THIS COMPOSITE DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of the Offers, this Composite Document and/or the accompanying Forms 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 **MS Group Holdings Limited**, you should at once hand this Composite Document and the accompanying Forms 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).

This Composite Document should be read in conjunction with the accompanying Forms of Acceptance, the contents of which form part of the terms and conditions of the Offers contained herein.

L.V.E.P. HOLDINGS LIMITED
(Incorporated in the BVI with limited liability)

MS GROUP HOLDINGS LIMITED
萬成集團股份有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1451)

COMPOSITE DOCUMENT
RELATING TO MANDATORY UNCONDITIONAL CASH OFFERS BY RAINBOW CAPITAL (HK) LIMITED FOR AND ON BEHALF OF L.V.E.P. HOLDINGS LIMITED TO ACQUIRE ALL THE ISSUED SHARES OF, AND TO CANCEL ALL THE OUTSTANDING OPTIONS OF, MS GROUP HOLDINGS LIMITED (OTHER THAN THE EXCLUDED SHARES AND THE EXCLUDED OPTIONS)

Financial adviser and offer agent to the Offeror

RAINBOW.
RAINBOW CAPITAL (HK) LIMITED
浤博資本有限公司

Independent Financial Adviser to the Independent Board Committee

MESSIS 大有融資

Capitalised terms used in this cover page shall have the same meanings as those defined in this Composite Document unless the content requires otherwise.

A letter from Rainbow Capital containing, among other things, details of the terms of the Offers is set out on pages 11 to 24 of this Composite Document. A letter from the Board is set out on pages 25 to 31 of this Composite Document. A letter from the Independent Board Committee containing its recommendation in respect of the Offers to the Offer Shareholders and Offer Optionholders is set out on pages 32 to 34 of this Composite Document. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee in respect of the Offers is set out on pages 35 to 68 of this Composite Document.

The procedures for acceptance and other related information in respect of the Offers are set out in Appendix I to this Composite Document and the accompanying Forms of Acceptance. The relevant Forms of Acceptance should be received by the Registrar (in respect of the Share Offer) or the Company (in respect of the Option Offer) as soon as possible and in any event no later than 4:00 p.m. on Monday, 21 September 2026 or such later time and/or date as the Offeror may determine and announce with the consent of the Executive and 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 Forms of Acceptance to any jurisdiction outside Hong Kong should read the paragraphs headed "LETTER FROM RAINBOW CAPITAL — OVERSEAS SHAREHOLDERS AND OVERSEAS OPTIONHOLDERS" and "Appendix I — Overseas Shareholders and overseas Optionholders" contained in this Composite Document before taking any action. It is the responsibility of each overseas Offer Shareholder and Offer Optionholder wishing to accept the Offers to satisfy himself, herself or itself as to the full observance of the laws and regulations of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents or any registration or filing which may be required and the compliance with other necessary formalities or legal requirements and payment of any transfer or other taxes due in respect of such jurisdiction. Overseas Offer Shareholders and Offer Optionholders are advised to seek professional advice on deciding whether to accept the Offers.

This Composite Document will remain on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.mainsuccess.cn) as long as the Offers remain open.

31 August 2026

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The expected timetable set out below is indicative only and is subject to change. Any changes to the timetable will be jointly announced by the Offeror and the Company.

Unless otherwise expressly stated, all time and date references contained in this Composite Document and the accompanying Forms of Acceptance refer to Hong Kong time and dates.

Event	**Time & Date**
Despatch date of this Composite Document and the accompanying Forms of Acceptance *(Note 1)*	Monday, 31 August 2026
Offers open for acceptance *(Note 1)*	Monday, 31 August 2026
Latest time and date for acceptance of the Offers *(Notes 2, 3 and 6)*	by 4:00 p.m. on Monday, 21 September 2026
Closing Date *(Notes 3 and 6)*	Monday, 21 September 2026
Announcement of the results of the Offers (or its extension or revision, if any), to be posted on the website of the Stock Exchange *(Notes 3 and 6)*	by 7:00 p.m. on Monday, 21 September 2026
Latest date for posting of remittances for the amounts due in respect of valid acceptances received under the Share Offer and the Option Offer in respect of the vested Offer Options *(Notes 4 and 6)*	Wednesday, 30 September 2026
Latest date for posting of remittances for the amounts due in respect of valid acceptances received under the Option Offer in respect of the unvested Offer Options *(Notes 5 and 6)*	Monday, 7 June 2027

Notes:

1. The Offers, which are unconditional in all respects, are made on the date of despatch of this Composite Document, and are capable of acceptance on and from that date until 4:00 p.m. on the Closing Date. Acceptances of the Offers shall be irrevocable and not capable of being withdrawn, except in the circumstances as set out in the section headed "4. Right of Withdrawal" in Appendix I to this Composite Document.

2. Beneficial owners of the Offer 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 (set out 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 Offers 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 Offers will be 4:00 p.m. on Monday, 21 September 2026 unless the Offeror revises or extends the Offers in accordance with the Takeovers

Code. The Offeror and the Company will jointly issue an announcement through the website of the Stock Exchange by no later than 7:00 p.m. on Monday, 21 September 2026, stating the results of the Offers and whether the Offers have been extended, revised or have closed for acceptance. In the event that the Offeror decides to extend or revise the Offers and the announcement does not specify the next closing date, at least 14 days' notice by way of an announcement will be given before the Offers are closed to those Offer Shareholders and Offer Optionholders who have not accepted the Offers.

4. Remittances in respect of (i) the cash consideration (after deducting the seller's ad valorem stamp duty) payable for the Offer Shares tendered under the Share Offer; and (ii) the cash consideration payable for the vested Offer Options tendered under the Option Offer, will be despatched to the accepting Offer Shareholders and/or Offer Optionholders (as the case may be) by ordinary post at their own risk as soon as possible, but in any event no later than seven (7) Business Days following the date of receipt by the Registrar (in respect of the Share Offer) or the Company (in respect of the Option Offer) of the duly completed Form(s) of Acceptance and all relevant documents to render the acceptance under the Offers complete and valid in accordance with the Takeovers Code.

5. As at the Latest Practicable Date, there are 2,472,000 unvested Offer Options which will vest on 27 May 2027 (the "**Vesting Date**") subject to the conditions of grant under the Share Option Scheme. For holders of these unvested Offer Options who accept the Option Offer, their unvested Offer Options will be cancelled; however, the cancellation price will only be paid to them as soon as possible and in any event no later than seven (7) Business Days after the Vesting Date (i.e. on or before 7 June 2027), provided that the relevant holder of unvested Offer Options remains eligible under the terms of the Share Option Scheme up to the Vesting Date.

   The Offeror has applied to the Executive for, and the Executive has granted, a waiver from strict compliance with Rule 20.1 of the Takeovers Code to allow for the deferred settlement of the cancellation price to holders of the unvested Offer Options who accept the Option Offer.

6. If there is a tropical cyclone warning signal number 8 or above or "Extreme Conditions" or a "black rainstorm warning signal" as issued by the Hong Kong Observatory and/or the Government of Hong Kong (collectively, "**severe weather conditions**") on any of the following deadlines ("**Key Deadlines**"): (a) the Closing Date and the latest time for acceptance of the Offers and the submission and publication deadline for a closing announcement under Rule 19.1 of the Takeovers Code; and (b) the latest date for posting of remittances for the amounts due under the Offers in respect of valid acceptances:

   (a) in case any severe weather condition is in force in Hong Kong at any local time before 12:00 noon but no longer in force at 12:00 noon and/or thereafter on any Key Deadline, such Key Deadline will remain on the same Business Day; or

   (b) in case any severe weather condition is in force in Hong Kong at any local time at 12:00 noon and/or thereafter on any Key Deadline, such Key Deadline will be rescheduled to the following Business Day which does not have any of those warnings or conditions in force in Hong Kong at any 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 Offers 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 jointly notify the Offer Shareholders and Offer Optionholders by way of announcement(s) on any change to the expected timetable as soon as practicable.

NOTICE TO OVERSEAS SHAREHOLDERS AND OPTIONHOLDERS

The Offeror intends to make the Share Offer and the Option Offer available to all the Offer Shareholders and Offer Optionholders, respectively. As the Offers to persons with a registered address in a jurisdiction outside Hong Kong may be affected by the laws of the relevant overseas jurisdictions, Offer Shareholders and Offer Optionholders 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 responsibility of any such person who wishes to accept the Offers to satisfy himself/herself/itself as to the full observance of the laws and regulations of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents 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 person in respect of such jurisdiction.

The Offeror, Mr. Chung and the parties acting in concert with any of them, the Company, Rainbow Capital, Messis Capital, the Registrar or any of their respective ultimate beneficial owners, directors, officers, agents, advisers and associates and any other person involved in the Offers shall be entitled to be fully indemnified and held harmless by such person for any taxes as such person may be required to pay. Please see "Letter from Rainbow Capital — Overseas Shareholders and overseas Optionholders" and "Appendix I — Overseas Shareholders and overseas Optionholders" contained in this Composite Document for 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.

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

"acting in concert"	has the meaning ascribed to it under the Takeovers Code
"associate(s)"	has the meaning ascribed to it under the Takeovers Code
"Board"	the board of Directors
"Business Day(s)"	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
"Ching Wai Holdings"	Ching Wai Holdings Limited, a company incorporated in the BVI with limited liability which is wholly owned by Mr. Chau
"Closing Date"	Monday, 21 September 2026, being the closing date of the Offers, which is no less than 21 days following the date on which this Composite Document is despatched, or if the Offers are extended, any subsequent closing date as the Offeror may determine and announce with the consent of the Executive and in accordance with the Takeovers Code
"Company"	MS Group 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: 1451)
"Completion"	completion of the sale and purchase of the Sale Shares in accordance with the terms and conditions of the Sale and Purchase Agreement, which took place on the Completion Date (after trading hours)
"Completion Date"	the date on which Completion took place, being 20 April 2026
"Composite Document"	this composite offer and response document dated 31 August 2026 and jointly issued by the Offeror and the Company in connection with the Offers in accordance with the Takeovers Code containing, among other things, details of the Offers (accompanied by the Forms 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 amount of HK$60,000,000, being the purchase price paid by the Purchasers to the Vendors for the sale and purchase of the Sale Shares under the Sale and Purchase Agreement
"controlling shareholder"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"Disposals"	the disposals of an aggregate of 400,000 Shares by the Offeror during the Relevant Period, details of which are set out in the sub-section headed "Dealings by the Offeror, Mr. Chung and parties acting in concert with any of them" under the section headed "3. DEALING IN SECURITIES OF THE COMPANY" in Appendix III to this Composite Document
"Encumbrance(s)"	means and includes any option, right to acquire, right of pre-emption, mortgage, charge, pledge, lien, hypothecation, title retention, right of set-off, claim, counterclaim, trust arrangement or other security, any equity or restriction (including any restriction imposed under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) or other adverse rights and interests of all kinds and descriptions
"Excluded Options"	collectively, Mr. Chung's Options and LC's Options
"Excluded Shares"	those Shares already owned and/or agreed to be acquired by the Offeror, Mr. Chung and Mr. Leonard Chung, which amount to an aggregate of 147,572,000 Shares (comprising 146,772,000 Shares and 800,000 Shares respectively held by the Offeror and Mr. Leonard Chung) as at the Latest Practicable Date, representing approximately 72.20% of the issued share capital of the Company
"Executive"	has the meaning ascribed to it under the Takeovers Code
"Form(s) of Acceptance"	the WHITE form of acceptance and transfer of Offer Shares in respect of the Share Offer and the PINK form of acceptance and cancellation of Offer Options in respect of the Option Offer

"General Rules of HKSCC"	the terms and conditions regulating the use of CCASS (as may be amended or modified from time to time) and where the context so permits, shall include the HKSCC Operational Procedures
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"HKSCC"	Hong Kong Securities Clearing Company Limited
"HKSCC Nominees Limited"	Hong Kong Securities Clearing Company (Nominees) Limited, a wholly-owned subsidiary of HKSCC
"HKSCC Operational Procedures"	the operational procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time in effect
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Board Committee"	the independent committee of the Board (comprising all of the three independent non-executive Directors, namely Mr. Asvaintra Bhanusak, Mr. Seto John Gin Chung and Mr. Yu Hon To David) established to make recommendation(s) to the Offer Shareholders and Offer Optionholders in respect of the Offers
"Independent Financial Adviser" or "Messis Capital"	Messis Capital Limited, 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 independent financial adviser appointed by the Company with the approval of the Independent Board Committee to advise the Independent Board Committee in respect of the Offers
"Interim Results Announcement"	the announcement of the Company dated 19 August 2026 regarding the interim results of the Group for the six months ended 30 June 2026
"Joint Announcement"	the announcement dated 5 May 2026 jointly issued by the Offeror and the Company in relation to, among others, the Sale and Purchase Agreement and the Offers

"Last Trading Day"	20 April 2026, being the last trading day of the Shares immediately prior to the halt in trading in the Shares on the Stock Exchange pending the release of the Joint Announcement
"Latest Practicable Date"	28 August 2026, being the latest practicable date prior to the printing of this Composite Document for ascertaining certain information contained herein
"LC's Irrevocable Undertaking"	the irrevocable undertaking given by Mr. Leonard Chung on 20 April 2026, the details of which are set out in the section headed "LETTER FROM RAINBOW CAPITAL — IRREVOCABLE UNDERTAKING" in this Composite Document
"LC's Options"	the 1,560,000 outstanding Options (within which 1,092,000 Options have been vested and 468,000 Options remain unvested as at the Latest Practicable Date) with an exercise price of HK$1.02 each granted to Mr. Leonard Chung on 27 May 2024 under the Share Option Scheme
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Mr. Chau"	Mr. Chau Ching, being (i) a director and the sole shareholder of Ching Wai Holdings; and (ii) an executive Director and the chairman of the Board, as at the Latest Practicable Date
"Mr. Chau Wai"	Mr. Chau Wai, being (i) a director of Ching Wai Holdings; (ii) an executive Director; and (iii) the son of Mr. Chau, as at the Latest Practicable Date
"Mr. Chung"	Mr. Chung Kwok Keung Peter, being (i) a director and the sole shareholder of the Offeror; (ii) an executive Director and the chief executive officer of the Group; (iii) the father of Mr. Leonard Chung; and (iv) a party acting in concert with the Offeror, as at the Latest Practicable Date
"Mr. Chung's Options"	the 400,000 outstanding Options granted to Mr. Chung under the Share Option Scheme, comprising (i) the 200,000 vested Options with an exercise price of HK$0.68 each granted on 7 June 2021; and the 200,000 Options (within which 140,000 Options have been vested and 60,000 Options remain unvested as at the Latest Practicable Date) with an exercise price of HK$1.02 each granted on 27 May 2024

"Mr. Leonard Chung"	Mr. Chung Leonard Shing Chun, being (i) a director of the Offeror; (ii) an executive Director; (iii) the son of Mr. Chung; and (iv) a party acting in concert with the Offeror, as at the Latest Practicable Date
"Ms. Lo"	Ms. Lo Siu Fun Helena, an executive Director as at the Latest Practicable Date
"Offers"	collectively, the Share Offer and the Option Offer
"Offeror" or "L.V.E.P."	L.V.E.P. Holdings Limited, a company incorporated in the BVI with limited liability, which is 100% beneficially owned by Mr. Chung
"Offer Period"	has the meaning ascribed to it under the Takeovers Code which commenced since 5 May 2026, being the date of the Joint Announcement, and ending on the Closing Date or such other time and/or date to which the Offeror may decide to extend or revise the Offers with the consent of the Executive
"Offer Option(s)"	all of the outstanding Option(s), other than the Excluded Options
"Offer Optionholder(s)"	the holder(s) of the Offer Option(s)
"Offer Share(s)"	all of the issued Share(s), other than the Excluded Shares
"Offer Shareholder(s)"	the holder(s) of Offer Share(s)
"Option(s)"	share option(s) granted by the Company pursuant to the Share Option Scheme, whether vested or not
"Option Offer"	the proposal made by Rainbow Capital for and on behalf of the Offeror in compliance with Rule 13 of the Takeovers Code to cancel all the outstanding Offer Options in accordance with the terms and conditions set out in this Composite Document
"PRC"	the People's Republic of China, and for the purposes of this Composite Document, excluding Hong Kong, the Macao Special Administrative Region of the PRC and the region of Taiwan
"Profit Warning Announcement"	the profit warning announcement of the Company dated 18 May 2026

"Property Lease Arrangements"	has the meaning given to this term in the section headed "6. ARRANGEMENTS AFFECTING AND RELATING TO DIRECTORS" in Appendix IV to this Composite Document
"Purchasers"	collectively, Mr. Chung and the Offeror
"Rainbow Capital"	Rainbow Capital (HK) Limited, 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 in respect of the Offers and the offer agent making the Offers for and on behalf of the Offeror
"Registrar"	Tricor Investor Services Limited, the branch share registrar and transfer office of the Company in Hong Kong, located at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
"Relevant Period"	the period commencing six (6) months immediately preceding 5 May 2026 (being the date of the Joint Announcement and the commencement of the Offer Period), up to and including the Latest Practicable Date
"Sale and Purchase Agreement"	the sale and purchase agreement dated 20 April 2026 entered into between the Vendors and the Purchasers in relation to the sale and purchase of the Sale Shares
"Sale Share(s)"	the 75,000,000 Shares acquired by the Offeror from Ching Wai Holdings pursuant to the terms and conditions of the Sale and Purchase Agreement, representing approximately 36.69% of the total issued share capital of the Company as at the Latest Practicable Date
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Shareholder(s)"	holder(s) of the Share(s)
"Share(s)"	share(s) of nominal value of HK$0.10 each in the share capital of the Company
"Share Offer"	the mandatory unconditional cash offer made by Rainbow Capital for and on behalf of the Offeror to acquire all the Offer Shares pursuant to Rule 26.1 of the Takeovers Code

"Share Offer Price"	the cash amount of HK$0.80 payable by the Offeror for each Offer Share
"Share Option Scheme"	the share option scheme adopted by the Company on 15 May 2018
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers
"Unaudited Interim Figures"	the unaudited interim figures contained in the Interim Results Announcement
"Vendors"	collectively, Mr. Chau and Ching Wai Holdings
"%"	per cent.

* *The English translations of Chinese names or words in this Composite Document, where indicated, are included for information purposes only, and should not be regarded as the official English translations of such Chinese names or words.*

In the case of inconsistency, the English text of this Composite Document shall prevail over the Chinese text.

RAINBOW.
RAINBOW CAPITAL (HK) LIMITED
浤博資本有限公司

31 August 2026

To the Offer Shareholders and the Offer Optionholders:

Dear Sir/Madam,

MANDATORY UNCONDITIONAL CASH OFFERS BY RAINBOW CAPITAL (HK) LIMITED FOR AND ON BEHALF OF L.V.E.P. HOLDINGS LIMITED TO ACQUIRE ALL THE ISSUED SHARES OF, AND TO CANCEL ALL THE OUTSTANDING OPTIONS OF, MS GROUP HOLDINGS LIMITED (OTHER THAN THE EXCLUDED SHARES AND THE EXCLUDED OPTIONS)

INTRODUCTION

Reference is made to the Joint Announcement jointly published by the Offeror and the Company dated 5 May 2026 in relation to, among other things, the Sale and Purchase Agreement and the Offers.

The Sale and Purchase Agreement

As disclosed in the Joint Announcement, on 20 April 2026 (after trading hours), Mr. Chau and Ching Wai Holdings (as vendors), and Mr. Chung and L.V.E.P. (as purchasers) entered into the Sale and Purchase Agreement, pursuant to which Mr. Chau shall procure Ching Wai Holdings to sell, and Ching Wai Holdings shall sell as legal and beneficial owner, and Mr. Chung shall procure L.V.E.P. to purchase, and L.V.E.P. shall purchase, the Sale Shares, being 75,000,000 Shares, representing approximately 36.69% of the total issued share capital of the Company as at the date of the Joint Announcement, free from all Encumbrances and third party rights and together with all rights attached thereto as at Completion, for a total cash Consideration of HK$60,000,000, equivalent to HK$0.80 per Sale Share.

Completion took place immediately after the entering into of the Sale and Purchase Agreement by the Vendors and the Purchasers on the Completion Date, being 20 April 2026, on which the Consideration has been fully settled by the Purchasers in cash in accordance with the terms of the Sale and Purchase Agreement. The Consideration was financed by the Offeror's own financial resources, which were funded by Mr. Chung's personal wealth. Upon Completion, Ching Wai Holdings ceased to hold any Shares and was no longer a Shareholder.

Obligations under the Takeovers Code

As at Completion and the Latest Practicable Date, Mr. Chung (being the ultimate beneficial owner of the Offeror) and Mr. Leonard Chung (being the son of Mr. Chung) are the directors of the Offeror and each of them is a party acting in concert with the Offeror and also with each other under the Takeovers Code.

Immediately prior to Completion, the Offeror, Mr. Chung and Mr. Leonard Chung were interested in an aggregate of 72,572,000 Shares, representing approximately 35.50% of the issued share capital of the Company. Immediately following Completion and as at the Latest Practicable Date, the Offeror, Mr. Chung and Mr. Leonard Chung are interested in an aggregate of 147,572,000 Shares, representing approximately 72.20% of the issued share capital of the Company.

In addition, as at the Latest Practicable Date, Mr. Chung and Mr. Leonard Chung hold Mr. Chung's Options and LC's Options, respectively, which were granted to them pursuant to the Share Option Scheme and entitle them to subscribe for a total of 1,960,000 new Shares, representing approximately 0.96% of the issued share capital of the Company. Details of such Options are included in the table set forth in the section headed "THE OFFERS — II. The Option Offer" in this letter.

Accordingly, pursuant to Rules 13.1, 13.5 and 26.1 of the Takeovers Code, the Offeror is required to make mandatory unconditional cash offers to acquire all of the Offer Shares and to cancel all the Offer Options. The Share Offer and the Option Offer will be made to the Offer Shareholders and the Offer Optionholders, respectively. The Offers will be unconditional in all respects when made and will not be conditional upon acceptances being received in respect of a minimum number of Offer Shares and in respect of a minimum number of Offer Options to be cancelled.

Purpose of this letter

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

Offer Shareholders and Offer Optionholders are strongly advised to consider carefully the information contained in the "Letter from the Board", the "Letter from the Independent Board Committee", the "Letter from the Independent Financial Adviser", the accompanying Form(s) of Acceptance and the appendices which form part of this Composite Document and to consult their professional advisers if in doubt before reaching a decision as to whether or not to accept the Offers.

IRREVOCABLE UNDERTAKING

As at the Latest Practicable Date, Mr. Leonard Chung holds 800,000 Shares and 1,560,000 Options with an exercise price of HK$1.02 each (among which 1,092,000 Options are vested and 468,000 Options are unvested).

