



**Jun Hui International Finance Limited**  
Unit 01–02, 16/F, Hing Yip Commercial Centre,  
272–284 Des Voeux Road Central,  
Sheung Wan, Hong Kong

23 May 2025

*To: the Independent Board Committee and the Independent Shareholders of  
UTS Marketing Solutions Holdings Limited*

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY  
EMPEROR CORPORATE FINANCE LIMITED  
ON BEHALF OF COREVEST HOLDINGS LIMITED  
TO ACQUIRE ALL THE ISSUED SHARES OF  
UTS MARKETING SOLUTIONS HOLDINGS LIMITED  
(OTHER THAN THOSE ALREADY OWNED OR AGREED  
TO BE ACQUIRED BY COREVEST HOLDINGS LIMITED AND  
PARTIES ACTING IN CONCERT WITH IT)**

**INTRODUCTION**

We refer to our engagement as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer, details of which are set out in the composite offer and response document jointly issued by the Offeror and the Company dated 23 May 2025 (the “**Composite Document**”) to the Shareholders, of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Composite Document unless the context otherwise requires.

As set out in the Composite Document, the Company was informed by the Offeror on 9 April 2025 that the Offeror and ALF, as purchasers, entered into the Sale and Purchase Agreement with: (i) Marketing Intellect, Marketing Talent and Marketing Wisdom, as vendors; and (ii) the Guarantors, as guarantors, pursuant to which, the Offeror and ALF have agreed to acquire and the Vendors have agreed to sell a total of 300,000,000 Sale Shares, representing 75.0% of the entire issued share capital of the Company as at the Latest Practicable Date. The Consideration for the Sale Shares is HK\$186 million (equivalent to HK\$0.62 per Sale Share). The Completion took place immediately upon the signing of the Sale and Purchase Agreement on 9 April 2025.



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Immediately prior to the Completion, none of the Offeror and the parties acting in concert with it (including ALF) owned, controlled or had direction over any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company. Immediately upon Completion and as at the Latest Practicable Date, the Offeror and parties acting in concert with it (including ALF) are in aggregate interested in a total of 300,000,000 Shares, representing 75.0% of the total issued share capital of the Company as at the Latest Practicable Date.

Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror or parties acting in concert with it).

The Independent Board Committee comprising Mr. Kow Chee Seng, Mr. Chan Hoi Kuen Matthew and Ms. Tan Yee Vean (being all of the independent non-executive Directors) has been established by the Company, to advise the Independent Shareholders in relation to the terms and conditions of the Offer, in particular as to whether the Offer is fair and reasonable and as to acceptance of the Offer, after taking into account the factors and reasons considered by the Independent Financial Adviser and its conclusion and advice.

In this connection, we, Jun Hui International, have been appointed, with the approval of the Independent Board Committee, to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer in accordance with Rule 2.1 of the Takeovers Code.

As at the Latest Practicable Date, we were not in the same group as the financial or other professional adviser (including a stockbroker) to the Offeror or the Company. Apart from the existing appointment in connection with the Offer, we did not have a significant connection, financial or otherwise, with either the Offeror or the Company, or the controlling shareholder(s) of either of them, of a kind reasonably likely to create, or to create the perception of, a conflict of interest or reasonably likely to affect the objectivity of our advice, within two years prior to the commencement of the Offer Period and up to and including the Latest Practicable Date. We were not associated with the Offeror, the Company, the Vendors, their respective controlling shareholder(s), or any party acting, or presumed to be acting, in concert with any of them, or any company controlled by any of them. Apart from normal professional fees payable to us for this appointment, no arrangement exists whereby we will receive any fees or benefits from any party abovementioned. Accordingly, we consider that we are independent pursuant to Rule 2.6 of the Takeovers Code and are considered eligible to give independent advice in respect of the Offer.

## **BASIS OF OUR OPINION**

In formulating our opinion and recommendation to the Independent Board Committee and the Independent Shareholders, we have relied on the accuracy of the information, opinions and representations contained or referred to in the Composite Document (or otherwise provided to us by the Directors and the management of the Group (the “**Management**”) and the Offeror (where applicable)), and have assumed that all information, opinions and representations contained or referred to in the Composite Document (or otherwise provided to us by the Directors, the Management and the sole director of the Offeror (where applicable)) were true,



accurate and complete in all respects at the time when they were made and up to the date throughout the Offer Period and should there be any material changes thereto or of our opinion, the Shareholders would be notified as soon as possible in accordance with Rule 9.1 of the Takeovers Code. We have also assumed that all statements of belief, opinions and intention made by the Directors and the Offeror (where applicable) in the Composite Document (or otherwise provided to us by the Directors, the Management and the Offeror (where applicable)) are reasonably made after due and careful enquiry. We have no reason to doubt that any relevant information has been withheld or omitted, nor are we aware of any fact or circumstance which would render the information, opinions and representations provided or made to us untrue, inaccurate or misleading.

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

The sole director of the Offeror and Mr. Luo Zuchun accept full responsibility for the accuracy of the information contained or referred to in the Composite Document (other than that relating to the Group, the Vendors and their respective associates and parties acting in concert with them) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions and representations expressed in the Composite Document (other than those expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in the Composite Document the omission of which would make any statement in the Composite Document misleading.

We consider that we have reviewed sufficient information to enable us to reach an informed view, which include, among other things, the announcements of the Company in relation to the Offer, the Composite Document, the annual reports of the Company for the years ended 31 December 2023 and 2024 (“**Annual Report 2023**” and “**Annual Report 2024**”) and the historical trading price and the trading liquidity of the Shares. We have not, however, for the purpose of this exercise, conducted any independent detailed verification or audit into the businesses, affairs or future prospects of the Group, the Offeror, or their respective subsidiaries or associates (if applicable).

