set out on pages 10 to 24 of this Composite Document;
- (c) the written consents as referred to in the section headed “5. QUALIFICATIONS AND CONSENTS OF EXPERTS” in this Appendix IV;
- (d) the Sale and Purchase Agreement; and
- (e) the Irrevocable Undertaking.