On 20 April 2026, Mr. Leonard Chung executed the LC's Irrevocable Undertaking in favour of the Offeror, pursuant to which he has irrevocably agreed and undertaken to the Offeror and Rainbow Capital that, at any time during the period between the date of the LC's Irrevocable Undertaking and the end of the offer period of the Offers, he will not: (a) whether directly or indirectly, offer, sell, transfer, pledge, encumber, grant any right over or otherwise dispose of any of the Shares or Options owned by him; (b) exercise any of the Options held by him under the terms of the Share Option Scheme; and (c) accept the Offers in respect of any of his Shares or Options, even if the Offers are extended to him. In addition, his Shares and Options referred to in the first paragraph above in this section shall remain registered in his name or the name(s) of his nominee(s) (as applicable) prior to the completion, termination or withdrawal of the Offers.

THE OFFERS

I. The Share Offer

As at the Latest Practicable Date, the Company has 204,400,000 Shares in issue. Excluding the Excluded Shares, a total of 56,828,000 Shares will be subject to the Share Offer.

Rainbow Capital is, for and on behalf of the Offeror and in compliance with the Takeovers Code, making the Share Offer to acquire all the Offer Shares on the following basis:

Offer price for each Offer Share . . . . **HK$0.80 in cash**

The Share Offer will be extended to all Offer Shareholders in accordance with the Takeovers Code.

The Offer Shares to be acquired under the Share Offer shall be fully paid and free from all Encumbrances and together with all rights and benefits attaching thereto as at the date of this 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 Offers are made, being the date of despatch of this Composite Document.

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

II. The Option Offer

As at the Latest Practicable Date, the Company has a total of 11,600,000 outstanding Options (including the Excluded Options), among which 3,000,000 outstanding Options with an exercise price of HK$1.02 each have vested on 27 May 2026, being a date falling after the date of the Joint Announcement. Details of these 11,600,000 outstanding Options as at the Latest Practicable Date are set out as follows:

Name of Optionholder	Vested Options		Unvested Options	Total outstanding Options
	Exercise price at HK$0.68	*Exercise price at HK$1.02*	*Exercise price at HK$1.02 and vesting on 27 May 2027*	
Offer Optionholders				
— *Executive Directors*				
Mr. Chau	200,000	140,000	60,000	400,000
Mr. Chau Wai	—	1,092,000	468,000	1,560,000
Ms. Lo	—	1,092,000	468,000	1,560,000
— *Independent Non-Executive Directors*				
Mr. Yu Hon To David	200,000	140,000	60,000	400,000
Mr. Seto John Gin Chung	200,000	140,000	60,000	400,000
Mr. Asvaintra Bhanusak	200,000	140,000	60,000	400,000
— Other Offer Optionholders	600,000	3,024,000	1,296,000	4,920,000
	1,400,000	5,768,000	2,472,000	9,640,000
Non-Offer Optionholders				
Mr. Chung	200,000	140,000	60,000	400,000 *(Note 1)*
Mr. Leonard Chung	—	1,092,000	468,000	1,560,000 *(Note 1)*
	200,000	1,232,000	528,000	1,960,000 *(Note 2)*
Total	1,600,000	7,000,000	3,000,000	11,600,000

Notes:

1. Neither Mr. Chung nor Mr. Leonard Chung has exercised any of their outstanding Options during the Relevant Period.

2. These 1,960,000 outstanding Options held by Mr. Chung and Mr. Leonard Chung are Excluded Options, which will be excluded from the Option Offer.

3. The exercise period for each Option is 10 years from the date of grant, to the extent that it has vested.

As at the Latest Practicable Date, excluding the Excluded Options, there is a total of 9,640,000 Offer Options subject to the Option Offer, comprising:

(i) 1,400,000 vested Options with an exercise price of HK$0.68 each;

(ii) 5,768,000 vested Options with an exercise price of HK$1.02 each; and

(iii) 2,472,000 unvested Options with an exercise price of HK$1.02 each.

Rainbow Capital is, for and on behalf of the Offeror and in accordance with Rule 13 of the Takeovers Code, making the Option Offer to the Offer Optionholders to cancel all Offer Options in exchange for cash on the following basis:

In respect of the Offer Options with an exercise price of HK$0.68 each:

"See-through" cancellation price
for each such Offer Option . . . . **HK$0.12 in cash**

In respect of the Offer Options with an exercise price of HK$1.02 each:

Cancellation price for each such Offer Option . . . . **HK$0.0001 in cash**

Under the Option Offer, the "see-through" cancellation price (being the Share Offer Price minus the relevant exercise price of the Offer Options) is offered for the cancellation of every Offer Option (whether vested or unvested). In respect of Offer Options with an exercise price higher than the Share Offer Price, the cancellation price is at a nominal amount of HK$0.0001.

On 27 May 2024, 10,000,000 Options with an exercise price of HK$1.02 each were granted and are subject to three vesting stages (i.e. 40% vested on 27 May 2025, 30% vested on 27 May 2026, and 30% vesting on 27 May 2027). For details of the grant of these Options, please refer to the Company's announcement dated 27 May 2024. Excluding the aggregate 1,760,000 Options with an exercise price of HK$1.02 each held by Mr. Chung and Mr. Leonard Chung (which form part of the Excluded Options), as at the Latest Practicable Date, 5,768,000 Offer Options have been vested and 2,472,000 Offer Options are unvested and will be vested on 27 May 2027 (the "**Vesting Date**").

The Share Option Scheme does not contain provisions for the automatic acceleration of vesting or the cancellation of unvested Options in the event of a general offer. For holders of unvested Offer Options who accept the Option Offer, their unvested Offer Options will be cancelled; however, the cancellation price will only be paid to them as soon as possible and in any event no later than seven (7) Business Days after the Vesting Date (i.e. on or before 7 June 2027), provided that the relevant holder of unvested Offer Options remains eligible under the terms of the Share Option Scheme up to the Vesting Date. The Offeror has applied to the Executive for, and the Executive has granted, a waiver from strict compliance with Rule 20.1 of the Takeovers Code to allow for the deferred settlement of the cancellation price to holders of the unvested Offer Options who accept the Option Offer.

Following acceptance of the Option Offer, the relevant Offer Options together with all rights attaching thereto will be entirely cancelled and renounced. Outstanding Options not tendered for acceptance under the Option Offer will continue to vest and/or remain exercisable in accordance with their respective original terms and conditions. If any vested Offer Option is exercised by an Offer Optionholder in accordance with the terms of the Share Option Scheme prior to the close of the Offers, any new Shares allotted and issued as a result of such exercise will be subject to the Share Offer.

Comparison of the Share Offer Price

The Share Offer Price of HK$0.80 per Offer Share is equal to the price per Sale Share paid by the Purchasers for the Sale Shares under the Sale and Purchase Agreement.

The Share Offer Price of HK$0.80 per Offer Share represents:

(i) a discount of approximately 37.50% to the closing price of HK$1.280 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

(ii) a discount of approximately 34.96% to the closing price of HK$1.230 per Share as quoted on the Stock Exchange on 20 April 2026, being the Last Trading Day;

(iii) a discount of approximately 32.55% to the average closing price of approximately HK$1.186 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to and including the Last Trading Day;

(iv) a discount of approximately 31.10% to the average closing price of approximately HK$1.161 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days immediately prior to and including the Last Trading Day;

(v) a discount of approximately 34.90% to the average closing price of approximately HK$1.229 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days immediately prior to and including the Last Trading Day;

(vi) a discount of approximately 14.0% to the audited net asset value per Share of approximately HK$0.93 as at 31 December 2025, calculated based on the Group's audited consolidated net asset value attributable to the Shareholders as at 31 December 2025 of approximately HK$190,346,000, divided by a total of 204,400,000 issued Shares as at the Latest Practicable Date; and

(vii) a discount of approximately 13.5% to the unaudited net asset value per Share of approximately HK$0.925 as at 30 June 2026, calculated based on the Group's unaudited consolidated net asset value attributable to the Shareholders as at 30 June 2026 of approximately HK$189,163,000, divided by a total of 204,400,000 issued Shares as at the Latest Practicable Date.

Highest and lowest closing prices

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK$1.600 on 6 May 2026 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK$0.822 on 10 November 2025.

Total value of the Offers

As at the Latest Practicable Date, the Company has 204,400,000 Shares in issue. Assuming that there is no change in the issued share capital of the Company and based on the Share Offer Price of HK$0.80 per Offer Share, the total issued share capital of the Company is valued at HK$163,520,000.

(i) *Full acceptance of the Offers*

Based on the 56,828,000 Shares which will be subject to the Share Offer and the Share Offer Price of HK$0.80 per Offer Share, the total consideration of the Share Offer would be HK$45,462,400 in the event that the Share Offer is accepted in full. Based on (i) the "see-through" cancellation price of HK$0.12 for each of the 1,400,000 Offer Options with an exercise price of HK$0.68; and (ii) the nominal cancellation price of HK$0.0001 for each of the 8,240,000 Offer Options with an exercise price of HK$1.02, whether vested or not, the total value of the Option Offer amounts to HK$168,824. Assuming that there will be no change in the issued share capital of the Company, the aggregate value of the Share Offer and the Option Offer would be HK$45,631,224 in the event that the Offers are accepted in full.

(ii) *Full conversion of vested Options with full acceptance of the Offers*

Assuming that all the 7,168,000 Offer Options currently vested and exercisable are exercised in full prior to the close of the Offers, the number of issued Shares will increase from 204,400,000 to 211,568,000 Shares. Save for the Excluded Shares, 63,996,000 Shares will be subject to the Share Offer, and the value of the Share Offer will be HK$51,196,800. For the remaining 2,472,000 Offer Options to be vested on 27 May 2027 which is subject to cancellation price of HK$0.0001, the total value of the Option Offer would be HK$247.2.

Based on the foregoing, the maximum potential total cash consideration payable by the Offeror under the Offers would be HK$51,197,047.2 in aggregate.

Financial resources available for the Offers

The Offeror intends to finance the consideration payable under the Offers in full by its own internal resources. Rainbow Capital, the financial adviser to the Offeror in respect of the Offers, is satisfied that sufficient financial resources are and will remain available to the Offeror to satisfy the consideration payable in case of full acceptance of the Offers.

Effect of accepting the Offer(s)

Acceptance of the Share Offer by any Offer Shareholder will be deemed to constitute a warranty by such person that all the Offer Shares sold by such person under the Share Offer are free from all Encumbrances and together with all rights and benefits attaching thereto as at the date of this 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 Share Offer is made, being the date of despatch of the Composite Document.

By accepting the Option Offer, the Offer Optionholders will agree to the cancellation of their tendered Offer Options and all rights attached thereto with effect from the date on which the Option Offer is made, being the date of the despatch of this Composite Document.

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

Offer Shareholders and Offer Optionholders are reminded to read the recommendations of the Independent Board Committee and the advice of the Independent Financial Adviser in respect of the Offers which are included in the "Letter from the Independent Board Committee" and the "Letter from the Independent Financial Adviser" as contained in this Composite Document.

Hong Kong stamp duty

The seller's Hong Kong ad valorem stamp duty arising in connection with acceptances of the Share Offer will be payable by the relevant Offer Shareholders 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 Share Offer, whichever is higher, and the amount of such duty will be deducted from the cash amount payable by the Offeror to the relevant Offer Shareholders accepting the Share Offer.

The Offeror will arrange for payment of the seller's Hong Kong ad valorem stamp duty on behalf of the relevant Offer Shareholders accepting the Share Offer and pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Share Offer and the transfer of the relevant Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Payment

Payment under the Share Offer

Payment in cash regarding of the acceptances of the Share Offer, net of seller's Hong Kong ad valorem stamp duty, 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 Share Offer is received.

Payment under the Option Offer in respect of the vested Offer Options

Payment in cash regarding the acceptances of the Option Offer in respect of the vested Offer Options 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 Option Offer is received.

Payment under the Option Offer in respect of the unvested Offer Options

Payment in cash regarding the acceptances of the Option Offer in respect of the unvested Offer Options (which will vest on 27 May 2027 (the "**Vesting Date**") subject to the conditions of grant under the Share Option Scheme) will be made as soon as possible but in any event no later than seven (7) Business Days after the Vesting Date, provided that the relevant holder of unvested Offer Options remains eligible under the terms of the Share Option Scheme up to the Vesting Date. The Offeror has applied to the Executive for, and the Executive has granted, a waiver from strict compliance with Rule 20.1 of the Takeovers Code to allow for the deferred settlement of the cancellation price to holders of the unvested Offer Options who accept the Option Offer.

Relevant documents evidencing title in respect of any such acceptance of the Share Offer and/or the Option Offer (as the case may be) must be received by or on behalf of the Offeror (or its agent) in order to render each such acceptance of the Share Offer and/or the Option Offer (as the case may be) complete and valid.

No fractions of a Hong Kong cent will be payable and the amount of cash consideration payable to a Shareholder and/or Optionholder who accepts the Share Offer and/or the Option Offer (as the case may be) will be rounded up to the nearest Hong Kong cent.

Taxation advice

Offer Shareholders and Offer Optionholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offers. None of the Offeror, Mr. Chung and parties acting in concert with any of them, the Company, Rainbow Capital, Messis Capital, the Registrar and (as the case may be) their respective ultimate beneficial owners, directors, officers, agents, associates, professional advisors or any other person involved in the Offers accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offers.

Overseas Shareholders and overseas Optionholders

The Offeror intends to make the Share Offer and the Option Offer available to all the Offer Shareholders and Offer Optionholders, respectively. As the Share Offer and the Option Offer to persons with a registered address in a jurisdiction outside Hong Kong may be affected by the laws of the relevant overseas jurisdictions, Offer Shareholders and Offer Optionholders 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. Persons who are residents, citizens or nationals outside Hong Kong should inform themselves about and observe, at their own responsibility, any applicable laws, regulations, requirements and restrictions in their own jurisdictions in connection with the acceptance of the Offers, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with the other necessary formalities and the payment of any issue, transfer or other taxes due from such Offer Shareholders or Offer Optionholders in respect of such jurisdiction.

Any acceptance by the Offer Shareholders and Offer Optionholders with a registered address in a jurisdiction outside Hong Kong will be deemed to constitute a representation and warranty from such overseas Offer Shareholders and Offer Optionholders to the Offeror that the local laws and requirements have been complied with and such acceptance shall be valid and binding in accordance with all applicable laws. Such overseas Offer Shareholders and Offer Optionholders should consult their respective professional advisers if in doubt.

As at the Latest Practicable Date, there are no overseas Offer Shareholders or Offer Optionholders identified.

INFORMATION ON THE GROUP

Your attention is also drawn to the information on the Group set out in the section headed "INFORMATION ON THE GROUP" in the "Letter from the Board" and Appendices II and IV as contained in this Composite Document.

INFORMATION ON THE OFFEROR

The Offeror is a company incorporated in the BVI with limited liability and is principally engaged in investment holding. Its directors include Mr. Chung and Mr. Leonard Chung, and it is wholly and beneficially owned by Mr. Chung as at the Latest Practicable Date.

Mr. Chung, aged 72, is an executive Director and the Group's chief executive officer. He is primarily responsible for the overall management, strategic planning and supervision of the Group's operations. He joined the Group in August 2012. He is the father of Mr. Leonard Chung, the cousin-in-law of Mr. Chau and the uncle of Mr. Chau Wai. Mr. Chung is acting in concert with Mr. Chau only by virtue of the presumption under class (6) of the definition of "acting in concert" under the Takeovers Code; save for such presumption, each of the Offeror and Mr. Chung is not, as a matter of fact or under any other classes of presumption under the definition of "acting in concert" of the Takeovers Code, acting in concert with the Vendors.

Mr. Chung is a director of Main Success Industrial Limited and On Gain Development Limited, both are indirect wholly-owned subsidiaries of the Company. As disclosed in this Composite Document, Mr. Chung was already a controlling Shareholder prior to Completion. For further details of Mr. Chung's interest in the Shares, please refer to the section headed "SHAREHOLDING STRUCTURE OF THE COMPANY" in the "Letter from the Board" as contained in this Composite Document.

Mr. Chung has accumulated more than 30 years of experience in the manufacturing industry. He co-founded Racing Champions Limited in 1989, which focused on manufacturing die-cast race car miniatures under the National Association for Stock Car Auto Racing (NASCAR) brand license, and served as its director. Racing Champions Limited sold its business assets to Banerjan Company Limited (now known as TOMY (Hong Kong) Limited, a major customer of the Group), which was then wholly-owned by Racing Champions Corporation, in 1996. Racing Champions Corporation was renamed as RC2 Corporation in 2003, the shares of which were listed on the Nasdaq Global Select Market and was acquired by Tomy Company, Ltd in 2011. He served as a director of Racing Champions Corporation from 1996 to 2008 and joined Baird Capital and worked as an operating partner from 2003 to 2014. He was also the chairman of Baird Asia Limited from 2004 to 2010. During the time, he was also instrumental in starting and overseeing Baird's regional office in Hong Kong and Shanghai, the PRC. In addition, Mr. Chung served as an independent non-executive director of StarGlory Holdings Company Limited (formerly known as New Wisdom Holding Company Limited and Epicurean and Company, Limited) (stock code: 8213), a company listed on GEM of the Stock Exchange which was principally engaged in the provision of food and beverage services during his tenure, for the period from 18 February 2010 to 8 November 2016.

INTENTION ON THE OFFEROR IN RELATION TO THE GROUP

The Group's business activities and financial position

Immediately prior to Completion, the Offeror was already a controlling shareholder of the Company (as defined under the Takeovers Code), and its ultimate beneficial owner, Mr. Chung, is an existing executive Director. Accordingly, the Offeror and Mr. Chung are highly familiar with the existing principal businesses, operations and management of the Group.

The acquisition of the Sale Shares by the Offeror from the Vendors was a commercially driven decision, allowing the Offeror to consolidate its control over the Company and demonstrating its long-term commitment to the stability and continuous development of the Group.

Following the close of the Offers, the Offeror intends to continue the existing principal business of the Group. The Offeror will conduct a review of the business activities and financial position of the Group from time to time for the purpose of formulating business plans and strategies for the future development of the Group. Subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, business rationalisation, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group.

Notwithstanding the above, as at the Latest Practicable Date, no such investment or business opportunities have been identified nor has the Offeror entered into any agreement, arrangement, understanding, or negotiation in relation to the injection of any assets or business into the Group. The Offeror has no intention to redeploy the fixed assets of the Group other than in the ordinary and usual course of business of the Group.

Board composition

As at the Latest Practicable Date, the Board is comprised of five executive Directors and three independent non-executive Directors. The Offeror has not decided on the future composition of the Board and it may, from time to time, review the composition of the Board to ensure that it is appropriately constituted to oversee the future development of the Group. Any future changes to the composition of the Board will be made in compliance with the Takeovers Code and/or the Listing Rules, and further announcement(s) will be made by the Company as and when appropriate.

Save for the Offeror's intention regarding the Group as set out above, the Offeror has no intention to (i) make material changes to the employment of the management and employees of the Group; and (ii) dispose of or redeploy the assets of the Group other than those in its ordinary and usual course of business 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 Offers. The Offeror does not intend to avail itself of any powers of compulsory acquisition of any Shares outstanding after the close of the Offers.

The Stock Exchange has stated that:

(a) if, at the close of the Offers, the Stock Exchange believes that:

— a false market exists or may exist in the trading of the Shares; or

— an orderly market does not exist or may not exist;

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

(b) if, at the close of the Offers, the Company has a Significant Public Float Shortfall (as defined in Rule 13.32F of the Listing Rules), then:

— the Stock Exchange will add a designated marker to the stock name of the Shares; and

— the Stock Exchange will cancel the listing of the 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 directors of the Offeror and the Directors have jointly undertaken to the Stock Exchange that if, at the close of the Offers, 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 Company will make an application to the Stock Exchange for a temporary waiver from strict compliance with Rule 13.32B of the Listing Rules in case less than 25% of the Shares will be held by the public upon the close of the Offers in accordance with Rule 13.33 of the Listing Rules. The steps that the Offeror may take include but not limited to the disposal of Shares held by the Offeror by way of placing. No arrangements have been confirmed or put in place as at the Latest Practicable Date. The Offeror and the Company will issue a separate announcement as and when necessary in this regard.

ACCEPTANCE AND SETTLEMENT OF THE OFFERS

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

COMPULSORY ACQUISITION

The Offeror does not intend to exercise or apply any right which may be available to it to acquire compulsorily any Shares outstanding after the close of the Offers.

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 that which would have been disclosed if this Composite Document had been prepared in accordance with the laws of jurisdictions outside Hong Kong.

All documents and remittances to be sent to the Offer Shareholders and the Offer Optionholders will be sent to them by ordinary post at their own risk. Such documents and remittances will be sent to them at their respective addresses as they appear in the register of members and register of Optionholders of the Company and in the case of joint Offer Shareholders, to such Offer Shareholder whose name appears first in the register of members of the Company, or in the case of joint Offer Optionholders, to such Offer Optionholder whose name appears first in the records of the Company. None of the Offeror, Mr. Chung and parties acting in concert with any of them, the Company, Rainbow Capital, Messis Capital, the Registrar and (as the case may be) their respective ultimate beneficial owners, directors, officers, agents, advisers or associates or any other person involved in the Offers will be responsible for any loss or delay in transmission of such documents and remittances or any other liabilities that may arise as a result thereof or in connection therewith.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this Composite Document and the accompanying Forms of Acceptance, which form parts of this Composite Document. You are reminded to read carefully 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, before deciding whether or not to accept the Offers. If you are in doubt about your position in connection with the Offers, you should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

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

MS GROUP HOLDINGS LIMITED
萬成集團股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1451)

Executive Directors:
Mr. Chau Ching *(Chairman)*
Mr. Chung Kwok Keung Peter *(Chief Executive Officer)*
Mr. Chau Wai
Mr. Chung Leonard Shing Chun
Ms. Lo Siu Fun Helena

Independent non-executive Directors:
Mr. Asvaintra Bhanusak
Mr. Seto John Gin Chung
Mr. Yu Hon To David

Registered office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

Headquarters and principal place of business in Hong Kong:
Room 907, 9/F.,
Enterprise Square Tower 1
9 Sheung Yuet Road
Kowloon Bay
Hong Kong

31 August 2026

To the Offer Shareholders and the Offer Optionholders,

Dear Sir/Madam,

MANDATORY UNCONDITIONAL CASH OFFERS BY RAINBOW CAPITAL (HK) LIMITED FOR AND ON BEHALF OF L.V.E.P. HOLDINGS LIMITED TO ACQUIRE ALL THE ISSUED SHARES OF, AND TO CANCEL ALL THE OUTSTANDING OPTIONS OF, MS GROUP HOLDINGS LIMITED (OTHER THAN THE EXCLUDED SHARES AND THE EXCLUDED OPTIONS)

INTRODUCTION

Reference is made to the Joint Announcement jointly published by the Offeror and the Company dated 5 May 2026 in relation to, among other things, the Sale and Purchase Agreement and the Offers. Terms used in this letter shall have the same meanings as those defined in this Composite Document unless the context otherwise requires.