We have not considered the taxation and regulatory implications on the Shareholders arising from acceptance or non-acceptance of the Offer since these depend on their individual circumstances, if any, and therefore we will not accept responsibility for any tax effect or liability that may potentially be incurred by the Shareholders as a result of the Offer. In particular, Shareholders who are overseas residents or subject to overseas taxation or Hong Kong taxation on dealings in securities should consider their own tax positions and, if any doubt, should consult their own professional advisers.



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Please be advised that our role as an Independent Financial Adviser and the services we provide are subject to the requirements of the Takeovers Code. Our opinion may only be relied upon by, and our responsibilities are strictly limited to, parties to the extent and as required under the Takeovers Code. We shall not be held accountable for decisions made by parties not entitled to rely on our opinion.

## PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation to the Independent Board Committee and the Independent Shareholders in respect of the Offer, we have considered the following principal factors and reasons:

### I. Background and financial information of the Group

#### (i) Background information of the Group

As referred to the Letter from the Board, the Group principally provides telemarketing services of financial products for its clients which are mainly banks and insurance companies.

#### (ii) Financial information of the Group

The following table summarises the results of operation and financial positions of the Group for the years ended 31 December 2023 and 2024 (“FY23” and “FY24” respectively):

	For the year ended	
	31 December	
	2024	2023
	RM'000	RM'000
	(audited)	(audited)
Revenue derived from:		
— insurance sector	54,631	59,300
— banking and financial sector	11,279	8,201
— others sector	27,154	26,938
Total	93,064	94,439
Profit for the year	13,287	10,305



	As at 31 December	
	2024	2023
	RM'000	RM'000
	(audited)	(audited)
Total assets	63,606	73,982
Total liabilities	20,625	25,029
Net assets	42,981	48,953

*Source: Annual Report 2023 and Annual Report 2024 published by the Company on the website of the Stock Exchange*

For FY24, the Group recorded revenue of approximately RM93.1 million, representing a decrease of approximately 1.5% as compared with approximately RM94.4 million for FY23. As referred to the Annual Report 2024, the Group's overall average number of workstations ordered per month decreased from approximately 1,110 for FY23 to 1,095 for FY24, whereas the revenue generated per workstation per month remained relatively stable at RM7,082 and RM7,090 for FY24 and FY23, respectively. The Group's revenue generated from clients from the insurance sector decreased from approximately RM59.3 million for FY23 to approximately RM54.6 million for FY24, which accounted for approximately 58.7% of the Group's revenue for the same year, whereas revenue generated from clients from the banking and financial sector increased from approximately RM8.2 million for FY23 to approximately RM11.3 million for FY24, which accounted for approximately 12.1% of the Group's revenue for the same year. For FY24, the Group's revenue generated from clients from the others sector increased to approximately RM27.2 million, which accounted for approximately 29.2% of the Group's revenue for the same year, from approximately RM26.9 million for FY23.

For FY24, the Group recorded profit for the year of approximately RM13.3 million, representing an increase of approximately 28.9% as compared with approximately RM10.3 million for FY23. As advised by the Directors, such increase was mainly attributable to: (i) the decrease in staff costs by approximately RM4.9 million or approximately 7.8% from approximately RM63.4 million for FY23 to approximately RM58.4 million for FY24 mainly as a result of decrease in average number of staff from a monthly average of 1,417 for FY23 to 1,297 for FY24; and (ii) the decrease in other losses by approximately RM2.3 million from losses of approximately RM2.5 million for FY23 to losses of approximately RM0.2 million for FY24, mainly due to non-recurring written-off losses of a one-off deposit of approximately RM2.7 million as liquidated damages to the developer as a result of the termination of the acquisition agreements of properties in 2023, partially offset by the increase in other operating expenses of approximately RM2.3 million or approximately 20.6% from approximately RM11.1 million for FY23 to approximately RM13.3 million for FY24, which was primarily due to higher telemarketing campaign cost of approximately RM0.6 million and higher analytical consultation fee of approximately RM2.0 million.

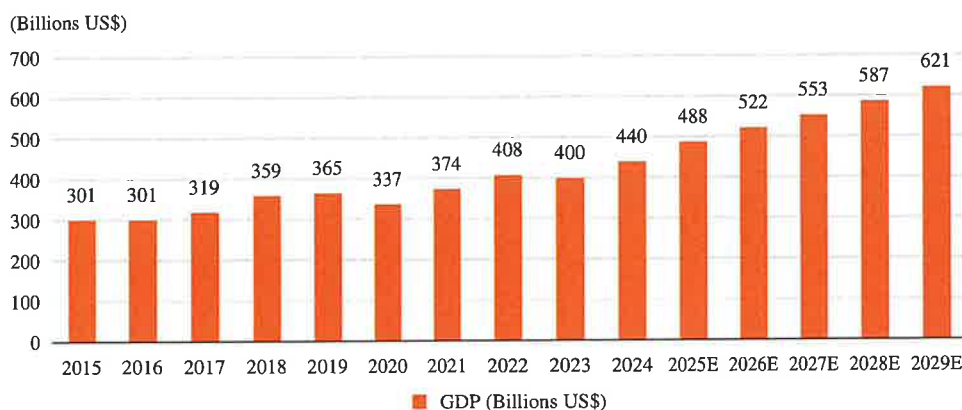


The Group's total assets (comprising mainly trade receivables, bank and cash balances and financial assets at amortised cost) decreased by approximately 14.0% from approximately RM74.0 million as at 31 December 2023 to approximately RM63.6 million as at 31 December 2024. Such decrease was primarily due to (i) the decrease in financial assets at amortised cost of approximately RM9.4 million, or approximately 49.7% as at 31 December 2024 as a result of repayment of loans by borrowers during the year; and (ii) the decrease in right-of-use assets of approximately RM2.0 million, or approximately 28.4% as at the same date mainly as a result of depreciation in relation to leased properties, and such decrease was partially offset by the increase in trade receivables of approximately RM1.6 million, or approximately 8.3% as at 31 December 2024. Its total liabilities (comprising mainly dividend payables, accruals and other payables and lease liabilities) decreased by approximately 17.6% from approximately RM25.0 million as at 31 December 2023 to approximately RM20.6 million as at 31 December 2024. Such decrease was primarily due to (i) the decrease in dividend payables of approximately RM2.5 million, or approximately 21.2% as at 31 December 2024; and (ii) the decrease in lease liabilities (comprising both current and non-current portions) of approximately RM1.7 million, or approximately 75.4% as at 31 December 2024. As at 31 December 2024, the Group's net assets were approximately RM43.0 million.

### (iii) Prospect of the Group

As referred to the Annual Report 2024, all the Group's revenue from external customers during FY24 were located in Malaysia. Looking forward, the Group will continue to remain cautious and maintain its efforts to improve productivity and expects the overall outlook for the year 2025 to remain stable and resilient without material deviation from its existing outbound telemarketing workstations ordered from its existing clients. We discussed with the Directors and were advised that, the prospect of the Group correlates with the overall economic outlook of Malaysia. As such, we have reviewed Malaysia's historical gross domestic product (the "GDP") from 2015 to 2024 and the projected figures from 2025 to 2029 according to the International Monetary Fund, and the chart is set out as follows:

**GDP of Malaysia from 2015 to 2029E**



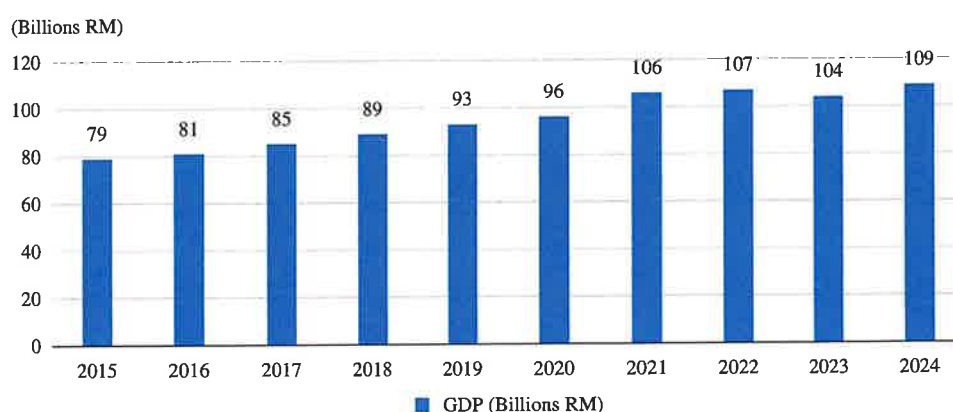
Source: International Monetary Fund



According to the International Monetary Fund, the GDP of Malaysia increased from approximately US\$301 billion in 2015 to approximately US\$440 billion in 2024, representing a compound annual growth rate (the “CAGR”) of approximately 4.3%, and it is projected that the GDP of Malaysia would increase from approximately US\$488 billion in 2025 to approximately US\$621 billion in 2029, representing a CAGR of approximately 6.2%. Such growth rates indicate the overall steady economic outlook of Malaysia.

As referred to the section headed “Financial information of the Group” above in this letter, the Group’s major customers were from insurance and banking and financial sectors, which in aggregate accounted for approximately 70.8% of the Group’s revenue for FY24. As such, to assess the development trend of insurance and banking and financial sectors in Malaysia, we have reviewed the GDP of the insurance and finance sector in Malaysia from 2015 to 2024 according to the Department of Statistics Malaysia, and the chart is set out as follows:

#### GDP of insurance and finance sector in Malaysia from 2015 to 2024



Source: Department of Statistics Malaysia

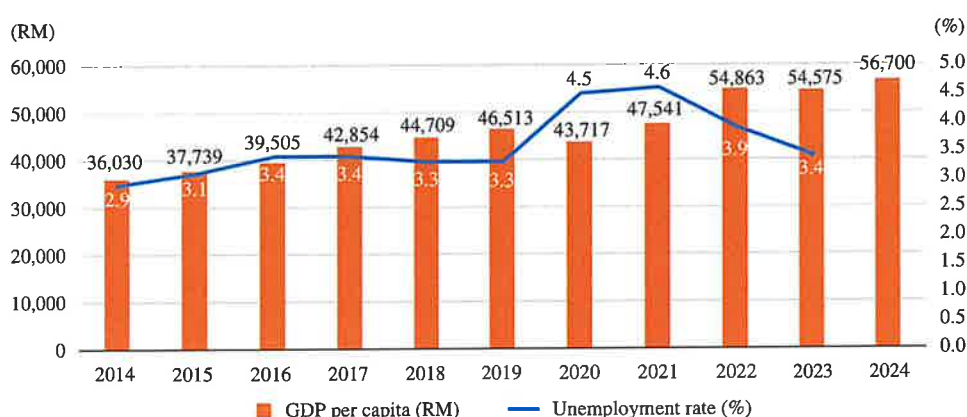
According to the Department of Statistics Malaysia, the GDP of the insurance and finance sector in Malaysia increased from approximately RM79 billion in 2015 to approximately RM109 billion in 2024, representing a CAGR of approximately 3.7%. Such growth rate indicates the overall growth of the sector and thereby the steady demand from such customers for the telemarketing services in Malaysia.

Despite Malaysia’s overall steady economic outlook and the steady demand for telemarketing services driven by, among others, the insurance and financial sector, we note from the Annual Report 2024 that the Company had identified the risk in the ability to secure sufficient labour and control staff costs and delay in settlement of bills from the top five clients as the major risk factors which may affect the operation results and financial conditions of the Group.



To analyse the risk arising from securing sufficient labour and controlling staff costs, we have reviewed the unemployment rate and the GDP per capita of Malaysia as follows.