As disclosed in the Joint Announcement, on 20 April 2026 (after trading hours), Mr. Chau and Ching Wai Holdings (as vendors), and Mr. Chung and L.V.E.P. (as purchasers) entered into the Sale and Purchase Agreement, pursuant to which Mr. Chau shall procure Ching Wai Holdings to sell, and Ching Wai Holdings shall sell as legal and beneficial owner, and Mr. Chung shall procure L.V.E.P. to purchase, and L.V.E.P. shall purchase, the Sale Shares, being 75,000,000 Shares, representing approximately 36.69% of the total issued share capital of the Company as at the date of the Joint Announcement, free from all Encumbrances and third party rights and together with all rights attached thereto as at Completion, for a total cash Consideration of HK$60,000,000, equivalent to HK$0.80 per Sale Share.

Completion took place immediately after the entering into of the Sale and Purchase Agreement by the Vendors and the Purchasers on the Completion Date, being 20 April 2026, on which the Consideration has been fully settled by the Purchasers in cash in accordance with the terms of the Sale and Purchase Agreement. The Consideration was financed by the Offeror's own financial resources, which were funded by Mr. Chung's personal wealth. Upon Completion, Ching Wai Holdings ceased to hold any Shares and was no longer a Shareholder.

Immediately prior to Completion, the Offeror, Mr. Chung and Mr. Leonard Chung were interested in an aggregate of 72,572,000 Shares, representing approximately 35.50% of the issued share capital of the Company. Immediately following Completion and as at the Latest Practicable Date, the Offeror, Mr. Chung and Mr. Leonard Chung are interested in an aggregate of 147,572,000 Shares, representing approximately 72.20% of the issued share capital of the Company.

In addition, as at the Latest Practicable Date, Mr. Chung and Mr. Leonard Chung hold Mr. Chung's Options and LC's Options, respectively, which were granted to them pursuant to the Share Option Scheme and entitle them to subscribe for a total of 1,960,000 new Shares, representing approximately 0.96% of the issued share capital of the Company. Details of such Options are included in the table set forth in the section headed "THE OFFERS — II. The Option Offer" in the "Letter from Rainbow Capital" as contained in this Composite Document.

Accordingly, pursuant to Rules 13.1, 13.5 and 26.1 of the Takeovers Code, the Offeror is required to make mandatory unconditional cash offers to acquire all of the Offer Shares and to cancel all the Offer Options. The Offers will be made to the Offer Shareholders and Offer Optionholders. The Offers will be unconditional in all respects when made and will not be conditional upon acceptances being received in respect of a minimum number of Offer Shares and in respect of a minimum number of Offer Options to be cancelled.

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

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

Pursuant to Rule 2.1 and Rule 2.8 of the Takeovers Code, the Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Yu Hon To David, Mr. Seto John Gin Chung and Mr. Asvaintra Bhanusak, has been established to make recommendations to the Offer Shareholders and the Offer Optionholders as to whether the Offers are fair and reasonable and as to the acceptance of the Offers.

Messis Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee in respect of the Offers and as to whether the Offers are fair and reasonable and as to acceptance of the Offers pursuant to Rule 2.1 of the Takeovers Code. Such appointment has been approved by the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code.

You are advised to read the "Letter from the Independent Board Committee" addressed to the Offer Shareholders and the Offer Optionholders, the "Letter from the Independent Financial Adviser" and the additional information contained in the appendices to this Composite Document before taking any actions in respect of the Offers.

THE OFFERS

As disclosed in the "Letter from Rainbow Capital" in this Composite Document, Rainbow Capital, for and on behalf of the Offeror, is making the Offers to (i) acquire all the Offer Shares; and (ii) to cancel all the outstanding Offer Options, in accordance with the Takeovers Code and on the terms set out in this Composite Document and in the respective Forms of Acceptance on the following basis:

I. The Share Offer

Offer price for each Offer Share . . . . HK$0.80 in cash

II. The Option Offer

In respect of the Offer Options with an exercise price of HK$0.68 each:

"See-through" cancellation price for each such Offer Option . . . . HK$0.12 in cash

In respect of the Offer Options with an exercise price of HK$1.02 each:

Cancellation price for each such Offer Option . . . . .HK$0.0001 in cash

The Company confirms that, as at the Latest Practicable Date, (i) it has 204,400,000 Shares in issue; (ii) it has not declared any dividend which remains unpaid; (iii) it does not have any intention to declare or pay any future dividend or make other distributions prior to and including the Closing Date; (iv) save for the outstanding Options, the Company does not have any outstanding options, derivatives, warrants or other securities convertible or exchangeable into Shares or which confer rights to require the issue of Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares or which confer rights to require the issue of Shares; (v) it has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue other than the Shares; and (vi) it has no intention to grant any new share options under the Share Option Scheme during the offer period (as defined under the Takeovers Code).

Further details of the Offers are set out under the section headed "Letter from Rainbow Capital" and Appendix I to this Composite Document and the accompanying Form(s) of Acceptance, which together set out the terms and conditions of the Offers and certain related information.

INFORMATION ON THE GROUP

The Company was incorporated in the Cayman Islands with limited liability and its issued shares are listed on the Main Board of the Stock Exchange.

The Company is principally engaged in investment holding, while the Group is principally engaged in the production and sales of plastic and stainless steel sports bottles and baby feeding accessories. The two business segments of the Group are (i) the original equipment manufacturing (OEM) Business, which primarily comprises the production and sales of plastic and stainless steel sports bottles and cups for infants and toddlers and plastic sports bottles on an OEM basis predominately for the overseas markets; and (ii) the Yo Yo Monkey Business, which primarily comprises the production and sales of infant and toddler products, particularly plastic bottles and cups, under the brand developed by the Group known as "Yo Yo Monkey (優優馬騮)", principally for the PRC market.

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

UNAUDITED INTERIM FIGURES

As disclosed in the Profit Warning Announcement, the estimate of the Group's consolidated profit attributable to the Shareholders for the four months ended 30 April 2025 and the consolidated loss attributable to the Shareholders for the four months ended 30 April 2026 constitute a profit forecast of the Company under Rule 10 of the Takeovers Code and are therefore required to be reported on in accordance with Note 1(c) to Rules 10.1 and 10.2 and Rule 10.4 of the Takeovers Code. As the Company published the Interim Results Announcement after the publication of the Profit Warning Announcement but prior to the despatch of this Composite Document, the requirement under Rule 10 of the Takeovers Code to report on the aforesaid estimate contained in the Profit Warning Announcement has been superseded by the publication of the Interim Results Announcement.

In this regard, the Unaudited Interim Figures have been reported on by the Independent Financial Adviser and the auditors of the Company, PricewaterhouseCoopers in accordance with Note 1(c) to Rules 10.1 and 10.2 and Rule 10.4 of the Takeovers Code. PricewaterhouseCoopers is of the opinion that, so far as the accounting policies and calculations are concerned, the Unaudited Interim Figures have been properly compiled in accordance with the bases adopted by the Directors and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in the annual report of the Group for the year ended 31 December 2025. The Independent Financial Adviser is satisfied that the Unaudited Interim Figures have been made by the Directors with due care and consideration.

Your attention is drawn to the reports issued by PricewaterhouseCoopers and the Independent Financial Adviser on the Unaudited Interim Figures as set out in Appendix V and Appendix VI to this Composite Document, respectively.

SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) immediately prior to Completion; and (ii) immediately upon Completion and as at the Latest Practicable Date, are set forth below:

	Immediately prior to Completion		**Immediately upon Completion and as at the Latest Practicable Date**	
	Number of Shares	*Approximate % of issued Shares*	*Number of Shares*	*Approximate % of issued Shares*
The Vendors and parties acting in concert with them (Note 1)				
— Ching Wai Holdings (Note 2)	75,000,000	36.69	—	—
— Mr. Chau (Note 2)	—	—	—	—
— Mr. Chau Wai (Note 3)	800,000	0.39	800,000	0.39
The Offeror and parties acting in concert with it				
— The Offeror (Note 4)	71,772,000	35.11	146,772,000	71.80
— Mr. Chung (Note 4)	—	—	—	—
— Mr. Leonard Chung	800,000	0.39	800,000	0.39
The Director(s)				
— Ms. Lo	600,000	0.30	600,000	0.30
Public Shareholders	55,428,000	27.12	55,428,000	27.12
Total	204,400,000	100.00	204,400,000	100.00

Notes:

1. For the purpose of this table, "parties acting in concert" with the Vendors excludes the fellow Directors who may be presumed to be acting in concert with Mr. Chau and Mr. Chau Wai under class (6) of the definition of "acting in concert" under the Takeovers Code solely by virtue of their capacity as Directors.

2. Ching Wai Holdings is 100% beneficially owned by Mr. Chau. Accordingly, Mr. Chau is deemed to be interested in the Shares held by Ching Wai Holdings under the SFO.

3. Mr. Chau Wai is a director of Ching Wai Holdings and the son of Mr. Chau. Therefore, Mr. Chau Wai is presumed to be acting in concert with the Vendors under the Takeovers Code.

4. The Offeror is 100% beneficially owned by Mr. Chung. Accordingly, Mr. Chung is deemed to be interested in the Shares held by the Offeror under the SFO.

5. In addition, as at the Latest Practicable Date:

   (i) each of Mr. Chau, Mr. Chung, Mr. Yu Hon To David, Mr. Seto John Gin Chung and Mr. Asvaintra Bhanusak beneficially owns 400,000 Options (comprising 200,000 vested Options with an exercise price of HK$0.68 each, 140,000 vested Options with an exercise price of HK$1.02 each, and 60,000 unvested Options with an exercise price of HK$1.02 each); and

   (ii) each of Mr. Chau Wai, Mr. Leonard Chung and Ms. Lo beneficially owns 1,560,000 Options (comprising 1,092,000 vested Options with an exercise price of HK$1.02 each, and 468,000 unvested Options with an exercise price of HK$1.02 each).

Save as disclosed in the shareholding table above and in this Note 5, no other Directors hold any relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company as at the Latest Practicable Date.

INTENTION ON THE OFFEROR IN RELATION TO THE GROUP

Your attention is drawn to the section headed "INTENTION ON THE OFFEROR IN RELATION TO THE GROUP" in the "Letter from Rainbow Capital" contained in this Composite Document for details regarding Offeror's intention on the business of the Group and the Board composition.

The Board is pleased to note the intention of the Offeror in respect of the Group and its employees and the Board composition as disclosed. The Board is of the view that such intentions will provide stability to the Group's operations and ensure continued job security for its staff. The Board is willing to cooperate with the Offeror for the best interests of the Company and its Shareholders as a whole.

PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

Your attention is drawn to the section headed "PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY" in the "Letter from Rainbow Capital" contained in this Composite Document.

The Board notes that the Offeror intends to maintain the listing status of the Shares on the Stock Exchange after the close of the Offers, and that the directors of the Offeror and the Directors have jointly undertaken to the Stock Exchange that if, at the close of the Offers, 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 Company will make an application to the Stock Exchange for a temporary waiver from strict compliance with Rule 13.32B of the Listing Rules in case less than 25% of the Shares will be held by the public upon the close of the Offers in accordance with Rule 13.33 of the Listing Rules..

RECOMMENDATIONS

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

ADDITIONAL INFORMATION

Your attention is drawn to the additional information contained in the appendices to this Composite Document. You are also recommended to read carefully the "Letter from Rainbow Capital" in, and Appendix I to this Composite Document as well as and the accompanying Forms of Acceptance.

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

By order of the Board of
MS Group Holdings Limited
Mr. Chau Ching
Chairman and executive Director

The following is the text of a letter of recommendation from the Independent Board Committee in respect of the Offers prepared for the purpose of inclusion in this Composite Document.

MS GROUP HOLDINGS LIMITED
萬成集團股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1451)

31 August 2026

To the Offer Shareholders and the Offer Optionholders,

Dear Sir/Madam,

MANDATORY UNCONDITIONAL CASH OFFERS BY RAINBOW CAPITAL (HK) LIMITED FOR AND ON BEHALF OF L.V.E.P. HOLDINGS LIMITED TO ACQUIRE ALL THE ISSUED SHARES OF, AND TO CANCEL ALL THE OUTSTANDING OPTIONS OF, MS GROUP HOLDINGS LIMITED (OTHER THAN THE EXCLUDED SHARES AND THE EXCLUDED OPTIONS)

INTRODUCTION

We refer to the composite offer and response document jointly issued by the Company and the Offeror dated 31 August 2026 (the "**Composite Document**"), of which this letter forms part. Unless the context otherwise requires, 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 for the purpose of advising the Offer Shareholders in respect of the Share Offer and the Offer Optionholders in respect of the Option Offer, as to whether the Offers are fair and reasonable and as to acceptance of the Offers.

Messis Capital has been appointed as the Independent Financial Adviser with our approval to advise us in respect of the Offers and, in particular, whether the terms of the Offers are fair and reasonable and as to acceptance of the Offers. Details of its advice and recommendations, together with the principal factors and reasons which it has considered before arriving at such recommendation, are set out in the "Letter from the Independent Financial Adviser" in this Composite Document.

We also wish to draw your attention to the "Letter from Rainbow Capital", the "Letter from the Board" and the additional information set out in the appendices to this Composite Document and the accompanying Form(s) of Acceptance in respect of the terms of the Offers and the acceptance and settlement procedures for the Offers.

RECOMMENDATIONS

Having considered the terms of the Offers, the information contained in the Composite Document and having taken into account the advice and recommendations of the Independent Financial Adviser and the principal factors taken into consideration by it in arriving at its opinion, we consider that each of the Share Offer and the Option Offer (whether in respect of the Offer Options with an exercise price of HK$0.68 each or HK$1.02 each) is not fair and not reasonable so far as the Offer Shareholders and Offer Optionholders are concerned. Therefore, we recommend:

(i) the Offer Shareholders not to accept the Share Offer; and

(ii) the Offer Optionholders not to accept the Option Offer (whether in respect of the Offer Options with an exercise price of HK$0.68 each or HK$1.02 each).

GENERAL

Despite our recommendations, the Offer Shareholders and holders of the vested Options who still intend to accept the Share Offer and/or the Option Offer are reminded to monitor the trading price and liquidity of the Shares during the Offer Period and, having regard to their own circumstances, consider selling their Shares in the open market (and, where applicable, exercising their vested Options and selling the Shares allotted thereunder in the open market) instead of accepting the Share Offer (and the Option Offer, as the case may be), if the net proceeds obtained from such sale (after deducting all transaction costs) would be higher than the net proceeds from accepting the Share Offer (and the Option Offer, as the case may be).

Holders of the unvested Options (all of which are with an exercise price of HK$1.02 each) should note that these Options are not exercisable during the Offer Period. In light of our recommendation not to accept the Option Offer, holders may consider continuing to hold their unvested Options.

Notwithstanding our recommendations, the Offer Shareholders and the Offer Optionholders are strongly recommended to read the full text of the "Letter from the Independent Financial Adviser" as set out in the Composite Document before making their decisions. Furthermore, the Offer Shareholders and Offer Optionholders are strongly advised that the decision to release or hold their investments is subject to individual circumstances and investment objectives. If in doubt, the Offer Shareholders and Offer Optionholders should consult their own professional advisers for advice.

Yours faithfully,
For and on behalf of
the Independent Board Committee of
MS Group Holdings Limited

Mr. Yu Hon To David	**Mr. Seto John Gin Chung**	**Mr. Asvaintra Bhanusak**
Independent non-executive Director	*Independent non-executive Director*	*Independent non-executive Director*

The following is the full text of a letter of advice from Messis Capital Limited to the Independent Board Committee in respect of the Offers which has been prepared for the purpose of incorporation in the Composite Document.

MESSIS 大有融資

31 August 2026

To: The Independent Board Committee

Dear Sirs,

MANDATORY UNCONDITIONAL CASH OFFERS BY RAINBOW CAPITAL (HK) LIMITED FOR AND ON BEHALF OF L.V.E.P. HOLDINGS LIMITED TO ACQUIRE ALL THE ISSUED SHARES OF, AND TO CANCEL ALL THE OUTSTANDING OPTIONS OF MS GROUP HOLDINGS LIMITED (OTHER THAN THE EXCLUDED SHARES AND THE EXCLUDED OPTIONS)

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee in respect of the terms of the Offers and as to the acceptance of the Offers. Details of the Offers are set out in the composite document of the Company dated 31 August 2026 (the "**Composite Document**"), of which this letter forms a part. Terms used in this letter shall have the same meanings as those defined in the Composite Document unless the context otherwise requires.

On 20 April 2026 (after trading hours), Mr. Chau and Ching Wai Holdings (as vendors), and Mr. Chung and L.V.E.P. (as purchasers) entered into the Sale and Purchase Agreement, pursuant to which Mr. Chau shall procure Ching Wai Holdings to sell, and Ching Wai Holdings shall sell as legal and beneficial owner, and Mr. Chung shall procure L.V.E.P. to purchase, and L.V.E.P. shall purchase, the Sale Shares, being 75,000,000 Shares, representing approximately 36.69% of the total issued share capital of the Company as at the date of the Joint Announcement, free from all Encumbrances and third party rights and together with all rights attached thereto as at Completion, for a total cash Consideration of HK$60,000,000, equivalent to HK$0.80 per Sale Share.

Immediately prior to Completion, the Offeror, Mr. Chung and Mr. Leonard Chung were interested in an aggregate of 72,572,000 Shares, representing approximately 35.50% of the issued share capital of the Company. As at the Latest Practicable Date, the Offeror, Mr. Chung and Mr. Leonard Chung are interested in an aggregate of 147,572,000 Shares, representing approximately 72.20% of the issued share capital of the Company.

In addition, as at the Latest Practicable Date, Mr. Chung and Mr. Leonard Chung hold Mr. Chung's Options and LC's Options, respectively, which entitle them to subscribe for a total of 1,960,000 new Shares, representing approximately 0.96% of the issued share capital of the Company.

Pursuant to Rules 13.1, 13.5 and 26.1 of the Takeovers Code, the Offeror is therefore required to make mandatory unconditional cash offers to acquire all of the Offer Shares and to cancel all the Offer Options. The Share Offer and the Option Offer will be made to the Offer Shareholders and the Offer Optionholders, respectively.

The Offers will be unconditional in all respects when made and will not be conditional upon acceptances being received in respect of a minimum number of Offer Shares and in respect of a minimum number of Offer Options to be cancelled.

The Share Offer

As at the Latest Practicable Date, the Company has 204,400,000 Shares in issue. Excluding the Excluded Shares, a total of 56,828,000 Shares will be subject to the Share Offer.

Rainbow Capital is, for and on behalf of the Offeror and in compliance with the Takeovers Code, making the Share Offer to acquire all of the Offer Shares on the following basis:

Offer price for each Offer Share . . . . HK$0.8 in cash

The Share Offer will be extended to all Offer Shareholders in accordance with the Takeovers Code.

The Offer Shares to be acquired under the Share Offer shall be 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 Offers are made, being the date of despatch of the Composite Document.

The Option Offer

As at the Latest Practicable Date, the Company has a total of 11,600,000 outstanding Options (including the Excluded Options), comprising: (i) 1,600,000 Options with an exercise price of HK$0.68 each; and (ii) 10,000,000 Options with an exercise price of HK$1.02 each.

As at the Latest Practicable Date, excluding the Excluded Options, there is a total of 9,640,000 Offer Options subject to the Option Offer, comprising:

(i) 1,400,000 vested Options with an exercise price of HK$0.68 each;

(ii) 5,768,000 vested Options with an exercise price of HK$1.02 each; and

(iii) 2,472,000 unvested Options with an exercise price of HK$1.02 each.

Rainbow Capital is, for and on behalf of the Offeror, making the Option Offer to the Offer Optionholders in accordance with Rule 13 of the Takeovers Code to cancel all Offer Options in exchange for cash on the following basis:

In respect of the Offer Options with an exercise price of HK$0.68 each:

"See-through" cancellation price for each such Offer Option . . . . HK$0.12 in cash

In respect of the Offer Options with an exercise price of HK$1.02 each:

Cancellation price for each such Offer Option .HK$0.0001 in cash

Under the Option Offer, the "see-through" cancellation price (being the Share Offer Price minus the relevant exercise price of the Offer Options) is offered for the cancellation of every Offer Option (whether vested or unvested). In respect of Offer Option with an exercise price higher than the Share Offer Price, the cancellation price is at a nominal amount of HK$0.0001.

On 27 May 2024, 10,000,000 Options with an exercise price of HK$1.02 each were granted and are subject to three vesting stages (i.e. 40% vested on 27 May 2025, 30% vested on 27 May 2026, and 30% vesting on 27 May 2027). For details of the grant of these Options, please refer to the Company's announcement dated 27 May 2024. Excluding the aggregate 1,760,000 Options with an exercise price of HK$1.02 each held by Mr. Chung and Mr. Leonard Chung (which form part of the Excluded Options), as at the Latest Practicable Date, 5,768,000 Options have been vested and 2,472,000 Options are unvested and will be vested on 27 May 2027.

As set out in the section headed "Letter from the Board"in the Composite Document, the Company confirms that as at the Latest Practicable Date, (i) it has 204,400,000 Shares in issue; (ii) it has not declared any dividend which remains unpaid; (iii) it does not have any intention to declare or pay any future dividend or make other distributions prior to and including the Closing Date; (iv) save for the outstanding Options, the Company does not have any outstanding options, derivatives, warrants or other securities convertible or exchangeable into Shares or which confer rights to require the issue of Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares or which confer rights to require the issue of Shares; (v) it has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue other than the Shares; and (vi) it has no intention to grant any new share options under the Share Option Scheme during the offer period (as defined under the Takeovers Code).

For the principal terms of the Offers, together with the information of the Offeror and the Offeror's intention regarding the Group, please refer to the "Letter from Rainbow Capital" contained in the Composite Document.

Independent board committee

The Independent Board Committee comprising all the independent non-executive Directors who have no direct or indirect interest in the Offers (other than as the Offer Optionholders), namely Mr. Yu Hon To David, Mr. Seto John Gin Chung and Mr. Asvaintra Bhanusak, was established to advise the Offer Shareholders and Offer Optionholders as to whether the Offers are fair and reasonable and as to the acceptance of the Offers, pursuant to Rule 2.1 of the Takeovers Code.

We, Messis Capital Limited, have been appointed with the Independent Board Committee's approval pursuant to Rule 2.1 of the Takeovers Code as the Independent Financial Adviser to advise the Independent Board Committee in respect of the Offers and, in particular, as to whether the Offers are fair and reasonable so far as the Offer Shareholders and the Offer Optionholders are concerned and as to the acceptance of the Offers. As at the Latest Practicable Date, we are independent from and not connected with the Group pursuant to Rule 13.84 of the Listing Rules, and we have not acted as an independent financial adviser to the Company's other transactions in the past two years. No arrangement exists whereby affects our independence in relation to our appointment as the Independent Financial Adviser. Therefore, we are considered eligible to give independent advice on the Offers under the requirement of the Listing Rules. As at the Latest Practicable Date, we are not in the same group as the financial or other professional advisers (including a stockbroker) to the Company or the Offeror, and we are not associated with the Offeror or the Company or any party acting, or presumed to be acting in concert with any of them and we had not had any connection, financial assistance or otherwise, with either the Offeror or the Company or the controlling shareholder(s) or the substantial shareholder(s) of either of them, therefore we are considered independent and suitable to give independent advice to the Independent Board Committee, the Offer Shareholders and Offer Optionholders pursuant to Rule 2.6 of the Takeovers Code.