**Unemployment rate of Malaysia from 2014 to 2023 and  
GDP per capita of Malaysia from 2014 to 2024**



Source: Department of Statistics Malaysia

Note: The annual unemployment rate of Malaysia of 2024 has not been published by the Department of Statistics Malaysia

According to the Department of Statistics Malaysia, save as 2020 to 2022 (which were likely affected by the COVID-19 pandemic), Malaysia's unemployment rates were within the range of approximately 2.9% to approximately 3.4% from 2014 to 2023. Such generally low unemployment rates suggest a tightening labour market, with fewer available workers and increased competition for talent, which may potentially lead to labour shortage. In the meantime, Malaysia's GDP per capita increased from approximately RM36,030 in 2014 to approximately RM56,700 in 2024, representing a CAGR of approximately 4.6% during the period. The increase in economic output per capita typically correlates to rising wage levels, indicating potential challenges with respect to the upward pressure on staff costs generally. The combined effect of potential labour shortage and increased economic output per capita suggest that the Group may face challenges in securing sufficient labour while managing the increasing staff costs. We are advised by the Directors that the contact service industry is labour-intensive in nature and the Group has experienced certain challenges in securing sufficient labour, in particular the experienced or adequately trained telemarketing sales representatives and the Group has adopted measures as disclosed in Annual Report 2024 responding to the challenge. The Directors therefore considered it as a relevant risk for the Group and disclosed it as one of the major risks of the Group in Annual Report 2024.





Regarding the risk relating to delay in settlement of bills from the top five clients, we are given to understand from the Directors that to manage such risk, the Group closely monitors the trade receivables collection status and the outstanding amounts due from their clients from time to time. In addition, we note from Annual Report 2024 that the five largest clients for FY24 were insurance companies or charitable organisation and all of them have business relationship with the Group for more than five years. Having considered the monitoring by the Group from time to time, the long-term business relationship with the major clients and the steady overall growth of insurance and finance sector in Malaysia as discussed above, the Directors considered the risk relating to delay in settlement of bills from the top five clients could be manageable.

Balancing (i) Malaysia's overall steady economic outlook; (ii) the steady demand for telemarketing services driven by, among others, the insurance and financial sector; (iii) the Group's potential challenges in securing sufficient labour and managing the increasing staff costs; and (iv) the risk relating to delay in settlement of bills from the top five clients could be manageable as considered by the Directors, we consider that the Group's overall prospect appears generally stable.

## **II. Information of the Offeror and its future intentions regarding the Group**

### ***(i) Information of the Offeror***

As set out in the Letter from Emperor Corporate Finance, the Offeror is an investment holding company incorporated on 7 January 2025 in the BVI with limited liability. The sole director of the Offeror is Ms. Luo, Biyun, the niece of Mr. Luo Zuchun. As at the Latest Practicable Date, the Offeror is indirectly wholly-owned by Mr. Luo Zuchun through Microhash International PTE. LTD., a company incorporated in Singapore with limited liability.

The Offeror did not carry on any business since its incorporation prior to the entering of the Sale and Purchase Agreement and the transactions in connection therewith.

Mr. Luo Zuchun, aged 43, is an entrepreneur with extensive management experience, particularly in the fields of technology and digital currency with rich expertise in application-specific integrated circuit (ASIC) chip design and high-performance computing (HPC). He is the founder of Microhash International Pte. Ltd., a Singapore-based company principally engaged in financial advisory services and digital currency-related business. Mr. Luo Zuchun was a sales manager in Guangdong Xintianjing Industrial Co., Ltd.\* (廣東新天景實業有限公司), a company principally engaged in trading of steel and building materials, from January 2009 to July 2015. Since July 2015, he has been serving as the general manager of Shenzhen Yongyi Technology Co., Ltd.\* (深圳永意科技有限公司), a company principally engaged in ASIC chip design and HPC. Mr. Luo Zuchun obtained a Master of Arts in Marketing from the Charisma University in 2021.



*(ii) Future intentions of the Offeror regarding the Group*

As set out in the Letter from the Board, upon completion of the Offer, it is the Offeror's intention to continue the existing principal business of the Group. The Offeror will review the business and operation of the Group from time to time in order to enhance a long-term growth potential for the Group and to explore other business or investment opportunities for enhancing its future development, diversifying its risk and strengthening its revenue base.

The Offeror also intends to leverage its and the Group's existing resources and connections to explore business opportunities and investments related to digital currency, aiming to create synergies for the Group. The Offeror has no intention to introduce any major changes in the existing operations and business of the Group, including any redeployment of fixed assets other than those in its ordinary course of business. Save for the proposed change of director(s) as referred to in the section headed "Proposed change in Board composition" below, the Offeror has no plan to terminate the employment of any other employees or other personnel of the Group as at the Latest Practicable Date.

*Proposed change of Board composition*

As set out in the Letter from Emperor Corporate Finance, as at the Latest Practicable Date, the Board was made up of six Directors, comprising three executive Directors, being Mr. Ng Chee Wai (Chairman), Mr. Lee Koon Yew (Chief Executive Officer) and Mr. Kwan Kah Yew, and three independent non-executive Directors, being Mr. Kow Chee Seng, Mr. Chan Hoi Kuen Matthew and Ms. Tan Yee Vean. It is expected that all Directors (except Mr. Lee Koon Yew) will resign from the Board and such resignation will not take effect until after the publication of the closing announcement on the Closing Date of the Offer in compliance with Rule 7 of the Takeovers Code, and that Mr. Lee Koon Yew will remain as an executive Director after the close of the Offer, this arrangement may enable the Group to maintain the stability of its business operation after the close of the Offer.

As referred to the Letter from Emperor Corporate Finance, the Offeror intends to nominate Mr. Luo Zuchun and Mr. Chen Jiajun ("**Mr. Chen**") as the executive Directors and Ms. Liu Mei, Mr. Cheuk Ho Kan and Mr. Cai Runjia as the independent non-executive Directors. The biographical information of Mr. Luo Zuchun is set out in the paragraph headed "Information of the Offeror" above in this letter, and the biographical information of Mr. Chen, as extracted from the Letter from Emperor Corporate Finance, is set out below:



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### Mr. Chen

Mr. Chen, aged 33, will be appointed as an executive Director.