This letter contains our advice to the Independent Board Committee, the Offer Shareholders and Offer Optionholders as to (i) whether the Offers are fair and reasonable; (ii) whether the Offers are in the interests of the Offer Shareholders and Offer Optionholders as a whole; and (iii) the acceptance of the Offers.

Basis of our opinion

In formulating our advice, we have relied solely on the statements, information, opinions and representations contained in the Composite Document and the information and representations provided to us by the Group and/or the Directors and/or the senior management of the Company (the "**Management**"). We have assumed that all such statements, information, opinions and representations contained or referred to in the Composite Document or otherwise provided or made or given by the Group and/or the Directors and/or the Management are true and accurate. We have assumed that all statements, information and representations provided by the Directors and the Management, for which they are solely responsible, are true and accurate at the time when they were provided and continue to be so as at the Latest Practicable Date. Should there be any subsequent material changes which occur during the period from the date of the Composite Document up to the date of closing of the Offers, we will notify the Independent Board Committee, the Offer Shareholders and Offer Optionholders as soon as possible. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in this Composite Document were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Composite Document, or the reasonableness of the opinions expressed by the Company, its adviser and/or the Directors, which have been provided to us. We have also relied on certain information available to the public and have assumed such information to be accurate and reliable and there are no reasons to doubt the accuracy and reliability of such public information.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than the information relating to the Offeror) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than that expressed by the directors of the Offeror in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statement contained in the Composite Document misleading. Should there be any material changes to the statements, information and/or representation affecting our opinion after the Latest Practicable Date, the Offer Shareholders and Offer Optionholders would be notified as soon as possible in compliance with Rule 9.1 of the Takeovers Code.

We consider that we have reviewed all information and documents which are made available to us to enable us to reach an informed view and to justify our reliance on the information provided so as to provide a reasonable basis for our advice. We have not, however, carried out any independent verification of the information provided, nor have we conducted any independent investigation into the business and affairs of the Offeror and the Group or any of their respective associates or any party acting, or presumed to be acting, in concert with any of them.

We have not considered the tax implications on the Offer Shareholders and Offer Optionholders of their acceptances or non-acceptances of the Offers (as the case may be) since these are particular to their own individual circumstances. In particular, the Offer Shareholders and Offer Optionholders who are resident outside Hong Kong or subject to overseas taxes or Hong Kong taxation on securities dealings should consider their own tax position with regard to the Offers and, if in any doubt, should consult their own professional advisers.

PRINCIPAL FACTORS TAKEN INTO CONSIDERATION ON THE OFFERS

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

1. Background and financial information of the Group

The Group is principally engaged in the production and sales of plastic and stainless steel sports bottles and baby feeding accessories. The Group operates two business segments:

(i) the production and sales of plastic and stainless steel sports bottles and cups for infants and toddlers and plastic sports bottles on an original equipment manufacturer ("**OEM**") basis ("**OEM Business**"), primarily for overseas markets; and (ii) the production and sales of infant and toddler products, particularly plastic bottles and cups under the Group's brand "Yo Yo Monkey" ("**Yo Yo Monkey Business**"), principally for the PRC market.

Set out below is a summary of (i) the audited consolidated financial information of the Group for each of the three years ended 31 December 2023 ("**FY2023**"), 2024 ("**FY2024**") and 2025 ("**FY2025**"), respectively, as extracted from annual reports of the Company for FY2024 ("**2024 Annual Report**") and FY2025 ("**2025 Annual Report**"); and (ii) the unaudited consolidated financial information of the Group for the six months ended 30 June 2025 ("**6M2025**") and 2026 ("**6M2026**"), respectively, as extracted from the Company's interim results announcement for 6M2026 ("**2026 Interim Results**"), respectively:

1.1 *Financial results for 6M2025 and 6M2026*

Consolidated statement of profit or loss of the Group for 6M2025 and 6M2026

	For the six months ended 30 June	
	2026	**2025**
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Revenue	78,651	181,244
Cost of sales	(61,904)	(135,861)
(Loss)/profit before taxation	(4,704)	20,420
(Loss)/profit for the period attributable to equity holders of the Company	(7,606)	15,554

According to 2026 Interim Results, the Group's revenue decreased from approximately HK$181.2 million for 6M2025 to approximately HK$78.7 million for 6M2026, representing a decrease of approximately 56.6%. The decrease was mainly attributable to the significant drop in sales performance of the OEM Business which was primarily driven by the decrease in sales orders received from the two largest customers. The Management is of the view that, consistent with the trend in the second half of FY2025, changes in the United States ("**US**") trade and tariff policies have led major OEM Business customers to adopt a more cautious approach to placing orders. Given the relatively passive nature of the OEM Business, the Group was unable to mitigate reduced demand, which resulted in a material decline in sales orders.

For 6M2026, the Group's Yo Yo Monkey Business recorded revenue of approximately HK$12,000, which represented a substantial decline of approximately 96.3% as compared to approximately HK$329,000 for 6M2025. The Yo Yo Monkey Business faced setbacks in the PRC in the first half of 2026, primarily attributable to (i) the sustained fierce local competition and vigorous price wars in the PRC since 2023, where the Group failed to retain its market share; and (ii) the Group's reliance on sales through physical retail shops and its unsuccessful development of online sales, which prevented the Group from capturing opportunities in the huge internet shopping market.

The Group recorded a net loss of approximately HK$7.6 million for 6M2026, which was approximately HK$23.2 million less than the net profit of approximately HK$15.6 million for 6M2025. Such deterioration from net profit to net loss was mainly attributable to the aforementioned decline in revenue, which eroded the Group's profitability.

Consolidated statements of financial position of the Group as at 31 December 2025 and 30 June 2026

	As at 30 June 2026	**As at 31 December 2025**
	HK$'000	*HK$'000*
	(unaudited)	(audited)
Total assets	226,061	273,992
Total liabilities	36,898	83,646
Total equity	189,163	190,346
Net current assets	157,459	159,809

The Company's total assets decreased to approximately HK$226.1 million as at 30 June 2026 from approximately HK$274.0 million as at 31 December 2025. This was mainly attributable to a decrease in current assets, with cash and cash equivalents declining by approximately HK$38.4 million, inventories declining by approximately HK$6.5 million and trade and other receivables declining by approximately HK$6.4 million, partially offset by an increase in deposits and prepayments of approximately HK$2.4 million.

The Company's total liabilities decreased by approximately HK$46.7 million from approximately HK$83.6 million as at 31 December 2025 to approximately HK$36.9 million as at 30 June 2026, which was primarily due to (i) the absence of dividend payables (as at 31 December 2025: approximately HK$30.7 million); and (ii) a decrease in trade and other payables of approximately HK$11.7 million.

The Company's net current assets remained relatively stable at approximately HK$159.8 million and HK$157.5 million as at 31 December 2025 and 30 June 2026, respectively.

1.2 *Financial results for FY2024 and FY2025*

Consolidated statement of profit or loss of the Group for FY2024 and FY2025

	For the year ended 31 December	
	2025	**2024**
	HK$'000	*HK$'000*
	(audited)	(audited)
Revenue	291,503	421,091
Cost of sales	(215,448)	(303,191)
Profit before taxation	32,605	63,929
Profit for the year attributable to equity holders of the Company	26,506	49,386

According to 2025 Annual Report, the Group's revenue decreased from approximately HK$421.1 million for FY2024 to approximately HK$291.5 million for FY2025, representing a decrease of approximately 30.8%. The decrease was mainly attributable to the reduction in sales orders of the OEM Business, where (i) the revenue generated from the largest customer of the Group amounted to approximately HK$239.7 million (FY2024: approximately HK$323.2 million), representing a decrease of approximately 25.8%; and (ii) the revenue generated from the second largest customer of the Group amounted to approximately HK$44.8 million (FY2024: approximately HK$85.4 million), representing a decrease of approximately 47.5%. The overall decline was mainly attributable to tariff announcements made by the US administration during FY2025, coupled with uncertainty regarding future tariff adjustments, which led the Group's major customers to adopt a more cautious approach, especially in the latter half of FY2025.

For FY2025, the Group's Yo Yo Monkey Business recorded revenue of approximately HK$0.5 million, representing a decline of approximately 86.8% as compared to that of approximately HK$3.8 million for FY2024. As advised by the Management, such decline was mainly due to the sustained fierce local competition and vigorous price wars in the PRC since 2023.

The net profit attributable to equity holders of the Company was approximately HK$26.5 million for FY2025, representing a decrease of approximately 46.3% from approximately HK$49.4 million for FY2024 primarily due to the decline in revenue, which in turn was mainly attributable to the decrease in sales orders from the major OEM Business customers aforementioned.

Consolidated statements of financial position of the Group as at 31 December 2024 and 2025

	As at 31 December	
	2025	**2024**
	HK$'000	*HK$'000*
	(audited)	(audited)
Total assets	273,992	288,571
Total liabilities	83,646	64,068
Total equity	190,346	224,503
Net current assets	159,809	188,244

The Company's total assets decreased to approximately HK$274.0 million as at 31 December 2025 from approximately HK$288.6 million as at 31 December 2024. This was attributable to (i) a decrease in non-current assets, with right-of-use assets declining by approximately HK$4.1 million and property, plant and equipment declining by approximately HK$4.1 million; and (ii) a decrease in current assets, with trade and other receivables declining by approximately HK$53.9 million and inventories declining by approximately HK$16.6 million, partially offset by an increase in cash and cash equivalents of approximately HK$65.7 million.

The total liabilities of the Company increased by HK$19.6 million from approximately HK$64.1 million as at 31 December 2024 to approximately HK$83.6 million as at 31 December 2025, which was primarily due to the increase in total current liabilities, resulting from the dividend payables of approximately HK$30.7 million (as at 31 December 2024: nil).

The Company's net current assets decreased from approximately HK$188.2 million as at 31 December 2024 to approximately HK$159.8 million as at 31 December 2025, which was primarily due to the increase in total current liabilities as mentioned above.

1.3 *Financial results for FY2023 and FY2024*

Consolidated statement of profit or loss of the Group for FY2023 and FY2024

	For the year ended 31 December	
	2024	**2023**
	HK$'000	*HK$'000*
	(audited)	(audited)
Revenue	421,091	233,990
Cost of sales	(303,191)	(158,865)
Profit before taxation	63,929	24,000
Profit for the year attributable to equity holders of the Company	49,386	16,282

According to 2024 Annual Report, the total revenue of the Group increased from approximately HK$234.0 million for FY2023 to approximately HK$421.1 million for FY2024, representing an increase of approximately 80.0%. The increase was attributable to the growth of the Group's OEM Business, where revenue generated from the OEM Business achieved a growth of approximately 88.0%, as compared to that for FY2023. The growth was mainly attributable to the increase in sales orders of the OEM Business, where (i) the revenue generated from the largest customer of the Group amounted to approximately HK$323.2 million (FY2023: approximately HK$145.5 million), representing an increase of approximately 122.1%; and (ii) the revenue generated from the second largest customer of the Group amounted to approximately HK$85.4 million (FY2023: approximately HK$67.8 million), representing an increase of approximately 26.0%. As advised by the Management, the increase in revenue from the largest customer was mainly attributable to additional orders for stainless steel sports bottles. These orders arose from strong consumer demand following the launch of the new stainless steel sports bottle line in late 2023, which experienced a significant surge in FY2024. As a result, revenue attributable to stainless steel sports bottles grew to approximately HK$212.4 million in FY2024, up from approximately HK$14.9 million in FY2023. As stated in 2024 Annual Report, the Management were of the view that the overall increment might also be attributable to the higher order volume from customers as they might plan to stockpile in case any potential trade war between the US and the PRC materialises following the presidential election in the US.

For FY2024, the Group's Yo Yo Monkey Business recorded revenue of approximately HK$3.8 million, representing a decline of approximately 68.7% as compared to that of approximately HK$12.1 million for FY2023. As advised by the Management, such decline was mainly due to the sustained fierce local competition and vigorous price war since 2023, as well as the poor industry sentiment in 2024, where sales performance at offline retail stores recorded a decline of approximately HK$7.8 million. According to 2024 Annual Report, the Management was of the view that the industry sentiment was adversely impacted by factors including the unresolved real estate crisis in the PRC.

The Group recorded an improvement in net profit attributable to equity holders of the Company from approximately HK$16.3 million for FY2023 to approximately HK$49.4 million for FY2024, representing an increase of approximately HK$33.1 million or 203.3%, primarily due to the enhancement in revenue, which in turn was mainly attributable to the increase in sales orders from the major OEM Business customers aforementioned.

Consolidated statements of financial position of the Group as at 31 December 2023 and 2024

	For the year ended 31 December	
	2024	**2023**
	HK$'000	*HK$'000*
	(audited)	(audited)
Total assets	288,571	255,142
Total liabilities	64,068	45,575
Total equity	224,503	209,567
Net current assets	188,244	178,743

The Group's total assets increased from approximately HK$255.1 million as at 31 December 2023 to approximately HK$288.6 million as at 31 December 2024. This was attributable to (i) an increase in non-current assets, with property, plant and equipment rising by approximately HK$6.9 million and right-of-use assets rising by approximately HK$4.2 million; and (ii) an increase in current assets, with trade and other receivables increasing by approximately HK$45.8 million, partially offset by (a) a decrease in cash and cash equivalents of approximately HK$11.8 million; (b) a decrease in deposits and prepayments of approximately HK$6.0 million; and (c) a decrease in inventories of approximately HK$4.3 million.

The Company's total liabilities increased by approximately HK$18.5 million, from approximately HK$45.6 million as at 31 December 2023 to approximately HK$64.1 million as at 31 December 2024. This increase was mainly due to (i) an increase in bills payables of approximately HK$8.2 million; and (ii) an increase in tax payable of approximately HK$5.3 million. As advised by the Management, the Group utilised part of its banking facilities in the form of bill facilities to settle payments to suppliers during FY2024.

The Company's net current assets increased from approximately HK$178.7 million as at 31 December 2023 to approximately HK$188.2 million as at 31 December 2024. This increase was primarily due to higher total current assets, partially offset by an increase in total current liabilities as mentioned above.

1.4 *Dividends*

According to 2024 Annual Report and 2025 Annual Report, the Board declared the payment of an interim dividend and an interim special dividend of HK3 cents and HK7 cents per Share, respectively, totaling HK10 cents per Share for the six months ended 30 June 2024 (six months ended 30 June 2023: Nil), amounting to a total of HK$20 million, which were paid on 4 October 2024. No interim dividend was declared by the Board for the six months ended 30 June 2025.

According to 2024 Annual Report and 2025 Annual Report, the Board recommended the payment of a final dividend and a final special dividend of HK3 cents and HK17 cents per Share, respectively, totaling HK20 cents per Share for FY2024 (FY2023: HK6 cents), amounting to a total of approximately HK$40 million (FY2023: HK$12.0 million), which were paid on 26 June 2025. According to 2025 Annual Report, the Board declared a special dividend of HK15 cents per Share, amounting to a total of approximately HK$31 million, by passing a resolution on 3 December 2025. The special dividend was paid on 16 January 2026. No final dividend or final special dividend was recommended by the Board for FY2025.

According to 2026 Interim Results, no interim dividend or interim special dividend was declared by the Board for 6M2026 (6M2025: Nil).

1.5 *Overall view on the financial performance and position of the Group*

We note that the total revenue of the Group experienced a significant surge followed by a normalisation, increasing from approximately HK$234.0 million for FY2023 to approximately HK$421.1 million for FY2024, representing a substantial increase of approximately 80.0%. According to 2024 Annual Report, we note that this notable increment was primarily driven by increased sales orders from existing customers within the OEM Business, as the Group proactively communicated with major clients to capture opportunities in stainless steel sports bottle models. Additionally, this growth was likely bolstered by customers stockpiling inventory in anticipation of potential trade war between the US and the PRC escalations following the US presidential election. However, the Group's revenue subsequently reduced to approximately HK$291.5 million for FY2025, representing a decrease of approximately 30.8%. The decline was primarily attributable to the escalating trade conflicts, particularly the tariff announcements by the US in 2025, which prompted the Group's major customers to adopt a markedly more cautious approach, especially during the second half of FY2025. In addition, the Management advised that, given the relatively passive nature of the OEM business, the Group found it difficult to reverse the aforementioned decline in sales orders received from its OEM customers.

We also noted that the profit for the year attributable to the owners of the Company followed a similar trajectory, increasing from approximately HK$16.3 million in FY2023 to approximately HK$49.4 million in FY2024, representing a sharp increase of approximately 203.1%, and subsequently adjusting to approximately HK$26.5 million for FY2025, a decrease of approximately 46.4%. Despite the FY2025 downturn, the Group maintained an improved level of profitability compared to FY2023.

With reference to 2026 Interim Results, the Group recorded (i) consolidated revenue of approximately HK$78.7 million for 6M2026, representing a decrease of approximately 56.6% as compared to approximately HK$181.2 million for 6M2025; and (ii) consolidated loss attributable to Shareholders of approximately HK$7.6 million for 6M2026, in comparison to the consolidated profit attributable to Shareholders of approximately HK$15.6 million for 6M2025. We have obtained and reviewed the 2026 Interim Results. Based on our discussion with the Management, we are advised that this decrease was primarily due to the decline in sales orders of the OEM business recorded in the first half of 2026. The Group's core products of the OEM business are manufactured at its production base in the PRC and primarily target the US market. The imposition of additional US tariff has significant impact on the Group's OEM business, amidst the ongoing trade tensions between the two nations.

With respect to net assets, we also noted that since FY2023, the net assets attributable to the owners of the Company have remained healthy. Net assets grew from approximately HK$209.6 million as at 31 December 2023 to a peak of approximately HK$224.5 million as at 31 December 2024, standing relatively stable at approximately HK$190.3 million and HK$189.2 million as at 31 December 2025 and 30 June 2026, respectively.

While the Group has endeavoured to safeguard its revenue amidst the Sino-US trade war, the Group's financial performance is still undoubtedly affected, as reflected in its financial performance for 6M2026 as per 2026 Interim Results, which we consider an uncertainty in its financial performance.

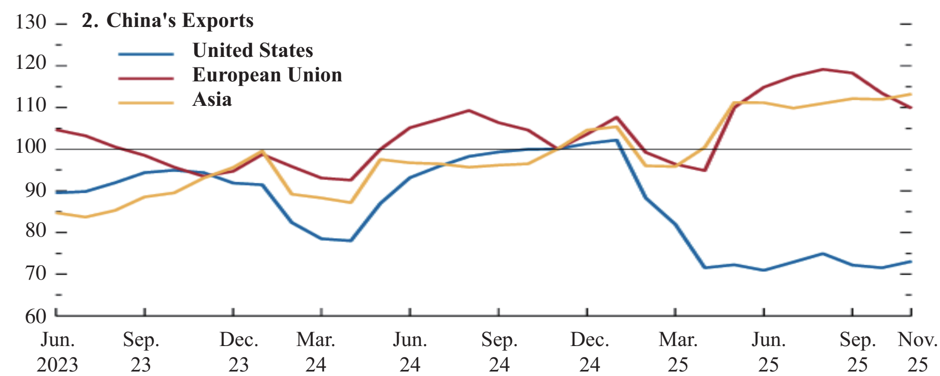
1.6 *Outlook of the Group*

According to the 2025 Annual Report, the Group's revenue was primarily derived from its OEM Business, amounting to approximately HK$417.1 million and HK$291.0 million, respectively, and representing approximately 99.1% and 99.8% of total revenue for FY2024 and FY2025. According to the 2026 Interim Results, revenue derived from its OEM Business amounted to approximately HK$78.6 million, representing approximately 99.98% of total revenue for 6M2026. The remaining revenue was attributable to its Yo Yo Monkey Business.

According to the 2025 Annual Report, we note that the Management maintains a cautious outlook regarding its future business prospects. It is observed that ongoing international trade tensions and military conflicts continue to cast significant uncertainty over the Group's upcoming business performance. In particular, the unpredictability of tariff strategies adopted by the US has been identified as a critical risk. For FY2024 and FY2025, approximately 98.7% and 99.5% of the Group's total revenue were attributable to the US market, respectively. As the majority of the Group's revenue is derived from the US market, these unpredictable tariff adjustments have affected the confidence of major customers, leading to more conservative order placements in the latter half of FY2025. As disclosed in the 2026 Interim Report, the Group continued to encounter unprecedented challenges in the first half of 2026, primarily arising from uncertainty over US tariff policies.

The Group's OEM Business, which continues to undertake the production and sale of plastic and stainless steel sports bottles, together with cups for infants and toddlers and plastic sports bottles, remains the Group's principal revenue driver. According to 2026 Interim Results, the Group remains committed to mitigating risks through proactive reinforcement, leveraging on (i) further collaboration with existing customers to secure additional sales orders; (ii) a proactive development strategy to diversify beyond reliance on the US market by engaging with well-known global bottle brands; (iii) potential capital expenditure or strategic partnerships to enhance manufacturing capabilities in both plastic and stainless steel sports bottles, thereby improving margins and meeting specific client needs; and (iv) evaluation of the feasibility of expanding OEM production facilities to other regions of Asia. On the other hand, the Group's cash and cash equivalents of approximately HK$141.8 million as at 30 June 2026 are expected to serve as (i) funding for the aforementioned initiatives; and (ii) a strategic buffer against short-term market volatility.

However, according to The World Bank's Global Economic Prospects published by The World Bank in January 2026, highlights that higher trade barriers and the unwinding of front-loading will slow export growth across the East Asia and Pacific region, including the PRC, over the forecast horizon, despite some offsets from non-US markets and sector-specific demand (e.g. AI-related goods). Exports from the PRC to the US, in contrast to other destinations, recorded negative growth in 2025, particularly in the second half of 2025 when the Sino-US trade conflicts escalated as demonstrated in the chart below extracted from The World Bank's Global Economic Prospects. The World Economic Outlook updated by the International Monetary Fund in April 2026 similarly projects that the PRC, together with other emerging markets, is facing headwinds from trade policy shifts and geopolitical tensions, even as some offsets from technology investment and domestic policy support are noted.



PRC's exports from Jun 2023 to Nov 2025, extracted from The World Bank's Global Economic Prospects (Index, 2024 = 100)

The aforementioned Sino-US trade tension has taken its toll on the Group's financial performance in 2026, as the Group recorded material period-on-period decline in revenue and net loss for 6M2026 according to 2026 Interim Results as analysed above. We consider that the export outlook remains gloomy as there has been no material progress in resolving the Sino-US tariff issues even after the US president's visit to the PRC in May 2026, and that the prospect of the Group remains challenging.

Having considered the negative impact of (i) substantial external risks, specifically the possibility of escalating Sino-US trade conflicts and the unpredictable nature of tariff adjustments, which have already prompted a more conservative procurement approach from major customers in the US; and (ii) the passive nature of the OEM model, under which product demand is largely beyond the Group's direct control and remain subject to global macroeconomic volatility and military conflicts, even against the potential positive impact of (a) proactive diversification and enhancement strategies to improve manufacturing margins with an aim to adapt to the changing business environment and economic circumstances; and (b) the Group's positive net cash position as at 30 June 2026, we are of the view that the financial performance of the Group is uncertain and that the prospects of the Group remain challenging.

2. Information of the Offeror and its intentions in relation to the Group

2.1 *The Offeror*

The Offeror is a company incorporated in the BVI with limited liability and is principally engaged in investment holding. The Offeror is wholly and beneficially owned by Mr. Chung as at the Latest Practicable Date.

Mr. Chung, aged 72, is an executive Director and the Group's chief executive officer. He is primarily responsible for the overall management, strategic planning and supervision of the Group's operations. He joined the Group in August 2012. He is the father of Mr. Leonard Chung, the cousin-in-law of Mr. Chau and the uncle of Mr. Chau Wai. Mr. Chung is acting in concert with Mr. Chau only by virtue of the presumption under class (6) of the definition of "acting in concert" under the Takeovers Code; save for such presumption, each of the Offeror and Mr. Chung is not, as a matter of fact or under any other classes of presumption under the definition of "acting in concert" of the Takeovers Code, acting in concert with the Vendors.

Mr. Chung is a director of Main Success Industrial Limited and On Gain Development Limited, both are indirect wholly-owned subsidiaries of the Company. As disclosed in the Letter from the Board, Mr. Chung was already a controlling Shareholder prior to Completion.

Mr. Chung has accumulated more than 30 years of experience in the manufacturing industry. He co-founded Racing Champions Limited in 1989, which focused on manufacturing die-cast race car miniatures under the National Association for Stock Car Auto Racing (NASCAR) brand license, and served as its director. Racing Champions Limited sold its business assets to Banerjan Company Limited (now known as TOMY (Hong Kong) Limited, a major customer of the Group), which was then wholly-owned by Racing Champions Corporation, in 1996. Racing Champions Corporation was renamed as RC2 Corporation in 2003, the shares of which were listed on the Nasdaq Global Select Market and was acquired by Tomy Company, Ltd in 2011. He served as a director of Racing Champions Corporation from 1996 to 2008 and joined Baird Capital and worked as an operating partner from 2003 to 2014. He was also the chairman of Baird Asia Limited from 2004 to 2010. During the time, he was also instrumental in starting and overseeing Baird's regional office in Hong Kong and Shanghai, the PRC. In addition, Mr. Chung served as an independent non-executive director of StarGlory Holdings Company Limited (formerly known as New Wisdom Holding Company Limited and Epicurean and Company, Limited) (stock code: 8213), a company listed on GEM of the Stock Exchange which was principally engaged in the provision of food and beverage services during his tenure, for the period from 18 February 2010 to 8 November 2016.

As at the Latest Practicable Date, the Offeror, Mr. Chung and Mr. Leonard Chung were interested in an aggregate of 147,572,000 Shares, representing approximately 72.20% of the issued share capital of the Company, and the Offeror is the controlling shareholder of the Company (as defined under the Takeovers Code).

2.2 *The Offeror's intention in relation to the Company's business*

Immediately prior to Completion, the Offeror was already a controlling shareholder of the Company (as defined under the Takeovers Code), and its ultimate beneficial owner, Mr. Chung, is an existing executive Director. Accordingly, the Offeror and Mr. Chung are highly familiar with the existing principal businesses, operations and management of the Group.

The acquisition of the Sale Shares by the Offeror from the Vendors was a commercially driven decision from the Offeror's perspective, allowing the Offeror to consolidate its control over the Company and demonstrating its long-term commitment to the stability and continuous development of the Group. Given the Offeror's deep understanding of the Group's principal businesses and its intention to continue those businesses, the Offeror's consolidation of control further aligns its interests with the Group's future. We consider that this alignment is expected to increase management confidence in pursuing further development and to enhance the stability of the management team in an ever-changing environment as discussed in section headed "1.6 Outlook of the Group" above. In addition, unification of board decision-making under a single controlling shareholder is likely to reduce the risk of deadlock between major shareholders, accelerate strategic approvals, and ensure coherent execution of business plans.

Following the close of the Offers, the Offeror intends to continue the existing principal businesses of the Group. The Offeror will conduct a review of the business activities and financial position of the Group from time to time for the purpose of formulating business plans and strategies for the future development of the Group. Subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, business rationalisation, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group.

Notwithstanding the above, as at the Latest Practicable Date, no such investment or business opportunities have been identified nor has the Offeror entered into any agreement, arrangement, understanding, or negotiation in relation to the injection of any assets or business into the Group. The Offeror has no intention to redeploy the fixed assets of the Group other than in the ordinary and usual course of business of the Group.

2.3 *The Offeror's intention in relation to the Board composition*

As at the Latest Practicable Date, the Offeror has not decided on the future composition of the Board. The Offeror may, from time to time, review the composition of the Board to ensure that it is appropriately constituted to oversee the future development of the Group. Any future changes to the composition of the Board will be made in compliance with the Takeovers Code and/or the Listing Rules, and further announcement(s) will be made by the Company as and when appropriate.

In summary, save for the Offeror's intention regarding the Group as set out above, it is noted that (i) the Offeror has no intention to make material changes to the employment of the management and employees of the Group; and (ii) the Offeror has no intention to dispose of or redeploy the assets of the Group other than those in its ordinary and usual course of business. As at the Latest Practicable Date, the Offeror has not reached any final decision as to who will be nominated as new Director(s) of the Company.

2.4 *Listing status of the Company and public float*

It is noted that (i) the Offeror intends to maintain the listing of the Shares on the Stock Exchange following the close of the Offers; and (ii) the Offeror does not intend to avail itself of any powers of compulsory acquisition of any Shares outstanding after the close of the Offers. For details, please refer to the paragraphs headed "Public float and maintaining the listing status of the Company" under the section headed "Letter from Rainbow Capital" in the Composite Document.

The Stock Exchange has stated that:

(a) if, at the close of the Offers, the Stock Exchange believes that:

- a false market exists or may exist in the trading of the Shares; or
- an orderly market does not exist or may not exist;
- it will consider exercising its discretion to suspend dealings in the Shares; and

(b) if, at the close of the Offers, the Company has a Significant Public Float Shortfall (as defined in Rule 13.32F of the Listing Rules), then:

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

- the Stock Exchange will cancel the listing of the 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.

If the level of acceptances of the Offer Shares resulting in the shareholding of the Offeror and parties acting in concert with it reaches 75% of the total issued share capital of the Company, the Company will make an application to the Stock Exchange under Rule 13.33(1) of the Listing Rules for a temporary waiver for a reasonable period after the close of the Offers to re-comply with Rule 13.32B of the Listing Rules. The directors of the Offeror have undertaken to the Stock Exchange to take appropriate steps (which may include, among other potential measures, the disposal of Shares held by the Offeror by way of placing) as soon as possible following the close of the Offers to ensure that sufficient public float exists in the Shares after the close of the Offers. The Offeror will issue a separate announcement as and when necessary in this regard.

3. Principal terms of the Offers

3.1 *Comparison of the Share Offer Price*

The Share Offer Price of HK$0.8 per Offer Share represents:

(i) a discount of approximately 37.5% to the closing price of HK$1.280 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

(ii) a discount of approximately 34.96% to the closing price of HK$1.230 per Share as quoted on the Stock Exchange on 20 April 2026, being the Last Trading Day;

(iii) a discount of approximately 32.55% to the average closing price of approximately HK$1.186 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to and including the Last Trading Day;

(iv) a discount of approximately 31.10% to the average closing price of approximately HK$1.161 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days immediately prior to and including the Last Trading Day;

(v) a discount of approximately 34.90% to the average closing price of approximately HK$1.229 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days immediately prior to and including the Last Trading Day;

(vi) a discount of approximately 14.0% to the audited net asset value (the "**NAV**") per Share of approximately HK$0.93 as at 31 December 2025, calculated based on the Group's audited consolidated net asset value attributable to the Shareholders as at 31 December 2025 of approximately HK$190,346,000, divided by a total of 204,400,000 issued Shares as the Latest Practicable Date; and

(vii) a discount of approximately 13.5% to the unaudited NAV per Share of approximately HK$0.925 as at 30 June 2026, calculated based on the Group's unaudited consolidated net asset value attributable to the Shareholders as at 30 June 2026 of approximately HK$189,163,000, divided by a total of 204,400,000 issued Shares as at the Latest Practicable Date.

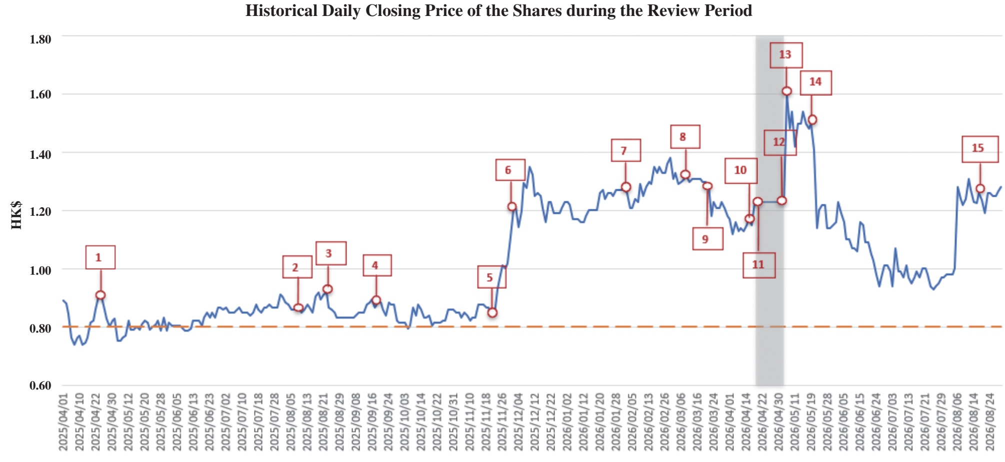
We have conducted further analysis on the fairness and reasonableness of the Share Offer Price as presented below.

3.2 *Analysis of historical Share price movement*

In order to assess the fairness and reasonableness of the Share Offer Price, we have performed a review on the daily closing prices and trading volume of the Shares from 1 April 2025 up to and including the Last Trading Day (the "**Pre-Announcement Period**") (being a period of approximately 12 months prior to and including the Last Trading Day), and the period subsequent to the Last Trading Day up to and including the Latest Practicable Date (the "**Post-Announcement Period**", together with the Pre-Announcement Period, the "**Review Period**") to compare with the Share Offer Price. We consider the length of the Review Period is sufficient and representative to provide a general overview of the recent market performance of the Shares, for conducting a reasonable comparison between the closing Share prices and the Share Offer Price.

The graph below illustrates the daily closing prices of the Shares as quoted on the Stock Exchange during the Review Period.

Historical Daily Closing Price of the Shares during the Review Period

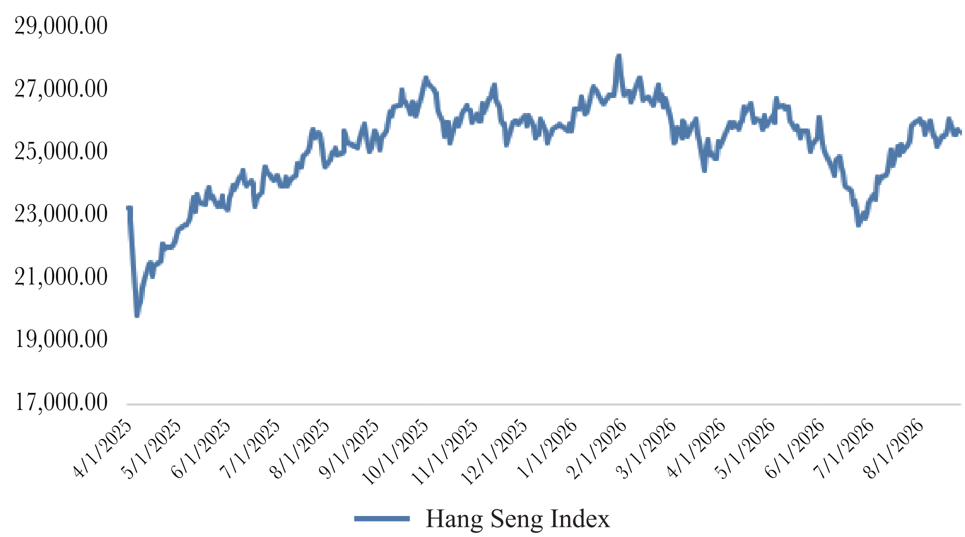


Source: Website of the Stock Exchange (www.hkex.com.hk)

Announcement/publication of

1. 2024 Annual Report
2. Notice of board meeting regarding 2025 interim results
3. 2025 interim results
4. 2025 interim report
5. Inside information regarding a board resolution for a special dividend
6. Announcement regarding the details of the special dividend
7. Profit warning
8. Notice of board meeting regarding FY2025 annual results
9. Annual results for FY2025
10. 2025 Annual Report
11. Trading halt
12. Joint Announcement
13. Resumption of trading
14. May 2026 Profit Warning Announcement
15. 2026 Interim Results

For analysis, set out below is the chart showing the daily closing points of the Hang Seng Index (the "**HSI**") as quoted on the Stock Exchange during the Review Period, providing an overview of the Hong Kong financial market performance:



Pre-Announcement Period

During the Pre-Announcement Period, the Shares were traded at a price ranging from HK$0.739 (the "**Lowest Share Price**") to HK$1.38 (the "**Highest Share Price**"). The Share Offer Price represented a discount of approximately 42.0% to the Highest Share Price and a premium of approximately 8.3% over the Lowest Share Price. The average closing price per Share during the Pre-Announcement Period was approximately HK$0.985, and the Share Offer Price represented a discount of approximately 18.8% to such average closing price. We note that the Share Offer Price is below the closing price of the Shares for approximately 90.3% of the trading days during the Pre-Announcement Period.

From 1 April 2025 to 21 November 2025

The Share price remained relatively stable for a long period of around eights months in 2025 at approximately HK$0.80, within a range of HK$0.739 to HK$0.92, during the period from 1 April 2025 to 21 November 2025. In reviewing the movement of the HSI, it was noted that the index declined from the beginning of April 2025 and subsequently trended upwards from 28 April 2025 to 21 November 2025. Accordingly, the Share price movement was not aligned with the HSI. Based on discussions with the Management, apart from the publication of the financial results which reflect the fundamentals of the Company, we understand that they were not aware of any other special events or factors attributable to the Share price movement during the abovementioned period, and no clear trend in the closing prices of the Shares was observed.

From 22 November 2025 to the Last Trading Day

On 21 November 2025, the Company announced that the Board was considering the declaration and payment of a special dividend. On 3 December 2025, the Board declared a special dividend of HK$0.15 per Share, with a record date of 23 December 2025, subsequently paid on 16 January 2026 (the "**Special Dividend Announcement**"). Commencing from 22 November 2025, the Share price recorded a sharp increase, peaking at HK$1.349 on 10 December 2025, before declining to a periodic low of HK$1.16 on 9 and 12 January 2026. Save for the announcements related to special dividend, no other public announcement was identified that may explain the increase.

The Share price thereafter exhibited volatility, followed by a gradual upward trend, reaching the Highest Closing Price of HK$1.38 on 2 March 2026. On 30 January 2026, the Company announced a profit warning in respect of its FY2025 financial results. We did not identify any other public announcement of the Company that may explain such increase. Subsequent to the peak on 2 March 2026, the Share price trended downward, closing at HK$1.23 on the Last Trading Day. We have reviewed the movement of the HSI for the period from 22 November 2025 to the Last Trading Day and observed that the index declined from 29 January 2026 before rebounding from a low at the end of March 2026. On 20 March 2026 and 16 April 2026, the Company published its announcement of annual results for FY2025 and the 2025 Annual Report, respectively. Based on discussions with the Management, save for the announcements relating to the annual results for FY2025, we understand that they were not aware of any other events or factors attributable to the decline in the Share price.

Post-Announcement Period

Trading in the Shares was suspended from 21 April 2026 to 5 May 2026 (both dates inclusive), pending the release of the Joint Announcement (represented by the shaded area in the graph above). Upon resumption, the closing price of the Shares rose sharply to approximately HK$1.60 on 6 May 2026. Save for the Joint Announcement, no publication was made by the Company prior to the surge. Discussions with Management regarding possible causes of the spike did not identify any, as they indicated they were not aware of any such factors.

Thereafter, from 7 May 2026 until 15 May 2026, the closing price fluctuated within the range of HK$1.42 to HK$1.54. On 18 May 2026, the Group published a profit warning announcement (the "**May 2026 Profit Warning Announcement**"). Following the publication of the May 2026 Profit Warning Announcement which sheds light on the poor financial performance of the Group for the first four months in 2026, from 18 May 2026 until the end of June, the closing price of the Shares has demonstrated a downward trend. Since then, the closing price of the Shares fluctuated and reached HK$0.93 on 24 July 2026. Thereafter, the price trended upward to HK$1.31 on 12 August 2026, before easing slightly and closing at HK$1.28 as at the Latest Practicable Date and the Share

Offer Price represents a discount of approximately 37.5% to it. Following discussions with the Management on the possible causes of the spike in early August 2026, no factors were identified, as they indicated that they were not aware of any such causes.

We consider that the surge in Share price in late 2025 may be due to declaration of a special dividend of HK$0.15 per Share as per the Special Dividend Announcement, and that the publication of the May 2026 Profit Warning Announcement disclosing the poor financial performance of the Group for the first four months in 2026, together with the fact that the Company did not recommend payment of final dividend for FY2025 (FY2024: HK20 cents) may contribute to the downward trend in the Share price from mid-May 2026 to late July 2026, which may be further amplified by the thin liquidity of the Share and the volatility associated with thin liquidity. The Management confirmed that, save for the above, they were not aware of any other such causes.

Nevertheless, we would like to draw the attention of the Offer Shareholders and Offer Optionholders to the fact that the volatility in the closing prices of the Shares creates uncertainty as to whether the Share price will remain above the Share Offer Price during the Offer Period or after the close of the Offers.

Notwithstanding the uncertainty as to whether the Share price will remain above the Share Offer Price during the Offer Period and even after the close of the Offers, we consider the Share Offer Price is not fair and not reasonable from the perspective of the historical market closing price performance of the Shares, after considering the following factors:

(i) the Share Offer Price represents a discount of over 31% to the closing price per Share on the Last Trading Day, the average closing price of the Share for the last five, 10 and 30 consecutive trading days immediately prior to and including the Last Trading Day, respectively;

(ii) although the Share Offer Price falls within the range of closing prices per Share during the Review Period, the Share Offer Price still represents a discount of approximately 37.5% to the closing price of HK$1.280 as at the Latest Practicable Date; and

(iii) although the closing prices of the Shares were volatile during the Review Period, the Shares remained above the Share Offer Price for approximately 92.8% of the trading days during the Review Period.

3.3 *Historical trading liquidity of the Shares*

We have reviewed the trading liquidity of the Shares during the Review Period. Set out below is the average daily trading volume of the Shares on a monthly basis and the respective percentage of the average daily trading volume of the Shares as compared to the total number of the issued Shares as at the end of relevant months/periods and the total number of the Shares held by Offer Shareholders as at the end of the relevant months/periods. Given the reasons aforementioned under the subsection headed "3.2 Analysis of historical Share price movement" above, we are of the view that the trading liquidity of the Shares during the Pre-Announcement Period can sufficiently reflect the market trading together with the market perception of the Shares without the possible effect from the Joint Announcement regarding the Offers. Similar analysis for the Post-Announcement Period is also presented for the Offers Shareholders' information.

The table below summarises the trading volume of the Shares for the following period:

Month	**Total trading volume of Shares** *(Shares)*	**Number of trading days** *(days)*	**Approximate average daily trading volume of the Shares** *(Shares)* *(Note 1)*	**Approximate % of average daily trading volume to total issued Shares as at the end of the relevant month/period** *(Note 2)*	**Approximate percentage of average daily trading volume to the total number of issued Shares held by the public Shareholders** *(Note 3)*
Pre-Announcement Period					
2025					
April	4,008,000	19	210,947	0.1055%	0.3806%
May	4,546,000	20	227,300	0.1124%	0.4101%
June	1,934,000	21	92,095	0.0455%	0.1662%
July	1,472,000	22	66,909	0.0331%	0.1207%
August	2,886,000	21	137,429	0.0680%	0.2479%
September	1,276,000	22	58,000	0.0287%	0.1046%
October	1,544,000	20	77,200	0.0382%	0.1393%
November	2,974,000	20	148,700	0.0735%	0.2683%
December	9,091,009	21	432,905	0.2118%	0.7810%
2026					
January	630,000	21	30,000	0.0147%	0.0541%
February	1,176,000	17	69,176	0.0338%	0.1248%
March	1,256,000	22	57,091	0.0279%	0.1030%
April (to the Last Trading Day)	720,000	11	65,455	0.0320%	0.1181%

Month	Total trading volume of Shares	Number of trading days	Approximate average daily trading volume of the Shares	Approximate % of average daily trading volume to total issued Shares as at the end of the relevant month/period	Approximate percentage of average daily trading volume to the total number of issued Shares held by the public Shareholders
	(Shares)	*(days)*	*(Shares)*		
			(Note 1)	*(Note 2)*	*(Note 3)*
Post-Announcement Period					
2026					
April (from 21 April) *(Note 4)*	—	—	—	—	—
May *(Note 4)*	32,760,700	17	1,927,100	0.9428%	3.4768%
June	5,420,000	21	258,095	0.1263%	0.4656%
July	2,150,000	22	97,727	0.0478%	0.1763%
August (to the Latest Practicable Date)	5,890,000	20	294,500	0.1441%	0.5313%

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

Notes:

1. Average daily trading volume is calculated by dividing the total trading volume of the Shares for the month/period by the number of trading days during the months/period.

2. Based on the number of Shares in issue for the respective months.

3. Based on 55,428,000 Shares in issue held by the public Shareholders as set out in the Composite Document.

4. The Shares were on trading halt during the period from 21 April to the date of the Joint Announcement.

As illustrated from the table above, we note that the average daily trading liquidity of the Shares was thin during the Pre-Announcement Period, ranging from approximately 0.0147% to 0.2118% of the Group's total issued share capital as at the end of the relevant month/period, 0.0541% to 0.7810% of the total number of issued Shares held by the public Shareholders. We have also enquired with the Directors regarding the probable reasons for the surge in the trading volume of the Shares in December 2025, and were advised by the Management that they were not aware of any specific events that might have affected the trading volume of the Shares during that period, save for the Special Dividend Announcement.

Despite the surge in the trading volume of the Shares in December, given (i) during the Pre-Announcement Period, the average daily trading volume to the total number of issued Shares and total number of issued Shares held by the public Shareholders ranged from approximately 0.0147% to 0.2118% and ranged from approximately 0.0541% to 0.7810%, respectively; and (ii) except for the periods of December 2025, average daily trading volume to total issued Shares as at the end of the relevant month/period did not exceed 0.2%, we considered that the trading volume of the Shares was low during the Pre-Announcement Period.