Mr. Chen has extensive investment experience and has a wide variety of investments in different industries. He holds a master's degree in Science of Finance from the University of Southern California. Mr. Chen served at Shenzhen Kingkey Banner Commercial Management Ltd. (深圳市京基百納商業管理有限公司) as vice-president from May 2015 to May 2018 and president from May 2018 to January 2019. Mr. Chen currently also serves as a Director of University of Southern California China Alumni Club.

Mr. Chen has been appointed as (i) a non-independent director of Shenzhen Kingkey Smart Agriculture Times Co., Ltd.\* (深圳市京基智農時代股份有限公司), the shares of which are listed on Shenzhen Stock Exchange (stock code: 000048.SZ), from 23 June 2020 to 27 October 2022; (ii) an executive director of Kingkey Financial International (Holdings) Limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1468.HK) from 28 August 2020 to 8 March 2024; and (iii) as an executive director of Allegro Culture Limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 550.HK), from 31 August 2023 to 20 May 2024; and (iv) as an executive director of Coolpad Group Limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 2369.HK), since 17 January 2019.

The biographical information of Mr. Luo Zuchun and Mr. Chen (the **“Proposed Executive Directors”**) as stated in the Letter from Emperor Corporate Finance did not mention that they have experience in the nature same as the principal business of the Group, thus it is considered that their prior experience may not be directly relevant to the Group's existing business and hence whether the Proposed Executive Directors have sufficient industry knowledge to enhance the overall performance of the Group is uncertain.



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*Public float and maintaining the listing status of the Company*

As set out in the Letter from Emperor Corporate Finance, the Offeror intends to maintain the listing of the Shares on the Stock Exchange after the close of the Offer.

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

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

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

The Offeror intends the Company to remain listed on the Stock Exchange. The sole director of the Offeror and the new directors to be appointed to the Board of the Company will be jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in Shares.

### III. The Offer Price

As referred to the Composite Document, Emperor Corporate Finance, on behalf of the Offeror, will make the Offer to acquire all the Offer Shares on the terms set out in the Composite Document issued in accordance with the Takeovers Code on the following basis:

**For each Offer Share ..... HK\$0.62 in cash**

The Offer Price of HK\$0.62 per Offer Share is equal to the purchase price per Sale Share paid by the Purchasers under the Sale and Purchase Agreement.



**(i) The Offer Price comparison**

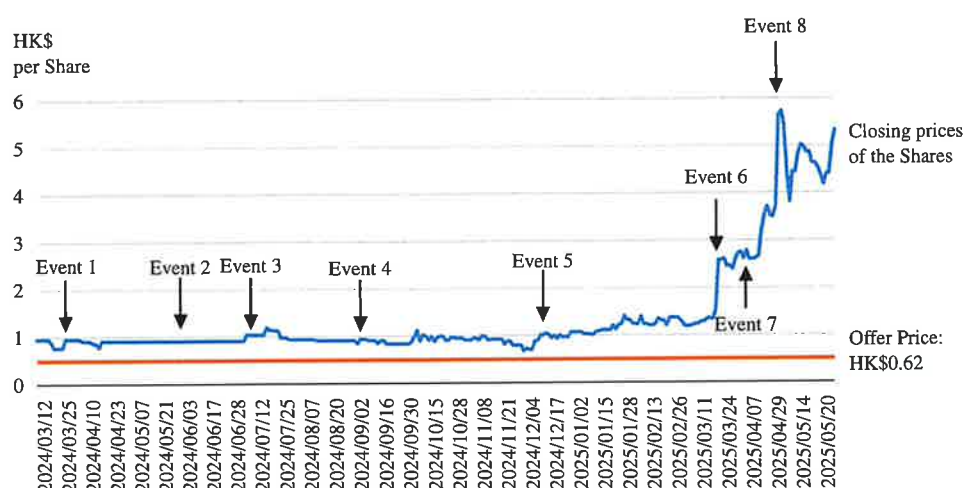
As set out in the Letter from Emperor Corporate Finance, the Offer Price of HK\$0.62 per Offer Share represents:

- (i) a discount of approximately 86.8% to the last trading price of HK\$4.70 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 81.2% to the last trading price of HK\$3.30 per Share as quoted on the Stock Exchange on the Last Trading Day immediately before the trading in the Shares was halted on 9 April 2025;
- (iii) a discount of approximately 80.6% to the average trading price of HK\$3.198 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 78.0% to the average trading price of HK\$2.823 per Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days up to and including the Last Trading Day;
- (v) a discount of approximately 71.3% to the average trading price of HK\$2.159 per Share as quoted on the Stock Exchange for the last thirty (30) consecutive trading days up to and including the Last Trading Day;
- (vi) a discount of approximately 73.2% to the last trading price of HK\$2.31 per Share as quoted on the Stock Exchange on the last trading day immediately before the date of Rule 3.7 Announcement; and
- (vii) a premium of approximately 229.8% over the audited consolidated net asset value (the “NAV”) of the Group of approximately HK\$0.188 per Share as at 31 December 2024 (being the date to which the latest audited consolidated annual results of the Group were made up), calculated based on the Group’s audited consolidated net assets of approximately RM43.0 million (equivalent to approximately HK\$75.2 million) as at 31 December 2024 and 400,000,000 Shares in issue as at the Latest Practicable Date.