During the Post-Announcement Period, we note that the average daily trading liquidity of the Shares increased, representing approximately 0.2827% and 1.0424% of the Group's average daily trading volume to the total number of issued Shares and total number of issued Shares held by the public Shareholders. It is considered that such increase in trading liquidity is much likely attributable to the Joint Announcement. It should be noted that such relatively high liquidity of shares trading may or may not sustain during and/or after the Offer Period.

In light of the (i) thin liquidity of the Shares during the Pre-Announcement Period; (ii) increased liquidity of the Shares during the Post-Announcement Period; and (iii) uncertainty for the trading volume after the Latest Practicable Date, we are of the view that any sale of a large number of Shares on the market over a short period of time may be difficult without exerting downward pressure on the market price of the Shares. In this respect, the Share Offer provides an exit alternative at the Share Offer Price for the Offer Shareholders who would like to realise their investments in the Shares at a fixed price and within a short period of time. The Offer Shareholders are advised to consider to sell their Shares in the open market instead of accepting the Share Offer if the closing price of the Shares is above the Share Offer Price, after taking into account the possible downward pressure on the Share price when selling in bulk.

3.4 *NAV Comparison*

We note that the Share Offer Price represents (i) a discount of approximately 14.0% when compared to the Group's NAV per Share of approximately HK$0.93 as at 31 December 2025; and (ii) a discount of approximately 13.5% when compared to the Group's unaudited NAV per Share of approximately HK$0.925 as at 30 June 2026. In addition, we note that the Share Offer Price represents a discount of approximately 9.2% compared to the Group's cash and cash equivalents per Share of about HK$0.88 as at 31 December 2025.

Having considered the above, we are of the view that the Share Offer Price is not attractive from the perspective of the NAV per Share of the Company.

3.5 *Our view on the Share Offer*

Having taken into account and balanced the following factors:

(i) the Share Offer Price represents a discount of over 31% to the closing price per Share on the Last Trading Day, the average closing price of the Share for the last five, 10 and 30 consecutive trading days immediately prior to and including the Last Trading Day, respectively;

(ii) the Share Offer Price still represents a discount of approximately 37.5% to the closing price of HK$1.280 as at the Latest Practicable Date, even though it is uncertain whether the Share price will remain above the Share Offer Price throughout the Offer Period or subsequent to the close of the Offers;

(iii) the Share Offer Price represents (a) a discount of approximately 14.0% when compared to the Group's NAV per Share of approximately HK$0.93 as at 31 December 2025; and (b) a discount of approximately 13.5% when compared to the Group's unaudited NAV per Share of approximately HK$0.925 as at 30 June 2026;

(iv) the Shares have been traded above the Share Offer Price throughout approximately 92.8% of the trading days during the Review Period; and

(v) the relatively low liquidity of Shares during the Review Period as discussed above,

we are of the view that the Share Offer Price is not fair and not reasonable so far as the Offer Shareholders are concerned. Nevertheless, we would like to remind the Offer Shareholders that although the Share Offer Price is below the recent closing prices of the Shares, there is no guarantee that the recent closing prices of the Shares will sustain and be higher than the Share Offer Price during and after the Offer Period. The Offer Shareholders, in particular those who may wish to realise their investments in the Shares, are thus reminded to closely monitor the market price of the Shares during the Offer Period.

4. Market comparable analysis

In order to assess the fairness and reasonableness of the Share Offer Price, we have sought to identify comparable companies on the website of the Stock Exchange for peer comparison based on the criteria that the company is (i) listed and traded on the Stock Exchange as at the Latest Practicable Date; and (ii) principally engaged in business similar with that of the Group, and with at least 80% revenue of the latest preceding year attributable to the production and sale of plastic infant products and plastic and stainless steel sports bottles on an OEM basis, noting that over 99% and 99% of the Group's revenue for FY2024 and FY2025 respectively was contributed by such business. However, no comparable company listed and traded on the Stock Exchange can be identified.

We have attempted to loosen the criteria to include companies that are listed and traded on the Stock Exchange and are principally engaged in OEM production of small consumer/personal/household products, and have identified Starlite Holdings Limited (stock code: 403.HK) and Zhengye International Holdings Company Limited (stock code: 3363.HK). Only the price-to-earnings ratio ("**P/E Ratio**") of Zhengye International Holdings Company Limited is available as it is profit-making as per latest published financial information. P/E Ratio is one of the most commonly used ratios in assessing valuation. Set out below is the P/E Ratio of Zhengye International Holdings Company Limited.

Stock Code	**Company**	**Principal Business**	**Market capitalisation as at the Last Trading Day** *(HK$ million)* *(Note 1)*	**Latest audited net profit** *(HK$ million)*	**P/E Ratio** *(times)* *(Note 3)*
3363.HK	Zhengye International Holdings Company Limited	Manufacturing and sale of paper, paperboard and paper-based packaging products	165.0	16.7	9.9
	The Company (Offer Price)		163.5 *(Note 2)*	26.5	6.2

Notes:

1. The market capitalization is calculated based on the closing share price and total issued shares of the respective company as at the Last Trading Day.

2. The Company's market capitalisation is calculated by multiplying the Share Offer Price of HK$0.8 per Offer Share to the Company's total issued shares as at Last Trading Day.

3. The P/E Ratio is based on the market capitalisation as at the Last Trading Day and the net profit attributable to the owners of the company as disclosed in the latest published annual reports of the respective company.

However, given that (i) Zhengye International Holdings Company Limited is principally engaged in the manufacturing and sale of paper, paperboard and paper-based packaging products which has different cost of sales structure and the resulting gross profit margin (gross margin of approximately 10.8% of Zhengye International Holdings Company Limited versus approximately 26.1% of the Group for FY2025); and (ii) according to 2026 Interim Results, the Group recorded a consolidated loss attributable to Shareholders of approximately HK$7.6 million for 6M2026, we consider that the comparison with Zhengye International Holdings Company Limited is not meaningful for assessing the fairness and reasonableness of the Share Offer Price under such limitations.

We have also identified companies that are principally engaged in business similar with that of the Group, being OEM production and sale of stainless steel and plastic bottles, but are listed in the Shenzhen Stock Exchange, namely 浙江哈尔斯真空器皿股份有限公司 (Zhejiang Haers Vacuum Containers Co., Ltd.*, stock code: 002615.SZ) and 浙江嘉益保温科技股份有限公司 (Zhejiang Cayi Vacuum Container Co., Ltd.*, stock code: 301004.SZ). However, we note that there is huge discrepancy in the overall valuation between the Hong Kong Stock Exchange and the Shenzhen Stock Exchange, with the average P/E ratio of the Main Board of the Hong Kong Stock Exchange being 13.68 times and the A Shares of the Shenzhen Stock Exchange being 33.05 times as at the Last Trading Day, rending the comparison of valuation of the two aforementioned companies inappropriate in our view.

Accordingly, peer comparison is not applicable, and we have focused our analysis of the Share Offer Price on the Company's historical trading performance and underlying fundamentals, as discussed above.

5. Option Offer

Rainbow Capital is, for and on behalf of the Offeror, making the Option Offer to the Offer Optionholders in accordance with Rule 13 of the Takeovers Code to cancel all Offer Options in exchange for cash on the following basis:

In respect of the Offer Options with an exercise price of HK$0.68 each:

"See-through" cancellation price for each such Offer Option . . . . HK$0.12 in cash

In respect of the Offer Options with an exercise price of HK$1.02 each:

Cancellation price for each such Offer Option . . . . HK$0.0001 in cash

As set out in the "Letter from Rainbow Capital", as at the Latest Practicable Date, excluding the Excluded Options, there is a total of 9,640,000 Offer Options subject to the Option Offer, comprising (i) 1,400,000 vested Options with an exercise price of HK$0.68 each; (ii) 5,768,000 vested Options with an exercise price of HK$1.02 each; and (iii) 2,472,000 unvested Options with an exercise price of HK$1.02 each.

Under the Option Offer, the Offeror will offer the Offer Optionholders the "see-through" cancellation price (being the Share Offer Price minus the relevant exercise price of the Offer Options) for the cancellation of every Offer Option (whether vested or unvested). In respect of Offer Option with an exercise price higher than the Share Offer Price, the cancellation price is at a nominal amount of HK$0.0001.

In respect of the Offer Options with an exercise price of HK$0.68 each, we note that the cancellation price under the Option Offer was calculated in compliance with Rule 13 of the Takeovers Code and represents the "see-through" price, which is the difference between the Share Offer Price and the exercise price for the Offer Options. However, as we consider that the Share Offer Price to be not fair and not reasonable, the "see-through" price, which is based on the Share Offer Price, is also considered not fair and not reasonable so far as the Offer Optionholders are concerned.

In respect of the Offer Options with an exercise price of HK$1.02 each, we note that the cancellation price of HK$0.0001 offered to the relevant Offer Optionholders is derived from the "see-through" price i.e. the Share Offer Price less each Option's exercise price, accepting Offer Optionholders will receive only a nominal value of HK$0.0001 due to the relevant Offer Options under the Option Offer being out-of-the-money. It shall be noted that outstanding Options not tendered for acceptance under the Option Offer will continue to vest and/or remain exercisable pursuant to their respective original terms and conditions. Accordingly, Optionholders may continue to hold their respective Options if they choose not to accept the Option Offer. In view of the above, we are of the view that the Option Offer is not attractive and is not fair and not reasonable to the Offer Optionholders. Accordingly, we consider the terms of the Option Offer to be not fair and not reasonable so far as the Offer Optionholders are concerned.

In view of the fact that the recent Share price had been, and was as at the Latest Practicable Date, above the Share Offer Price, the holders of the vested Options may, to the extent their respective circumstances permit, exercise their rights under the Offer Options and dispose of their Offer Shares on the market if there is sufficient trading liquidity in the market and the market price is above the Share Offer Price (to the extent such excess in market price would be adequate to cover additional charges such as exercise price, brokerage, transaction levies etc., which would not be applicable if the Offer Shares are tendered in acceptance of the Share Offer) during the Offer Period.

Holders of unvested Options (all of which carry an exercise price of HK$1.02 each) should note that these Options are not exercisable during the Offer Period and may consider continuing to hold their unvested Options.

RECOMMENDATIONS

In making our recommendation, we have considered the foregoing and, the following principal reasons:

In terms of the Share Offer

(i) The Share Offer Price represents a discount of over 31% to the closing price per Share on the Last Trading Day, the average closing price of the Share for the last five, 10 and 30 consecutive trading days immediately prior to and including the Last Trading Day, respectively;

(ii) as set out in the section headed "3.2 Analysis of historical Share price movement", the Shares have been traded above the Share Offer Price throughout approximately 92.8% of the trading days during the Review Period. Even though it is uncertain as to whether the

Share price would remain above the Share Offer Price during the Offer Period and even after the close of the Offers, the Share Offer Price of HK$0.8 per Offer Share represents a discounts of approximately 34.96% and 37.5% over the closing price of the Shares as at the Last Trading Day and the Latest Practicable Date, respectively;

(iii) as set out in the section headed "3.4 NAV Comparison", the Share Offer Price represents (a) a discount of approximately 14.0% when compared to the Group's NAV per Share as at 31 December 2025; and (b) a discount of approximately 13.5% when compared to the Group's unaudited NAV per Share as at 30 June 2026;

(iv) as set out in the section headed "1.5 Overall view on the financial performance and position of the Group", Group recorded (i) a decline in financial performance in FY2025 compared with FY2024; and (ii) a significant decrease in revenue and turning from profit to loss for 6M2026 as compared with 6M2025. On this basis, we consider that the financial position of the Group remains uncertain;

(v) as discussed in the section headed "1.6 Outlook of the Group", having considered the negative impact of (i) substantial external risks, specifically the possibility of escalating Sino-US trade conflicts and the unpredictable nature of tariff adjustments, which have already prompted a more conservative procurement approach from major customers in the US; and (ii) the passive nature of the OEM model, under which product demand and profitability are largely beyond the Group's direct control and remain subject to global macroeconomic volatility and military conflicts, we consider that the financial performance of the Group is uncertain and that the prospects of the Group remain challenging; and

(vi) as set out in the section headed "3.3 Historical trading liquidity of the Shares", during the pre-Announcement Period, the average daily trading volume to the total number of issued Shares and total number of issued Shares held by the public Shareholders ranged from approximately 0.0147% to 0.2118% and ranged from approximately 0.0541% to 0.7810%, respectively, reflecting any sale of a large number of Shares on the market over a short period of time may be difficult without exerting downward pressure on the market price of Share.

In terms of the Share Offer, balancing the considerations (i)–(vi) as set out above, we are of the view that the Share Offer Price is not fair and not reasonable so far as the Offer Shareholders are concerned, and accordingly recommend the Independent Board Committee to advise the Offer Shareholders not to accept the Share Offer. For those Offer Shareholders who wish to realise their investments in the Company, we recommend that they consider disposing of their Shares in the open market, rather than accepting the Share Offer, if the net proceeds from the sale of such Shares in the open market would exceed the net proceeds receivable under the Share Offer. Nevertheless, the Offer Shareholders should also note that they may not be able to realise their investments in the Shares at a price higher than the Offer Price of HK$0.8 when they are going to dispose of their partial or entire holdings due to the thin trading liquidity of the Shares during the Review Period as analysed in the paragraph headed "*3.3 Historical trading liquidity of the Shares*" above. In such circumstances, the Offer might provide an exit alternative for the Offer Shareholders who would like to realise their investments in the Shares at the Offer Price of HK$0.8.

In addition, we would like to remind the Offer Shareholders that they should bear in mind the potential difficulties they may encounter in disposing of the Shares after the close of the Offer in view of the historical thin trading liquidity of the Shares and there is no guarantee that the prevailing level of the Share price will sustain during and after the Offer Period.

In terms of the Option Offer

(i) For the Offer Options with an exercise price of HK$0.68 each, the cancellation price under the Option Offer represents the "see-through" price, which is the difference between the Share Offer Price and the exercise price for the Offer Options. However, as we consider that the Share Offer Price to be not fair and not reasonable, the "see-through" price, which is based on the Share Offer Price, is also considered not fair and not reasonable so far as the Offer Optionholders are concerned; and

(ii) for the Offer Options with an exercise price of HK$1.02 each, accepting Offer Optionholders will receive only a nominal value of HK$0.0001 due to the relevant Offer Options under the Option Offer being out-of-the-money. As any Options not tendered for acceptance under the Option Offer will continue to vest and/or remain exercisable pursuant to their respective original terms and conditions, Optionholders may continue to hold their respective Options if they choose not to accept the Option Offer.

In terms of the Option Offer, considering the above reasons, we are of the view that the Option Offer (whether in respect of the Offer Options with an exercise price of HK$0.68 each or HK$1.02 each) is not fair and not reasonable so far as the Offer Optionholders are concerned, and accordingly recommend the Independent Board Committee to advise the Offer Optionholders not to accept the Option Offer (whether in respect of the Offer Options with an exercise price of HK$0.68 each or HK$1.02 each).

The Offer Shareholders and Offer Optionholders 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. Offer Shareholders and Offer Optionholders are reminded that they should make their decisions to dispose of or retain their investments in the Shares and/or Options, having regard to their own circumstances and investment objectives and are reminded to closely monitor the market price and liquidity of the Shares during the Offer Period, and they may consider exercising their Options (if any) and/or selling their Shares in the open market, where possible, if the net proceeds (after deducting all transaction costs) exceed the net amount to be received under the Share Offer or Option Offer (where applicable).

As different Offer Shareholders and Offer Optionholders would have different investment criteria, objectives or risk appetite and profiles, we recommend those who may require advice in relation to any aspect of the Composite Document, or as to the action to be taken, to consult a licensed securities dealer, bank manager, solicitor, professional accountant, tax adviser or other professional adviser.

Yours faithfully,
For and on behalf of
Messis Capital Limited
Thomas Lai
Chief Executive Officer

Mr. Thomas Lai is a licensed person registered with the Securities and Futures Commission of Hong Kong and regarded as a responsible officer of Messis Capital Limited to carry out type 6 (advising on corporate finance) regulatory activity under the SFO and has over 29 years of experience in corporate finance industry.

1. GENERAL PROCEDURES FOR ACCEPTANCE OF THE OFFERS

1.1. The Share Offer

(a) To accept the Share Offer, you should complete and sign the accompanying **WHITE** Form of the Share Offer Acceptance in accordance with the instructions printed thereon, which form part of the terms of the Share 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 Share Offer in respect of your Shares (whether in full or in part), you must send the duly completed and signed **WHITE** Form of the Share Offer 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), 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 "**MS Group Holdings Limited — Share Offer**" on the envelope, as soon as possible and in any event no later than 4:00 p.m. on the Closing Date or such later time(s) and/or date(s) as the Offeror may determine and announce as a result of a revision or an extension of the Share Offer in accordance with the Takeovers Code, if any.

(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 Share Offer in respect of your holding of 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) with the nominee company, or other nominee, with instructions authorising it to accept the Share Offer on your behalf and requesting it to deliver the duly completed and signed **WHITE** Form of the Share Offer 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) to the Registrar; 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 **WHITE** Form of the Share Offer 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) 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 Share 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, authorise your instruction via the CCASS Phone System or CCASS Internet System on or before the deadline set out 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 Share Offer in respect of your Shares, the **WHITE** Form of the Share Offer Acceptance should nevertheless be completed and signed and delivered in an envelope marked "**MS Group Holdings Limited — Share Offer**" 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) or that it/they is/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 Share Offer in respect of your Shares, you should nevertheless complete and sign the **WHITE** Form of the Share Offer Acceptance and deliver it in an envelope marked

"**MS Group Holdings Limited — Share Offer**" to the Registrar together with the transfer receipt(s) duly signed by yourself. Such action will be deemed to be an irrevocable authority to the Offeror and/or Rainbow Capital 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 Share Offer, as if it/they were delivered to the Registrar with the **WHITE** Form of the Share Offer Acceptance.

(f) Acceptance of the Share Offer will be treated as valid only if the duly completed **WHITE** Form of the Share Offer 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 announce with the consent of the Executive) and the Registrar has recorded the acceptance and any relevant documents required by 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) 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 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 **WHITE** Form of the Share Offer Acceptance is executed by a person other than the registered Shareholder, 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) Seller's ad valorem stamp duty at a rate of 0.1% of the market value of the Shares or consideration payable by the Offeror in respect of the relevant acceptances of the Share Offer, whichever is higher, will be deducted from the amount payable to the relevant Offer Shareholders on acceptance of the Share Offer. The Offeror will arrange for payment of the sellers' ad valorem stamp duty on behalf of the accepting Offer Shareholders and pay the buyer's ad valorem stamp duty in connection with the acceptance of the Share 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 **WHITE** Form of the Share Offer 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) will be given.

(j) The address of the Registrar, Tricor Investor Services Limited, is at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

1.2. The Option Offer

(a) To accept the Option Offer, you should complete and sign the accompanying **PINK** Form of the Option Offer Acceptance in accordance with the instructions printed thereon, which form part of the terms of the Option Offer.

(b) The duly completed and signed **PINK** Form of the Option Offer Acceptance should be forwarded, together with the relevant certificate(s) of the Options (and/or satisfactory indemnity or indemnities required in respect thereof) (if applicable) you intend to tender, stating the number of Options in respect of which you intend to accept the Option Offer, by post or by hand, in an envelope marked "**MS Group Holdings Limited — Option Offer**" to the Company at Room 907, 9/F., Enterprise Square Tower 1, 9 Sheung Yuet Road, Kowloon Bay, Hong Kong as soon as possible and in any event so as to reach the Company by not later than 4:00 p.m. on the Closing Date or such later time and/or date as the Offeror may determine and announce, with the consent of the Executive, in accordance with the Takeovers Code.

(c) If the certificate(s) in respect of your Options (if applicable) is/are not readily available and/or is/are lost, as the case may be, and you wish to accept the Option Offer, the **PINK** Form of the Option Offer Acceptance should nevertheless be completed, signed and delivered in an envelope marked "**MS Group Holdings Limited — Option Offer**" to the Company together with a letter stating that you have lost one or more of your Option certificate(s) (if applicable) or that it/they is/are not readily available. If you find such document(s) or if it/they become(s) available, it/they should be forwarded to the Company as soon as possible thereafter. If you have lost your Option certificate(s) (if applicable), you should also write to the Company requesting a letter of indemnity which, when completed in accordance with the instructions given, should be returned to the Company.

(d) No stamp duty will be deducted from the amount paid or payable to Offer Optionholders who accept the Option Offer.

(e) No acknowledgment of receipt of any **PINK** Form(s) of the Option Offer Acceptance and/or certificate(s) of the Options (if applicable) will be given.

In making their decision, the Offer Optionholders must rely on their own examination of the Group and the terms of the Option Offer, respectively, including the merits and risks involved. The contents of this Composite Document, including any general advice or recommendation contained herein together with the Form(s) of Acceptance, shall not be construed as any legal or business advice on the part of any of the Offeror, the Company, Rainbow Capital, Messis Capital, the Registrar and (as the case may be) their respective ultimate beneficial owners, directors, officers, agents, advisers or associates or any other person involved in the Offers. Offer Optionholders should consult their own professional advisers for professional advice.

2. ACCEPTANCE PERIOD AND REVISIONS

(a) The Offers are made on the date of despatch of this Composite Document, and are capable of acceptance on and from this date until 4:00 p.m. on the Closing Date.

(b) In order to be valid for the Offers, the Form(s) of Acceptance must be received by the Registrar (in respect of the Share Offer) or the Company (in respect of the Option Offer) in accordance with the instructions printed thereon by 4:00 p.m. on the Closing Date, unless the Offers are extended or revised with the consent of the Executive.

(c) The Offeror reserves the right to revise the terms of the Offers after the despatch of this Composite Document until such day as it may determine and in accordance with the Takeovers Code. If the Offeror revises the terms of the Offers, all the Offer Shareholders and/or Offer Optionholders, whether or not they have already accepted the Offers, will be entitled to accept the revised Offers under the revised terms.

(d) If the Offers are extended or revised, the announcement of such extension or revision will state the next closing date or the Offers will remain open until further notice. In the latter case, at least fourteen (14) days' notice in writing will be given before the Offers are closed to the Offer Shareholders or Offer Optionholders who have not accepted the Offers, and an announcement will be released. The revised Offers will be kept open for at least fourteen (14) days thereafter.

(e) If the Closing Date of the Offers is extended, any reference in this Composite Document and in the Form(s) of Acceptance to the Closing Date shall, except where the context otherwise requires, be deemed to refer to the closing date of the Offers as so extended.

3. ANNOUNCEMENTS

(a) As required under Rule 19 of the Takeovers Code, by 6:00 p.m. on the Closing Date (or such later time and/or date as the Executive may in exceptional circumstances permit), the Offeror must inform the Executive and the Stock Exchange of its decision in relation to the revision, extension or expiry of the Offers. The Offeror must publish an announcement in accordance with the requirements of the Takeovers Code by 7:00 p.m. on the Closing Date stating whether the Offers have been extended or revised.