(ii) *Historical trading price of the Shares*

In order to assess the fairness and reasonableness of the Offer Price, we have reviewed the daily closing price of the Shares as quoted on the Stock Exchange during the period commencing from 12 March 2024, being the twelve-month period immediately preceding the date of the Rule 3.7 Announcement (i.e. 11 March 2025) and up to and including the Latest Practicable Date (the “**Review Period**”). We consider that the Review Period which covers a one-year period prior to the date of the Rule 3.7 Announcement and up to and including the Latest Practicable Date represents a reasonable and sufficient period to provide a general overview of the recent price performance of the Shares. Set out below is the chart of the closing prices of the Shares during the Review Period:

**Historical trading price of the Shares during the Review Period**



Source: the website of the Stock Exchange

*Notes:*

- (1) Trading of the Shares had been halted on 11 March 2025 pending the release of an announcement of the Company to be made pursuant to the Takeovers Code which is inside information in nature
- (2) Trading of the Shares had been halted from 9 April 2025 to 15 April 2025 pending the release of the joint announcement of the Company and the Offeror to be made pursuant to the Takeovers Code which constitutes inside information of the Company

Event 1: The Company published its annual results announcement for the year ended 31 December 2023 on 26 March 2024

Event 2: The Company published an announcement in relation to proposed declaration and payment of special dividend out of share premium account on 27 May 2024





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- Event 3: The Company published an announcement in relation to discloseable transaction relating to provision of financial assistance and advance to an entity with respect to fifth extension of the repayment date on 3 July 2024
- Event 4: The Company published its interim results announcement for the six months ended 30 June 2024 on 29 August 2024
- Event 5: The Company published an announcement in relation to declaration of special dividend on 3 December 2024
- Event 6: The Company published the Rule 3.7 Announcement on 11 March 2025
- Event 7: The Company published its annual results announcement for the year ended 31 December 2024 (the “**Annual Results Announcement 2024**”) on 28 March 2025
- Event 8: The Company published the Joint Announcement on 15 April 2025

*Pre-Rule 3.7 Announcement period*

From the commencement of the Review Period and up to the date immediately preceding the date of the Rule 3.7 Announcement (being 10 March 2025), we note that, except for 10 March 2025 (on which date the Shares closed at HK\$2.31 per Share), the closing price of the Shares fluctuated within the range of HK\$0.671 to HK\$1.4 per Share. Regarding the unusual price movement of the Shares on 10 March 2025, we note from the Rule 3.7 Announcement that the Company had made enquiries and understood that the Vendors were in discussion with potential purchaser(s) concerning a potential sale and purchase of the 75% controlling stake in the Company held by the Vendors (the “**Potential Transaction**”). The Potential Transaction, if materialised, will have implications under the Takeovers Code. The Directors confirmed that, save as set out in the Rule 3.7 Announcement, they were not aware of any other reason for the price or trading volume movement or of any inside information that needs to be disclosed under Part XIVA of the SFO.

*Post-Rule 3.7 Announcement period*

Subsequent to the date of the Rule 3.7 Announcement and up to the Latest Practicable Date, we note that the closing price of the Shares demonstrated a general upward trend, which increased from HK\$2.34 per Share on 12 March 2025 to HK\$4.7 per Share on the Latest Practicable Date. We made an enquiry to the Directors and we were confirmed that save as the Offer and the Annual Results Announcement 2024, they were not aware of any specific reason for the aforesaid upward movement in the closing price of the Shares after the publication of the Rule 3.7 Announcement and up to the Latest Practicable Date. We consider such trend may reflect the market reaction to the Offer and the Annual Results Announcement 2024, therefore, whether the current Share price level would sustain after the closing of the Offer is uncertain. \*

The closing prices of the Shares had been staying above the Offer Price during the entire Review Period. The lowest and highest closing price of the Shares during the Review Period were HK\$0.671 per Share recorded on 25 November 2024 and HK\$5.04 per Share recorded on 17 April 2025, as quoted on the Stock Exchange, respectively. The average daily closing price of the Shares during the Review Period is approximately HK\$1.30 per Share. The Offer Price of HK\$0.62 per Share represents (i) a discount of approximately 7.6% to the lowest closing price of HK\$0.671 per Share; (ii) a discount of approximately 87.7% to the highest closing price of HK\$5.04 per Share; and (iii) a discount of approximately 52.1% to the average daily closing price of approximately HK\$1.30 per Share, during the Review Period. Despite of the above, given the overall thin historical trading volume of the Shares during the Review Period as discussed under the section headed “Historical trading liquidity of the Shares” below in this letter, the Independent Shareholders (especially those with relatively sizeable shareholdings) should note that they may find it difficult to dispose of a large volume of the Shares in the open market at a fixed cash price within a short period of time without exerting downward pressure on the Shares price. They should also be aware that they may have to sell their Shares in the market by batches if they do not accept the Offer, given the average daily trading volume of the Shares for the relevant month/period ranged from 0 Share to approximately 661,407 Shares during the Review Period.

**The Independent Shareholders should note that the information set out above is not an indicator of the future performance of the Shares and that the price of the Shares may increase or decrease from its closing price after the Latest Practicable Date. The Independent Shareholders who wish to accept the Offer or realise their investments in the Group are reminded that they should carefully and closely monitor the trading price and the trading liquidity of Shares during the Offer Period.**

***(iii) Historical NAV per Share***

As referred to the Letter from Emperor Corporate Finance, the Offer Price represents a premium of approximately 229.8% over the audited consolidated NAV of the Group of approximately HK\$0.188 per Share as at 31 December 2024.



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Jun Hui International Finance Limited

**(iv) Historical trading liquidity of the Shares**

Set out below is the average daily trading volume of the Shares per relevant month/period, and the respective percentage of the average daily trading volume of the Shares to the total number of issued Shares as at the end of relevant month/period, in the Review Period:

Year/Month	Total trading volume of the Shares	Number of trading days	Average daily trading volume of the Shares	Percentage of average daily trading volume of total number of issued Shares as at the end of relevant month/period	Percentage of average daily trading volume of the Shares held by public Shareholders as at the end of relevant month/period (Note 1)
<b>2024</b>					
March (from 12 March)	136,000	13	10,462	0.003%	0.010%
April	4,000,000	20	200,000	0.050%	0.200%
May	944,000	21	44,952	0.011%	0.045%
June	0	19	0	0.000%	0.000%
July	354,000	22	16,091	0.004%	0.016%
August	156,000	22	7,091	0.002%	0.007%
September	414,000	19	21,789	0.005%	0.022%
October	200,000	21	9,524	0.002%	0.010%
November	4,098,000	21	195,143	0.049%	0.195%
December	3,868,000	20	193,400	0.048%	0.193%
<b>2025</b>					
January	2,408,000	19	126,737	0.032%	0.127%
February	1,674,000	20	83,700	0.021%	0.084%
March	5,560,000	21	264,762	0.066%	0.265%
April	9,259,700	14	661,407	0.165%	0.661%
May (up to and including the Latest Practicable Date)	1,696,000	12	141,333	0.035%	0.141%
<b>Maximum</b>	<b>9,259,700</b>	<b>22</b>	<b>661,407</b>	<b>0.165%</b>	<b>0.661%</b>
<b>Minimum</b>	<b>0</b>	<b>12</b>	<b>0</b>	<b>0.000%</b>	<b>0.000%</b>
<b>Mean</b>	<b>2,317,847</b>	<b>19</b>	<b>131,759</b>	<b>0.033%</b>	<b>0.132%</b>

Source: the website of the Stock Exchange

*Notes:*

- (1) Based on 100,000,000 Shares held by public Shareholders as at the end of relevant month/period.
- (2) Trading of the Shares had been halted on 11 March 2025 pending the release of an announcement of the Company to be made pursuant to the Takeovers Code which is inside information in nature
- (3) Trading of the Shares had been halted from 9 April 2025 to 15 April 2025 pending the release of the joint announcement of the Company and the Offeror to be made pursuant to the Takeovers Code which constitutes inside information of the Company

As shown in the table above, we note that the percentage of average daily trading volume of total number of issued Shares as at the end of the relevant month/period during the Review Period ranged from 0.000% to approximately 0.165%, with an average of approximately 0.033% and the percentage of average daily trading volume of total number of the Shares held by public Shareholders as at the end of relevant month/period during the Review Period ranged from 0.000% to approximately 0.661%, with an average of approximately 0.132%, such overall historical trading volume of the Shares are considered generally thin.

The Independent Shareholders (especially those with relatively sizeable shareholdings) should note that, having considered the overall thin historical trading volume of the Shares during the Review Period, they may find it difficult to dispose of a large volume of the Shares in the open market at a fixed cash price within a short period of time without exerting downward pressure on the Shares price, therefore they are advised to carefully and closely monitor the trading price and the trading liquidity of the Shares during the Offer Period and to take into account the possible pressure on the Share price when selling in bulk and consider the Offer as an exit alternative to realise their investments in the Shares.

**(v) Market comparable analysis**

In order to further assess the fairness and reasonableness of the 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 shall be (i) currently listed on the Stock Exchange; and (ii) principally engaged in business similar with that of the Group, and with over 50% of its revenue in the latest preceding year contributed by telemarketing services, given that all the Group's revenue was generated from telemarketing services in Malaysia during FY24 as referred to the Annual Report 2024. We did not include the telemarketing company listed on the stock exchanges outside of the Stock Exchange, as the investors mix in other markets may differ in terms of investment criteria, risk appetite, and valuation expectations. These differences may result in valuation metrics that are not directly comparable.



Based on the aforesaid criteria, we have identified an exhaustive list of two comparable companies (the “**Comparable Companies**”), namely ETS Group Limited (stock code: 8031) (“**ETS**”) and Kingwisoft Technology Group Company Limited (stock code: 8295) (“**Kingwisoft**”).

For comparison purpose, we have considered the price-to-earnings ratio (the “**P/E Ratio**”), the price-to-sale ratio (the “**P/S Ratio**”) and the price-to-book ratio (the “**P/B Ratio**”), which are commonly used valuation benchmarks in assessing a company’s valuation. However, given that the Group principally provides telemarketing services of financial products for its clients, a business model that is not asset-based, the P/B Ratio may not provide a meaningful basis for comparison and has therefore not been adopted in our analysis. Details of the Comparable Companies are set out below:

Company name	Stock code	Principal business activities	Market capitalisation (HK\$ million) (Note 1)	P/E Ratio (times) (Note 2)	P/S Ratio (times) (Note 3)
ETS	8031	Provision of comprehensive multi-media contact services and contact centre system and financial services in Hong Kong	47.9	2.7	0.6
Kingwisoft	8295	Provision of back-office services (primarily provision of customer service solutions, and setting up of contact service systems and centres), comprehensive marketing and agency services and data centre services in the PRC	219.7	N/A (Note 4)	0.2
		Maximum	219.7	2.7	0.6
		Minimum	47.9	2.7	0.2
		Mean	133.8	2.7	0.4
The Company	6113	Provision of telemarketing services of financial products for its clients in Malaysia	248.0 (Note 5)	10.3 (Note 6)	1.5 (Note 7)

Source: The website of the Stock Exchange and the respective annual reports of the Company and the Comparable Companies.

Notes:

- (1) The market capitalisation of the Comparable Companies is calculated based on the closing price of the shares and the total issued shares of the Comparable Companies as at the Latest Practicable Date.



- (2) The P/E Ratio of the Comparable Companies is calculated by dividing the respective market capitalisation as at the Latest Practicable Date by their net profit as extracted from the respective latest annual report.
- (3) The P/S Ratio of the Comparable Companies is calculated by dividing the respective market capitalisation as at the Latest Practicable Date by their revenue as extracted from the respective latest annual report.
- (4) The company was loss-making for its most recent financial year therefore its P/E Ratio is not applicable.
- (5) The market capitalisation of the Company implied by the Offer Price is calculated based on (i) the Offer Price of HK\$0.62 per Offer Share; and (ii) 400,000,000 Shares in issue as at the Latest Practicable Date.
- (6) It is calculated based on (i) the Offer Price of HK\$0.62 per Offer Share; (ii) 400,000,000 Shares in issue as at the Latest Practicable Date; and (iii) the profit of the Group for FY24.
- (7) It is calculated based on (i) the Offer Price of HK\$0.62 per Offer Share; (ii) 400,000,000 Shares in issue as at the Latest Practicable Date; and (iii) the revenue of the Group for FY24.