Such announcement must state the total number of Shares and rights over Shares:

(i) for which acceptances of the Offers have been received;

(ii) held, controlled or directed by the Offeror or parties acting in concert with it before the Offer Period; and

(iii) acquired or agreed to be acquired by the Offeror and parties acting in concert with it during the Offer Period.

The announcement must include details of any relevant securities (as defined in the Takeovers Code) in the Company which the Offeror and 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.

In computing the total number of Shares represented by acceptances, only valid acceptances in complete and good order and which have been received by the Registrar (in respect of the Share Offer) or the Company (in respect of the Option Offer) no later than 4:00 p.m. on the Closing Date, unless the Offers are extended or revised with the consent of the Executive, shall be included.

(b) All announcements in respect of the Offers required under the Takeovers Code will be published on the website of the Stock Exchange (www.hkexnews.hk) in accordance with the requirements of the Listing Rules, and on the Company's website (www.mainsuccess.cn).

4. RIGHT OF WITHDRAWAL

Acceptance of the Offers tendered by the Offer Shareholders and Offer Optionholders, respectively, shall be irrevocable and cannot be withdrawn, except in the circumstances set out below.

If the Offeror is unable to comply with the requirements set out in paragraph headed "3. Announcements" above, the Executive may require pursuant to Rule 19.2 of the Takeovers Code that the Offer Shareholders and Offer Optionholders who have tendered acceptance to the Share Offer and the Option Offer, respectively, be granted a right of withdrawal on terms that are acceptable to the Executive until the requirement of Rule 19 of the Takeovers Code can be met.

In such case, when the Offer Shareholders and/or Offer Optionholders withdraw their acceptance(s), the Offeror shall, as soon as possible but in any event no later than seven (7) Business Days thereof, 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(s) of Acceptance to the relevant Offer Shareholders and/or Offer Optionholders at their own risks.

5. SETTLEMENT OF THE OFFERS

5.1. The Share Offer

(a) Provided that the accompanying **WHITE** Form of the Share Offer Acceptance together with 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 the relevant Offer Shares are valid, complete and in good order and have been received by the Registrar no later than 4:00 p.m. on the Closing Date, a cheque for the amount due to each of the accepting Offer Shareholders in respect of the Offer Shares tendered under the Share Offer (less seller's ad valorem stamp duty payable by him/her/it) will be despatched to such Offer 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 of all relevant documents to render such acceptance complete and valid by the Registrar in accordance with the Takeovers Code.

(b) Settlement of the consideration to which any accepting Offer Shareholder is entitled under the Share Offer will be paid by the Offeror in full in accordance with the terms of the Share Offer (save in respect of the payment of seller's ad valorem stamp duty) set out in this Composite Document (including this Appendix) and the accompanying **WHITE** Form of the Share Offer Acceptance, 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 Offer Shareholder. No fraction of a cent will be payable and the amount of consideration payable to an Offer Shareholder who accept the Share Offer will be rounded up to the nearest cent.

(c) Cheque(s) not presented for payment within six (6) 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.

5.2. The Option Offer

(a) Subject to the deferred settlement arrangement applicable to the unvested Offer Options as described in the paragraph headed "6. VALIDITY OF THE SHARE OPTIONS UPON CLOSE OF THE OFFERS" below and provided that the accompanying **PINK** Form of the Option Offer Acceptance, together with the relevant certificate(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the relevant Options are valid, complete and in good order and have been received by the Company no later than 4:00 p.m. on the Closing Date, a cheque for the amount due to each of the accepting Offer Optionholders in respect of the Options tendered under the Option Offer will be despatched to such Offer Optionholder 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 of all relevant documents to render such acceptance complete and valid by the Company in accordance with the Takeovers Code.

(b) Settlement of the consideration to which any accepting Offer Optionholder is entitled under the Option Offer will be paid by the Offeror in full in accordance with the terms of the Option Offer set out in this Composite Document (including this Appendix) and the accompanying **PINK** Form of the Option Offer Acceptance, 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 Offer Optionholder.

(c) No fraction of a cent will be payable and the amount of consideration payable to an Offer Optionholder who accept the Option Offer will be rounded up to the nearest cent.

(d) Cheque(s) not presented for payment within six (6) 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.

6. VALIDITY OF THE SHARE OPTIONS UPON CLOSE OF THE OFFERS

The Share Option Scheme does not contain provisions for the automatic acceleration of vesting or the cancellation of unvested Options in the event of a general offer. For holders of unvested Offer Options who accept the Option Offer, their unvested Offer Options will be cancelled; however, the cancellation price will only be paid to them as soon as possible and in any event no later than seven (7) Business Days after 27 May 2027, being the original vesting date of such unvested Offer Options (the "**Vesting Date**"), provided that the relevant holder of unvested Offer Options remains eligible under the terms of the Share Option Scheme up to the Vesting Date.

The Offeror has applied to the Executive for, and the Executive has granted, a waiver from strict compliance with Rule 20.1 of the Takeovers Code to allow for the deferred settlement of the cancellation price to holders of the unvested Offer Options under the Option Offer.

Following acceptance of the Option Offer, the relevant Offer Options together with all rights attaching thereto will be entirely cancelled and renounced. Outstanding Options not tendered for acceptance under the Option Offer will continue to vest and/or remain exercisable in accordance with their respective original terms and conditions. If any vested Offer Option is exercised by an Offer Optionholder in accordance with the terms of the Share Option Scheme prior to the close of the Offers, any new Shares allotted and issued as a result of such exercise will be subject to the Share Offer.

7. OVERSEAS SHAREHOLDERS AND OVERSEAS OPTIONHOLDERS

The Offeror intends to make the Share Offer and the Option Offer available to all the Offer Shareholders and Offer Optionholders, respectively. As the Share Offer and the Option Offer to persons with a registered address in a jurisdiction outside Hong Kong may be affected by the laws of the relevant overseas jurisdictions, Offer Shareholders and Offer Optionholders 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. Persons who are residents, citizens or nationals outside Hong Kong should inform themselves about and observe, at their own responsibility, any applicable laws, regulations, requirements and restrictions in their own jurisdictions in connection with the acceptance of the Offers, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with the other necessary formalities and the payment of any issue, transfer or other taxes due from such Offer Shareholders or Offer Optionholders in respect of such jurisdiction.

The Offeror, Mr. Chung and parties acting in concert with any of them, the Company, Rainbow Capital, Messis Capital, the Registrar and (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 Offers shall be entitled to be fully indemnified and held harmless by such person for any taxes as such person may be required to pay.

Any acceptance of the Offers by any overseas Offer Shareholder and/or overseas Offer Optionholder will be deemed to constitute a representation and warranty from such overseas Offer Shareholder and/or overseas Offer Optionholder to the Offeror that the local laws and requirements have been complied with. Overseas Shareholders and overseas Optionholders should consult their professional advisers if in doubt.

8. TAXATION ADVICE

Offer Shareholders and Offer Optionholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offers. None of the Offeror, Mr. Chung and parties acting in concert with any of them, the Company, Rainbow Capital, Messis Capital, the Registrar and (as the case may be) their respective ultimate beneficial owners, directors, officers, agents, associates, professional advisors or any other person involved in the Offers accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offers.

9. NOMINEE REGISTRATION

To ensure equality of treatment of all Offer Shareholders and Offer Optionholders, those Offer Shareholders and Offer Optionholders who hold Shares and Options 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 and the Options whose investments are registered in the names of nominees to provide instructions to their nominees of their intentions with regard to the Offers.

10. GENERAL

(a) All communications, notices, Form(s) of Acceptance, certificates, transfer receipts and other documents of title and/or of indemnity and/or of any other nature to be delivered by or sent to or from the Offer Shareholders and Offer Optionholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk, and none of the Offeror, Mr. Chung and parties acting in concert with any of them, the Company, Rainbow Capital, Messis Capital, the Registrar and (as the case may be) their respective ultimate beneficial owners, directors, advisers, agents or associates or any other person involved in the Offers accepts any liability for any loss or any other liabilities whatsoever which may arise as a result thereof.

(b) The provisions set out in the Form(s) of Acceptance form part of the terms and conditions of the Offers.

(c) The accidental omission to despatch this Composite Document and/or Form(s) of Acceptance or any of them to any person to whom the Offers are made will not invalidate the Offers in any way.

(d) The Offers are, and all acceptances will be, governed by and construed in accordance with the laws of Hong Kong.

(e) Due execution of the Form(s) of Acceptance will constitute an authority to the Offeror, Rainbow Capital, the Company 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 Share Offer and/or the Option 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 and Options in respect of which such person or persons has/have accepted the Offers.

(f) By accepting the Share Offer, the Offer Shareholders will sell their Shares to the Offeror free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights accruing or attaching to them, including, without limitation, the right to receive in full all dividends and distributions (as applicable) which may be recommended, declared, made or paid by reference to a record date on or after the date on which the Share Offer is made, that is, the date of this Composite Document.

By accepting the Option Offer, the relevant Offer Options together with all rights attaching thereto will be entirely cancelled and renounced.

(g) Acceptance of the Offers by any nominee will be deemed to constitute a warranty by such nominee to the Offeror that the number of Shares or Options in respect of which as indicated in the Form(s) of Acceptance is the aggregate number of Shares or Options held by such nominee for such beneficial owner(s) who accepts the Offers.

(h) Reference to the Offers in this Composite Document and in the Form(s) of Acceptance shall include any extension and/or revision thereof.

(i) The Offers are made in accordance with the Takeovers Code.

(j) The English texts of this Composite Document and the accompanying Form(s) of Acceptance shall prevail over their respective Chinese texts, in case of any inconsistency.

(k) In making their decisions, the Offer Shareholders and Offer Optionholders must rely on their own examination of the Offeror, the Group and the terms of the Offers, including the merits and risks involved. The contents of this Composite Document, including any general advice or recommendation contained herein together with the Form(s) of Acceptance, shall not be construed as any legal or business advice on the part of the Offeror, Mr. Chung and parties acting in concert with any of them, the Company, Rainbow Capital, Messis Capital and the Registrar and (as the case may be) their respective ultimate beneficial owners, directors, officers, agents, associates, professional advisors or any other person involved in the Offers. The Offer Shareholders and Offer Optionholders should consult their own professional advisers for professional advice.

1. SUMMARY OF THE FINANCIAL INFORMATION OF THE GROUP

Set out below is a summary of (i) the audited financial information of the Group for each of the three financial years ended 31 December 2025 as extracted from the Company's annual reports for the years ended 31 December 2023, 2024 and 2025; and (ii) the unaudited financial information of the Group for each of the six months ended 30 June 2025 and the six months ended 30 June 2026 as extracted from the Interim Results Announcement and the interim report of the Company for the six months ended 30 June 2025:

	For the year ended 31 December			For the six months ended 30 June	
	2025	2024	2023	2026	2025
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(unaudited)	(unaudited)
Revenue	291,503	421,091	233,990	78,651	181,244
Cost of sales	(215,448)	(303,191)	(158,865)	(61,904)	(135,861)
Gross profit	76,055	117,900	75,125	16,747	45,383
Selling expenses	(2,300)	(8,443)	(9,170)	(1,192)	(2,193)
Administrative expenses	(42,113)	(47,233)	(38,298)	(19,314)	(24,213)
Other income	301	828	768	155	399
Other (losses)/gains, net	(905)	(916)	164	(1,741)	461
Operating profit/(loss)	31,038	62,136	28,589	(5,345)	19,837
Finance income	2,241	4,008	4,713	888	1,023
Finance expenses	(674)	(972)	(662)	(247)	(440)
Finance income, net	1,567	3,036	4,051	641	583
Share of result of associates	—	(1,243)	(8,640)	—	—
Profit/(loss) before taxation	32,605	63,929	24,000	(4,704)	20,420
Taxation	(6,099)	(14,543)	(7,718)	(2,902)	(4,866)
Profit/(loss) attributable to equity holders of the Company	26,506	49,386	16,282	(7,606)	15,554
Profit/(loss) per share attributable to equity holders of the Company during the year/period					
Basic and diluted *(HK cents)*	13.14	24.69	8.14	(3.72)	7.75
Total comprehensive income/(loss) for the year/period attributable to equity holders of the Company	32,260	44,960	13,365	(1,637)	19,301

	As at 31 December			As at 30 June	
	2025	2024	2023	2026	2025
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(unaudited)	(unaudited)
Non-current Assets	37,380	45,619	35,808	38,276	42,047
Current Assets	236,612	242,952	219,334	187,785	214,932
Non-current Liabilities	6,843	9,360	4,985	6,572	7,475
Current Liabilities	76,803	54,708	40,590	30,326	43,518
Net Assets	190,346	224,503	209,567	189,163	205,986

Dividends

2023

No interim dividend or interim special dividend was declared by the Board for the six months ended 30 June 2023.

The Board recommended a final dividend and a final special dividend of HK3 cents and HK3 cents per Share, respectively, totalling HK6 cents per Share, for the year ended 31 December 2023, amounting to a total of approximately HK$12 million, which were paid on 26 June 2024.

2024

The Board declared an interim dividend and an interim special dividend of HK3 cents and HK7 cents per Share, respectively, totalling HK10 cents per Share, for the six months ended 30 June 2024, amounting to a total of approximately HK$20 million, which were paid on 4 October 2024.

The Board recommended a final dividend and a final special dividend of HK3 cents and HK17 cents per Share, respectively, totalling HK20 cents per Share, for the year ended 31 December 2024, amounting to a total of approximately HK$40 million, which were paid on 26 June 2025.

2025

No interim dividend or interim special dividend was declared by the Board for the six months ended 30 June 2025, and no final dividend or final special dividend was recommended by the Board for the year ended 31 December 2025.

The Board declared a special dividend of HK15 cents per Share, amounting to a total of approximately HK$31 million, by passing a resolution on 3 December 2025. The special dividend was paid on 16 January 2026.

2026 (up to and including the Latest Practicable Date)

No interim dividend or interim special dividend was declared by the Board for the six months ended 30 June 2026.

General

There has been no change in the Group's accounting policies which would result in the figures in its consolidated financial statements for each of the three years ended 31 December 2025, as well as each of the six months ended 30 June 2025 and the six months ended 30 June 2026, being not comparable to a material extent.

The auditors of the Company for the three years ended 31 December 2025 were PricewaterhouseCoopers. The auditors' reports issued by PricewaterhouseCoopers in respect of the audited consolidated financial statements of the Group for each of the three years ended 31 December 2025 did not contain any qualified or modified opinion, emphasis of matter or material uncertainty related to going concern.

Save as disclosed above, there were no items of any income or expense which are material in respect of the consolidated financial results of the Company for each of the three years ended 31 December 2025, as well as each of the six months ended 30 June 2025 and the six months ended 30 June 2026.

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 the last published accounts of the Company for each of the years ended 31 December 2023 (the "**2023 Financial Statements**"), 2024 (the "**2024 Financial Statements**"), and 2025 (the "**2025 Financial Statements**"), respectively, and for the six months ended 30 June 2025 (the "**2025 Interim Results**") and 30 June 2026 (the "**2026 Interim Results**"), respectively, together with the significant accounting policies and the notes to the relevant published accounts which are of major relevance to the appreciation of the above financial information.

The 2023 Financial Statements have been set out on pages 75 to 121 of the 2023 annual report of the Company for the year ended 31 December 2023 (the "**2023 Annual Report**"), which was posted on 19 April 2024 on the website of the Stock Exchange (http://www.hkexnews.hk), and is accessible via the following hyperlink:

https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0419/2024041900448.pdf

The 2024 Financial Statements have been set out on pages 79 to 127 of the 2024 annual report of the Company for the year ended 31 December 2024 (the "**2024 Annual Report**"), which was posted on 24 April 2025 on the website of the Stock Exchange (http://www.hkexnews.hk), andis accessible via the following hyperlink:

https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0424/2025042400793.pdf

The 2025 Financial Statements have been set out on pages 92 to 140 of the 2025 annual report of the Company for the year ended 31 December 2025 (the "**2025 Annual Report**"), which was posted on 16 April 2026 on the website of the Stock Exchange (http://www.hkexnews.hk), and is accessible via the following hyperlink:

https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0416/2026041601372.pdf

The 2025 Interim Results are set out from page 12 to page 29 of the interim report of the Company for the six months ended 30 June 2025 (the "**2025 Interim Report**"), which was posted on 17 September 2025 on the website of the Stock Exchange (http://www.hkexnews.hk), and is accessible via the following hyperlink:

https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0917/2025091701072.pdf

2026 Interim Results are set out from page 2 to page 18 of the Interim Results Announcement, which was posted on 19 August 2026 on the website of the Stock Exchange (http://www.hkexnews.hk), and is accessible via the following hyperlink:

https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0819/2026081901377.pdf

The 2023 Financial Statements, 2024 Financial Statements, 2025 Financial Statements, 2025 Interim Results and 2026 Interim Results (but not any other parts of the 2023 Annual Report, the 2024 Annual Report, the 2025 Annual Report, the 2025 Interim Report or the Interim Results Announcement in which they respectively appear) are incorporated by reference into this Composite Document and form part of this Composite Document.

3. INDEBTEDNESS STATEMENT

As at the close of business on 30 June 2026, being the latest practicable date for the purpose of preparing this indebtedness statement prior to the printing of this Composite Document, the indebtedness of the Group was as follows:

Lease liabilities

The Group had lease liabilities of approximately HK$3,936,000 in relation to the payment obligation of the tenancy agreements in respect of office in Hong Kong and factories in the PRC. The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the Group's incremental borrowing rate.

The incremental borrowing rate for the lease liabilities of the Group is ranged from 4.00% to 5.50% per annum.

Contingent liabilities

As at the close of business on 30 June 2026, the Group did not have any material contingent liabilities.

Pledge of assets

The Group maintained facilities of approximately HK$30 million. The Group's banking facilities are secured by corporate guarantee of the Company for not less than HK$40 million.

Save as aforesaid or as otherwise disclosed above, at the close of business on 30 June 2026, the Group had no outstanding indebtedness in respect of any borrowings, mortgages, charges or debentures, loan capital, bank loans and overdrafts, term loans or other loans, debt securities or other similar indebtedness, liabilities under acceptances (other than normal trade bills), acceptance credits or hire purchase commitments, finance lease commitments, guarantees or other material contingent liabilities or indebtedness.

The Directors confirm that there has been no material adverse change in terms of the indebtedness and contingent liabilities of the Group since 30 June 2026 and up to and including the Latest Practicable Date.

4. MATERIAL CHANGE

The Directors confirm that, as at the Latest Practicable Date, there had been no material change in the financial or trading position or outlook of the Group since 31 December 2025 (being the date which the latest published audited consolidated financial statements of the Group were made up) up to and including the Latest Practicable Date, save as and except the change from the unaudited consolidated profit attributable to the Shareholders of HK$15.6 million for the six months ended 30 June 2025 to the unaudited consolidated loss attributable to the Shareholders of HK$7.6 million for the six months ended 30 June 2026. Your attention is drawn to (i) the Interim Results Announcement; (ii) the section headed "UNAUDITED INTERIM FIGURES" in the "Letter from the Board" as contained in this Composite Document; (iii) the report issued by PricewaterhouseCoopers, the auditors of the Company, on the Unaudited Interim Figures as set out in Appendix V to this Composite Document; and (iv) the report issued by the Independent Financial Adviser on the Unaudited Interim Figures as set out in Appendix VI to this Composite Document.

1. RESPONSIBILITY STATEMENT

This Composite Document includes particulars in compliance with the Takeovers Code and the Listing Rules and for the purpose of giving information with regard to the Company, the Offeror and the Offers.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than those relating to the Vendors and the Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than those expressed by the Directors in their capacity as such) 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. DISCLOSURE OF INTERESTS IN SECURITIES OF THE COMPANY

As at the Latest Practicable Date, the Offeror and parties acting in concert with it (including Mr. Chung and Mr. Leonard Chung) are interested in an aggregate of 147,572,000 Shares, representing approximately 72.20% of the issued share capital of the Company.

In addition, as at the Latest Practicable Date, Mr. Chung and Mr. Leonard Chung hold Mr. Chung's Options and LC's Options, respectively, which were granted to them pursuant to the Share Option Scheme and entitle them to subscribe for a total of 1,960,000 new Shares, representing approximately 0.96% of the issued share capital of the Company. Details of such Options are included in the table set forth in the section headed "THE OFFERS — II. The Option Offer" in the "Letter from Rainbow Capital" as contained in this Composite Document.

Save as disclosed herein, as at the Latest Practicable Date, none of the Offeror or and parties acting in concert with it (including Mr. Chung or Mr. Leonard Chung) owns, controls or has direction over any Shares or voting rights of the Company or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

3. DEALING IN SECURITIES OF THE COMPANY

Under class (6) of the definition of "acting in concert" in the Takeovers Code, the Directors are presumed to be acting in concert with each other by virtue of their positions as directors of the Company. For the avoidance of doubt, save for the class (6) presumption, each of the Directors (other than Mr. Chung and Mr. Leonard Chung) is not, as a matter of fact or under any other classes of presumption under the definition of "acting in concert" of the Takeovers Code, acting in concert with Mr. Chung and/or Mr. Leonard Chung.

Dealings by the Offeror, Mr. Chung and parties acting in concert with any of them

During the Relevant Period, the Offeror made the following Disposals:

Date	Number of Shares	Average price per Share
9 December 2025	200,000	1.4145
12 December 2025	200,000	1.3926

Save for the acquisition of the Sale Shares, the Disposals and the LC's Irrevocable Undertaking, the Offeror, Mr. Chung and parties acting in concert with any of them have not dealt for value in any Shares, convertible securities, warrants, options or derivatives of the Company during the Relevant Period.

The Offeror further confirms that, as at the Latest Practicable Date, save for the Excluded Shares and the Excluded Options:

(i) none of the Offeror, Mr. Chung and/or parties acting in concert with any of them holds, has control or has direction over any voting rights or rights over Shares, convertible securities, warrants, options, derivatives or other securities that are convertible or exchangeable into Shares or other types of equity interest in the Company;

(ii) save for the LC's Irrevocable Undertaking, none of the Offeror, Mr. Chung and/or parties acting in concert with any of them has received any irrevocable commitment to accept or reject the Offers;

(iii) 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, Mr. Chung and/or parties acting in concert with any of them;

(iv) there is no other agreement, arrangement or understanding that any securities acquired in pursuance of the Offers or the Sale Shares would be transferred, charged or pledged to any other persons;

(v) save for the LC's Irrevocable Undertaking, there is no arrangement of any kind referred to in Note 8 to Rule 22 of the Takeovers Code which exists between the Offeror, Mr. Chung or any person acting in concert with any of them or associates of the Offeror and of Mr. Chung, and any other person;

(vi) there is no agreement or arrangement to which the Offeror, Mr. Chung and/or parties acting in concert with any of them is a party which relates to circumstances in which the Offeror may or may not invoke or seek to invoke a pre-condition or a condition to the Offers;

(vii) neither the Offeror, Mr. Chung and/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;

(viii) other than the Consideration, there is no other consideration, compensation or benefits in whatever form paid or to be paid by the Offeror, Mr. Chung and/or parties acting in concert with any of them to the Vendors or any party acting in concert with any of them in connection with the sale and purchase of the Sale Shares under the Sale and Purchase Agreement;

(ix) there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Offeror, Mr. Chung and/or parties acting in concert with any of them on one hand, and the Vendors and/or parties acting in concert with them on the other hand; and

(x) there is no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between any Shareholder (including the Vendors and/or parties acting in concert with any of them) on one hand, and the Offeror, Mr. Chung and/or parties acting in concert with any of them on the other hand.