We note that, the Offer Price implies (i) a P/E Ratio of approximately 10.3 times, which is higher than that of ETS; and (ii) a P/S Ratio of approximately 1.5 times, which is above the range of the Comparable Companies. However, the above comparable analysis may not be very meaningful due to the limited sample size and the fact that the business nature, geographical focus, scale of operations, trading prospects and capital structure of the Group may not be identical to those of the Comparable Companies. As such, this analysis is provided to offer relevant insight into market perception of broadly similar businesses for reference purposes only, and should not be regarded as a definitive indicator for valuation.

In addition to the above comparable analysis, we also note from the website of the Hang Seng Indexes Company Limited that, as at 30 April 2025 (being the latest date on which the P/E Ratio of the Hang Seng Index (“**HSI**”) was available), the HSI was trading at a P/E Ratio of approximately 11.2 times, which is broadly in line with the P/E Ratio implied by the Offer Price.

Based on the foregoing and having considered the overall thin historical trading volume of the Shares during the Review Period, the Independent Shareholders (especially those with relatively sizeable shareholdings) should note that they may find it difficult to dispose of a large volume of the Shares in the open market at a fixed cash price within a short period of time without exerting downward pressure on the Shares price, therefore they are advised to carefully and closely monitor the trading price and the trading liquidity of the Shares during the Offer Period and to take into account the possible pressure on the Share price when selling in bulk and consider the Offer as an exit alternative to realise their investments in the Shares.





## OPINION AND RECOMMENDATION

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

- (i) despite the Group's overall prospect appears generally stable as discussed under the section headed "Prospect of the Group" above and the arrangement to retain Mr. Lee Koon Yew as an executive Director after the close of the Offer may enable the Group to maintain the stability of its business operation, having considered that the Proposed Executive Directors' prior experience may not be directly relevant to the Group's existing business, whether they have sufficient industry knowledge to enhance the overall performance of the Group is uncertain;
- (ii) the Offer Price represents a premium of approximately 229.8% over the audited consolidated NAV of the Group as at 31 December 2024;
- (iii) the closing prices of the Shares had been staying above the Offer Price during the entire Review Period, and the Offer Price represents a discount of approximately 7.6%, 88.7% and 52.1% to the lowest closing price of the Shares, the highest closing price of the Shares and the average daily closing price of the Shares, during the Review Period, respectively. Despite of the above, we consider that whether the current Share price level would sustain after the closing of the Offer is uncertain as discussed in the section headed "Historical trading price of the Shares" above in this letter. Having considered the overall thin historical trading volume of the Shares during the Review Period, the Independent Shareholders (especially those with relatively sizeable shareholdings) should note that they may find it difficult to dispose of a large volume of the Shares in the open market at a fixed cash price within a short period of time without exerting downward pressure on the Shares price, therefore they are advised to carefully and closely monitor the trading price and the trading liquidity of the Shares during the Offer Period and to take into account the possible pressure on the Share price when selling in bulk and consider the Offer as an exit alternative to realise their investments in the Shares; and
- (iv) notwithstanding the limitations as discussed in the section headed "Market Comparable Analysis" above, the Offer Price, for reference purposes only, implies (a) a P/E Ratio of approximately 10.3 times, which is higher than that of ETS and is broadly in line with that of the HSI; and (b) a P/S Ratio of approximately 1.5 times, which is above the range of the Comparable Companies,

balancing the abovementioned principal reasons, we consider that the Offer is fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Board Committee to recommend the Independent Shareholders to accept the Offer.



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Jun Hui International Finance Limited

Notwithstanding the above, we note that the Shares had been trading above the Offer Price during the entire Review Period, closing at HK\$4.70 per Share as at the Latest Practicable Date. In this connection, the Independent Shareholders who wish to realise their investments in the Group are reminded that they should carefully and closely monitor the trading price and the trading liquidity of the Shares during the Offer Period and consider disposing of their Shares in the open market, where possible, instead of accepting the Offer, if the net proceeds from such sale of Shares would be higher than the receivable under the Offer, and only to accept the Offer if the Independent Shareholders (especially those with relatively sizeable shareholdings) encounter difficulties to dispose of their Shares in the open market due to the liquidity issue at the Offer Price or a price higher than the Offer Price.

The Independent Shareholders should also note that (i) there is no guarantee that the Share price will or will not sustain at a level above the Offer Price and/or after the Offer Period; and (ii) the Independent Shareholders (regardless to their amount of shareholdings) may not be able to realise their investments in the Shares at a price higher than the Offer Price when they are going to dispose of their partial or entire holdings given the overall thin historical trading volume of the Shares during the Review Period.

Those Independent Shareholders who decide to retain part or all of their investments in the Shares should carefully monitor the financial performance of the Group and be aware of the potential difficulties they may encounter in disposing of their investments in the Shares at a price higher than the Offer Price after the Offer Period given the overall thin historical trading volume of the Shares during the Review Period.

As different Independent Shareholders would have different investment criteria, objectives or risk appetite and profiles, we recommend any Independent Shareholders 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

**JUN HUI INTERNATIONAL FINANCE LIMITED**

  
**Tina Tian**  
Managing Director

  
**Karol Hui**  
Executive Director

*Note:* Ms. Tina Tian is a licensed person registered with the SFC to carry out Type 6 (advising on corporate finance) regulated activity under the SFO who is approved to advise on Takeovers Code related matters in a sole-capacity and has around 17 years of experience in corporate finance industry.

Ms. Karol Hui is a licensed person registered with the SFC to carry out Type 6 (advising on corporate finance) regulated activity under the SFO (under the licensing condition that in the capacity as an adviser to a client on matters/transactions falling within the ambit of the Takeovers Code, act together with another adviser (to the client) not subject to this condition) and has around 14 years of experience in corporate finance industry.