(xi) there is no understanding, arrangement or agreement (including any compensation arrangement) between the Offeror, Mr. Chung and/or parties acting in concert with any of them on one hand, and any Directors (save for Mr. Chung and Mr. Leonard Chung), recent Directors, Shareholders (save for Mr. Chung and Mr. Leonard Chung) or recent Shareholders on the other hand, having any connection with or dependence upon the Offers; and

(xii) no benefit (other than statutory compensation required under the applicable laws) was or would be given to any Directors as compensation for loss of office or otherwise in connection with the Offers.

4. EXPERT AND CONSENT

The followings are the name and the qualifications of the expert whose letter, opinion or advice is contained or referred to 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

As at the Latest Practicable Date, Rainbow Capital has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion herein of its letter, opinion or advice and the references to its name, logo and/or its qualifications included herein in the form and context in which they appear.

5. MISCELLANEOUS

As at the Latest Practicable Date,

(i) The principal members of the Offeror's concert group are the Offeror, Mr. Chung and Mr. Leonard Chung.

(ii) The Offeror is a company incorporated in the BVI with limited liability, which is wholly and beneficially owned by Mr. Chung. The registered office of the Offeror is at Commerce House, Wickhams Cay 1, P.O. Box 3140, Road Town, Tortola, British Virgin Islands VG1110.

(iii) The correspondence address of the Offeror, Mr. Chung and Mr. Leonard Chung is situated at 4/F., Golden Star Building, 20–24 Lockhart Road, Wanchai, Hong Kong.

(iv) The main business address of Rainbow Capital is Office No. 710, 7/F, Wing On House, 71 Des Voeux Road Central, Central, Hong Kong.

(v) The English text of this Composite Document and the accompanying Form(s) of Acceptance shall prevail over their respective Chinese texts, in case of any inconsistency.

6. DOCUMENTS ON DISPLAY

Copies of the following documents are published (i) on the website of the SFC (www.sfc.hk) and (ii) on the website of the Company (www.mainsuccess.cn) from the date of this Composite Document up to and including the Closing Date:

(a) the memorandum and articles of association of the Offeror;

(b) the letter from Rainbow Capital, the text of which is set out in this Composite Document;

(c) the written consent referred to in the paragraph headed "4. Expert and consent" in this Appendix III;

(d) the Sale and Purchase Agreement; and

(e) the LC's Irrevocable Undertaking.

1. RESPONSIBILITY STATEMENT

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than those relating to the Offeror), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than those expressed by the directors of the Offeror in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this 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 of HK$0.10 each as at the Latest Practicable Date were as follows:

	HK$
Authorised:	
3,800,000,000 Shares	380,000,000
Issued:	
204,400,000 Shares	20,440,000

In addition, as at the Latest Practicable Date, the Company had 11,600,000 outstanding Options granted pursuant to the Share Option Scheme conferring rights to subscribe for 1,600,000 new Shares with an exercise price of HK$0.68 per Option, and for 10,000,000 new Shares with an exercise price of HK$1.02 per Option. Pursuant to the Share Option Scheme, the Optionholders shall be entitled to exercise their Options (to the extent exercisable as at the date on which the Offers become or are declared unconditional and not exercised) in full or in part at any time within one (1) month after the date on which the Offers become or are declared unconditional (within the meaning of the Takeovers Code). The Share Option Scheme does not contain provisions for the automatic acceleration of vesting or the cancellation of unvested Options in the event of a general offer. The Company had no intention to grant any new Options under the Share Option Scheme during the Offer Period.

Save as disclosed above, as at the Latest Practicable Date, the Company did not have other class of securities, outstanding options, derivatives, warrants or other securities which are convertible or exchangeable into Shares.

All issued Shares rank *pari passu* in all respects with each other, including, in particular, as to dividends, voting rights and return of capital.

The Company has not issued any Shares since 31 December 2025, the date to which the latest audited financial statements of the Group were made up.

The issued Shares are listed on the Stock Exchange. None of the securities of the Company is listed or dealt in, and no listing or permission to deal in the securities of the Company is being or is proposed to be sought on any other stock exchange.

3. MARKET PRICE

The table below sets out the closing price of the Shares as quoted on the Stock Exchange on (i) the last business day of each of the calendar months during the Relevant Period, (ii) the Last Trading Day, and (iii) the Latest Practicable Date:

Date	Closing price of each Share *(HK$)*
28 November 2025	1.019
31 December 2025	1.230
30 January 2026	1.270
27 February 2026	1.360
31 March 2026	1.180
20 April 2026 (Last Trading Day)	1.230
30 April 2026	1.230
29 May 2026	1.140
30 June 2026	1.010
31 July 2026	0.980
28 August 2026 (Latest Practicable Date)	1.280

During the Relevant Period, the highest and the lowest closing prices of the Shares as quoted on the Stock Exchange were HK$1.600 per Share on 6 May 2026 and HK$0.822 per Share on 10 November 2025.

4. DISCLOSURE OF INTERESTS

(a) Interests and short positions of the Directors and chief executives

As at the Latest Practicable Date, save as disclosed below, none of the Directors or the chief executive of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were 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 positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules; or (iv) which were required to be disclosed under the Takeovers Code.

Director	Nature of interest	Number of Shares	Approximate percentage of total issued Shares
Mr. Chung	Interest in controlled corporation	146,772,000	71.8%
Mr. Leonard Chung	Beneficial owner	800,000	0.39%
Mr. Chau Wai	Beneficial owner	800,000	0.39%
Ms. Lo	Beneficial owner	600,000	0.30%

Note:

In addition, as at the Latest Practicable Date:

(i) each of Mr. Chau, Mr. Chung, Mr. Yu Hon To David, Mr. Seto John Gin Chung and Mr. Asvaintra Bhanusak beneficially owns 400,000 Options (comprising 200,000 vested Options with an exercise price of HK$0.68 each, 140,000 vested Options with an exercise price of HK$1.02 each, and 60,000 unvested Options with an exercise price of HK$1.02 each); and

(ii) each of Mr. Chau Wai, Mr. Leonard Chung and Ms. Lo beneficially owns 1,560,000 Options (comprising 1,092,000 vested Options with an exercise price of HK$1.02 each, and 468,000 unvested Options with an exercise price of HK$1.02 each).

(b) Interests of substantial Shareholders

As at the Latest Practicable Date, the following persons (not being a Director or chief executive of the Company) had an interest or a short position in the Shares or the underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO 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:

Shareholder	Nature of interest	Number of Shares	Approximate percentage of total issued Shares
L.V.E.P. *(Note 1)*	Beneficial owner	146,772,000	71.8%
Ms. Lee Yiu Chee Eugenia *(Note 2)*	Interest of spouse	147,172,000	72.0%

Notes:

1. L.V.E.P. is 100% beneficially owned by Mr. Chung. Therefore, Mr. Chung is deemed to be interested in all the Shares held by L.V.E.P. by virtue of the SFO.

2. Ms. Lee Yiu Chee Eugenia is the spouse of Mr. Chung and is therefore deemed to be interested in the 146,772,000 Shares and the 400,000 Options in which Mr. Chung is interested by virtue of the SFO.

Save as disclosed herein, so far as is known to the Directors, as at the Latest Practicable Date, no person had an interest or a short position in the Shares or the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO 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

The Company confirms that:

(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 chief executives" in this appendix, none of the Directors (save for Mr. Chung and Mr. Leonard Chung) had any interest in the Shares, derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into the Shares; and no such person held any beneficial shareholdings in the Company which would otherwise entitle them to accept or reject the Offers;

(b) As at the Latest Practicable Date, no irrevocable undertaking regarding whether to accept or reject the Offers was provided by Mr. Chau, Mr. Chau Wai, Ms. Lo, Mr. Yu Hon To David, Mr. Seto John Gin Chung or Mr. Asvaintra Bhanusak. As indicated by each of these Directors, he/she did not intend to accept the Offers in respect of his/her Shares and/or Options based on their individual investment objectives and personal circumstances. In addition, these Directors view their Options as a long-term personal commitment aligned with their ongoing roles within the Group.

(c) Save for the disposal of the Sale Shares by the Vendors and save as disclosed below, neither the Company nor any of the Directors (save for Mr. Chung and Mr. Leonard Chung) or companies owned or controlled by them (save for the Offeror) had dealt for value in any Shares, options, derivatives, warrants or other securities convertible into the Shares or other types of equity interest in the Company during the Relevant Period:

Name of Director	Date	Dealings	Average price
Ms. Lo	3 December 2025	Disposal of 96,000 Shares	HK$1.4057 per Share
	9 December 2025	Exercise of 600,000 Options	HK$0.68 (exercise price) per Option

(d) 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.

(e) During the Offer Period and up to the Latest Practicable Date, save for the Sale and Purchase Agreement and the LC's Irrevocable Undertaking, there was no person who had arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Company, or any person who is presumed to be acting in concert with the Company by virtue of classes (1), (2), (3) and (5) of the definition of "acting in concert" under the Takeovers Code or who is an associate of the Company by virtue of classes (2), (3) or (4) of the definition of "associate" under the Takeovers Code, and no such person (save for Mr. Leonard Chung) had owned, controlled or dealt for value in any Shares or any other convertible securities, warrants, options or derivatives in respect of the Shares.

(f) 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.

(g) 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.

(h) As at the Latest Practicable Date, the Company had no shareholding interest or any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Offeror, and the Company had not dealt in any such securities during the Relevant Period.

(i) As at the Latest Practicable Date, none of the Directors (save for Mr. Chung and Mr. Leonard Chung) had any shareholding interest or any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Offeror, and none of them had dealt in any such securities during the Relevant Period.

6. ARRANGEMENTS AFFECTING AND RELATING TO DIRECTORS

The Company confirms that, 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 Offers;

(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 Offers or otherwise connected with the Offers;

(c) save for the Sale and Purchase Agreement, there was no material contracts had been entered into by the Offeror in which any Director had a material personal interest; and

(d) there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (i) any Shareholder on one hand; and (ii) the Company, its subsidiaries or associated companies on the other hand, save and except the renewal of tenancy and lease agreements (collectively "**Property Lease Arrangements**") for a term of one year entered into on 1 June 2026 in respect of the following:

(i) the tenancy agreement entered into between Kwong Fai Trading Limited (which is indirectly owned by Mr. Chung and his spouse) and Main Success Industrial Limited (which is an indirect wholly-owned subsidiary of the Company) dated 27 May 2024 in respect of the premises used as the Company's Hong Kong office at a monthly rent of HK$46,461.00; and

(ii) the lease agreement dated 27 May 2024 entered into between Penghui Qiye (Wengyuan) Company Limited* (鵬輝企業(翁源)有限公司) (which is ultimately owned as to 50% by Mr. Chung and as to 50% by Mr. Chau) ("**Penghui**") and Wengyuanxian Wancheng Plastic Products Company Limited* (翁源縣萬成塑膠制品有限公司) (which is an indirect wholly-owned subsidiary of the Company), in respect of the premises used as the production plant of the Group situated in the PRC, at a monthly rent of RMB301,156.36 (equivalent to approximately HK$346,028.66, including value added tax).

For details, please refer to the Company's announcements dated 27 May 2024 and 1 June 2026. Save for the reduction in the tenancy duration from two years to one year under the Property Lease Arrangements, all other terms of the Property Lease Arrangements (in particular, the unit rental rates) remain unchanged. The Property Lease Arrangements were conducted in the ordinary course of business of the Company and were entered into periodically, or represent a continuation or extension of previous arrangements pre-existing prior to the commencement of the Offer Period, and do not constitute a special deal pursuant to Rule 25 and Practice Note 17 of the Takeovers Code. Furthermore, as the proposed Property Lease Arrangements were entered into in the ordinary course of business of the Group with the consent of the Offeror, and all of the applicable percentage ratios (as defined under Chapter 14 of the Listing Rules) are below 5% (and thus do not constitute an acquisition of assets of a material amount), the entering into of the Property Lease Arrangements does not constitute a frustrating action under Rule 4 of the Takeovers Code.

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 (2) 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. EXPERTS AND CONSENTS

The followings are the names and qualifications of the experts whose letter, opinion or advice is contained or referred to in this Composite Document:

Name	Qualification
Messis Capital	a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
PricewaterhouseCoopers	Certified Public Accountant and a Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance

As at the Latest Practicable Date, each of Messis Capital and PricewaterhouseCoopers has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion herein of its letter(s), opinion or advice and the references to its name, logo and/or its qualifications included herein in the form and context in which they appear.

As at the Latest Practicable Date, each of Messis Capital and PricewaterhouseCoopers 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 has any direct or indirect interest in any assets which had been, since 31 December 2025, 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, save 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) has been entered into or amended within 6 months before the date of the commencement of the Offer Period; or (ii) is a continuous contract with a notice period of 12 months or more; or (iii) is a fixed term contract with more than 12 months to run irrespective of the notice period; or (iv) is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

Director	Term	Amount of remuneration payable under the service contract	Amount of variable remuneration/ fee payable under the service contract
Executive Directors			
Mr. Chau	3 years commencing from 1 June 2024 to 31 May 2027 (and automatically renewable for fixed periods of 3 years thereafter)	HK$72,000 per month *(Note 1)*	Discretionary bonus *(Note 2)*
Mr. Chau Wai	3 years commencing from 1 June 2024 to 31 May 2027 (and automatically renewable for fixed periods of 3 years thereafter)	HK$138,600 per month *(Note 1)*	Discretionary bonus *(Note 2)*
Mr. Chung	3 years commencing from 1 June 2024 to 31 May 2027 (and automatically renewable for fixed periods of 3 years thereafter)	HK$72,000 per month *(Note 1)*	Discretionary bonus *(Note 2)*
Mr. Leonard Chung	3 years commencing from 1 June 2024 to 31 May 2027 (and automatically renewable for fixed periods of 3 years thereafter)	HK$70,600 per month *(Note 1)*	Discretionary bonus *(Note 2)*
Ms. Lo	3 years commencing from 1 December 2024 to 30 November 2027 (and automatically renewable for fixed periods of 3 years thereafter)	HK$160,000 per month *(Note 1)*	Discretionary bonus *(Note 2)*

Director	Term	Amount of remuneration payable under the service contract	Amount of variable remuneration/ fee payable under the service contract
Independent Non-Executive Directors			
Mr. Asvaintra Bhanusak	3 years commencing from 1 June 2024 to 31 May 2027 (and automatically renewable for fixed periods of 3 years thereafter)	HK$180,000 per annum	— *(Note 3)*
Mr. Seto John Gin Chung	3 years commencing from 1 June 2024 to 31 May 2027 (and automatically renewable for fixed periods of 3 years thereafter)	HK$180,000 per annum	— *(Note 3)*
Mr. Yu Hon To David	3 years commencing from 1 June 2024 to 31 May 2027 (and automatically renewable for fixed periods of 3 years thereafter)	HK$180,000 per annum	— *(Note 3)*

Notes:

1. Under the service agreement or the letter of appointment (as the case may be), the amount of remuneration may be reviewed annually at a rate to be determined by the remuneration committee of the Company.

2. There is no formula for determining the amount of variable remuneration/fee. Any discretionary bonus will be decided by the Board at its sole discretion, taking into account performance of the Directors and the Group.

3. The independent non-executive Directors, pursuant to their respective letters of appointment entered into with the Company, are not eligible to (i) receive other benefits in kind available to executive Directors; or (ii) participate in any bonus schemes (other than share schemes of the Company, if any, which are in accordance with the Listing Rules). No variable remuneration or fee is payable under such letters of appointment.

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 Room 907, 9/F., Enterprise Square Tower 1, 9 Sheung Yuet Road, Kowloon Bay, Hong Kong.

(c) The company secretary of the Company is Mr. Ko Kam On, who is a fellow member of the Association of Chartered Certified Accountants, a member of the Institute of Chartered Accountants in England and Wales, and 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 of the Company in Hong Kong is Tricor Investor Services Limited, situated at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

(f) As at the Latest Practicable Date, the Board comprised Mr. Chau Ching, Mr. Chung Kwok Keung Peter, Mr. Chung Leonard Shing Chun, Mr. Chau Wai and Ms. Lo Siu Fun Helena as the executive Directors; and Mr. Yu Hon To David, Mr. Seto John Gin Chung and Mr. Asvaintra Bhanusak as the independent non-executive Directors.

(g) The registered office of Messis Capital is at Unit B, 15/F, Crawford Tower, 99 Jervois Street, Sheung Wan, 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.mainsuccess.cn); 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 second amended and restated memorandum and articles of association of the Company;

(b) the 2025 Annual Report, the 2024 Annual Report, the 2023 Annual Report, the 2025 Interim Report, the Interim Results Announcement and the Profit Warning Announcement;

(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 report from PricewaterhouseCoopers on the Unaudited Interim Figures, the text of which is set out in Appendix V to this Composite Document;

(g) the report from the Independent Financial Adviser on the Unaudited Interim Figures, the text of which is set out in Appendix VI to this Composite Document;

(h) the written consents referred to under the paragraph headed "9. EXPERTS AND CONSENTS" in this Appendix;

(i) the service contracts referred to under the paragraph headed "10. DIRECTORS' SERVICE CONTRACTS" in this Appendix; and

(j) this Composite Document and the accompanying Form(s) of Acceptance.

The following is the text of a letter received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this composite document.

羅兵咸永道

The Board of Directors
MS Group Holdings Limited
Room 907, 9/F, Enterprise Square Tower 1
9 Sheung Yuet Road, Kowloon Bay
Hong Kong

31 August 2026

Dear Sirs,

MS Group Holdings Limited (the "**Company**")

Unaudited interim figures for the six months ended 30 June 2026

We refer to the unaudited interim figures in the Company's interim results announcement for the six months ended 30 June 2026 (the "**Unaudited Interim Figures**"), which constitutes profit forecast under Rule 10 of the Takeovers Code and is required to be reported in accordance with Note 1(c) to Rules 10.1 and 10.2 and Rule 10.4 of the Takeovers Code.

Directors' Responsibilities

The Unaudited Interim Figures has been prepared by the directors of the Company based on the unaudited management accounts of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 June 2025 and 2026.

The Company's directors are solely responsible for the Unaudited Interim Figures.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Management (HKSQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion on the accounting policies and calculations of the Unaudited Interim Figures based on our procedures.

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 500, *Reporting on Profit Forecasts, Statements of Sufficiency of Working Capital and Statements of Indebtedness,* and with reference to Hong Kong Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*, issued by the HKICPA. Those standards require that we plan and perform our work to obtain reasonable assurance as to whether, so far as the accounting policies and calculations are concerned, the Company's directors have properly compiled the Unaudited Interim Figures in accordance with the bases adopted by the directors of the Company and as to whether the Unaudited Interim Figures is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group. Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Accordingly, we do not express an audit opinion.

Opinion

In our opinion, so far as the accounting policies and calculations are concerned, the Unaudited Interim Figures has been properly compiled in accordance with the bases adopted by the directors of the Company and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in the annual report for the year ended 31 December 2025.

Yours faithfully,

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong

The following is the text of the report on the Unaudited Interim Figures from Messis Capital, the Independent Financial Adviser, which has been prepared for the purpose of inclusion in this Composite Document.

MESSIS 大有融資

28 August 2026

The Board of Directors
MS Group Holdings Limited
Room 907, 9/F.
Enterprise Square Tower 1
9 Sheung Yuet Road
Kowloon Bay
Hong Kong

Dear Sirs,

We refer to the interim results announcement the six months ended 30 June 2026 of MS Group Holdings Limited (the "**Company**") dated 19 August 2026 (the "**Interim Results Announcement**") and the composite document jointly issued by the Company and L.V.E.P. Holdings Limited (the "**Offeror**") dated 31 August 2026 (the "**Composite Document**") in relation to the mandatory unconditional cash offers (the "**Offers**") made by Rainbow Capital (HK) Limited for and on behalf of the Offeror to acquire all the issued Shares, and to cancel all the outstanding Options (other than the Excluded Shares and the Excluded Options). Unless the context otherwise requires, all capitalised terms used herein shall have the same meanings as those defined in the Composite Document.

We refer to the unaudited interim figures of the Company for the six months ended 30 June 2025 and for the six months ended 30 June 2026 contained in the Interim Results Announcement (the "**Unaudited Interim Figures**") that were prepared by the directors of the Company (the "**Directors**") based on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2025 and 2026 (the "**Management Accounts**").

The Unaudited Interim Figures must be reported on in accordance with Rule 10.4 of the Takeovers Code by the financial adviser or independent financial adviser, and the auditors or consultant accountants. This report is issued in compliance with the requirement under Rule 10.4 and Note 1(c) to Rules 10.1 and 10.2, and 10.3 of the Takeovers Code.

We have reviewed the Unaudited Interim Figures and other relevant information and documents (in particular, the Management Accounts) which you as the Directors are solely responsible for and discussed with the Directors the information and documents (in particular, the Management Accounts) provided by you which formed the bases upon which the Unaudited Interim Figures have been made.

In respect of the accounting policies and calculations concerned, upon which the Unaudited Interim Figures have been made, we have relied upon the report as contained in Appendix V to the Composite Document addressed to the Board from PricewaterhouseCoopers, being the auditors of the Company. PricewaterhouseCoopers is of the opinion that so far as the accounting policies and calculations are concerned, the Unaudited Interim Figures have been properly compiled in accordance with the bases adopted by the Directors and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in the annual report of the Group for the year ended 31 December 2025.

Based on the above, we are of the opinion that the Unaudited Interim Figures, for which the Directors are solely responsible, has been made with due care and consideration. For the purpose of this letter, we have relied on and assumed the accuracy and completeness of all information provided to us and/or discussed with the Group. We have not assumed any responsibility for independently verifying the accuracy and completeness of such information or undertaken any independent evaluation or appraisal of any of the assets or liabilities of the Group. Save as provided in this letter, we do not express any other opinions or views on the Unaudited Interim Figures. The Directors remain solely responsible for the Unaudited Interim Figures.

Our opinion has been given for the sole purpose of compliance with Note 1(c) to Rules 10.1 and 10.2, 10.3 and Rule 10.4 of the Takeovers Code and for no other purpose. We do not accept any responsibility to any person(s), other than the Company, in respect of, arising out of, or in connection with this letter. This letter is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any purposes, without our prior written consent.

Yours faithfully,
For and on behalf of
Messis Capital Limited
Thomas Lai
Chief Executive Officer