

24 December 2025

*To the independent shareholders*

Dear Sirs,

**CONDITIONAL MANDATORY GENERAL CASH OFFER BY  
QUAM SECURITIES LIMITED FOR AND ON BEHALF OF  
THE JOINT OFFERORS TO ACQUIRE ALL THE ISSUED SHARES OF  
CARRY WEALTH HOLDINGS LIMITED  
(OTHER THAN THOSE ALREADY OWNED AND/OR AGREED  
TO BE ACQUIRED BY THE JOINT OFFERORS AND  
PARTIES ACTING IN CONCERT WITH THEM)**

**INTRODUCTION**

Reference is made to the Joint Announcement.

**The Loan Agreement**

Pursuant to the Loan Agreement dated 9 June 2023, Mr. Tsang agreed to make available to the Vendor the Loan of HK\$40,000,000 subject to and on the terms and conditions of the Loan Agreement. Interest on the Loan should accrue at the rate of 12% per annum and if the borrower fails to repay any sums payable under the Loan Agreement by the due date, the borrower should pay interest on such overdue sums at a rate of 18% per annum. The maturity date for repayment of the principal amount of the Loan and the interest accrued thereon was six months after the date of the Loan Agreement (i.e. 9 December 2023).

At the time of entering into the Loan Agreement (i.e. as at 9 June 2023), the Vendor was beneficially interested in (i) approximately 45.71% of the issued share capital of the Company through Mars Worldwide, which was free from any mortgages, charges and encumbrances as confirmed by the Vendor; and (ii) approximately 51.11% of the issued share capital of TOMO through Billion Legend Company Limited (a company incorporated in the BVI with limited liability), which was pledged to Mr. Leung on 9 June 2023 for the Leung's Loan, details of

which are set out in the announcement of TOMO dated 26 March 2024. As at 9 June 2023, the market capitalisations of the Company and TOMO were approximately HK\$890.8 million and HK\$684.0 million, respectively. Therefore, the total market value of the shares of the Company and TOMO beneficially owned by the Vendor amounted to approximately HK\$756.8 million as at 9 June 2023 (i.e. HK\$890.8 million x 45.71% plus HK\$684.0 million x 51.11%), which was approximately 9 times the aggregate amount (i.e. HK\$80 million) of the Loan and the Leung's Loan. In addition, based on the annual reports of the Company and TOMO for the year ended 31 December 2022, the net asset values of the Company and TOMO amounted to approximately HK\$136.4 million and S\$23.8 million (equivalent to approximately HK\$137.1 million), respectively, as at 31 December 2022. Based on the above, Mr. Tsang considered that the Vendor had the financial capability to repay the Loan at the time of entering into the Loan Agreement.

Mr. Tsang has been an executive director and the president of Alpha since February 2023 and up to the Latest Practicable Date. As at the Latest Practicable Date, the Vendor is still the controlling shareholder of Alpha. In addition, Mr. Tsang was (i) an executive Director during the period from February 2023 to January 2025; and (ii) an executive director of TOMO during the period from April 2023 to July 2025. The Vendor was (i) the controlling shareholder of the Company from 30 September 2022 until Completion, and an executive Director from 1 February 2023 to 19 March 2024; and (ii) the controlling shareholder of TOMO from 9 June 2021 to 20 March 2024, and an executive director of TOMO from 21 July 2021 to 19 March 2024. Mr. Tsang became acquainted with the Vendor in September 2022 through a mutual friend, Mr. Leung. Given Mr. Tsang's extensive experience in financial investment, capital operation, corporate governance, strategic planning and mergers and acquisitions, Mr. Tsang was recommended by the Vendor to be one of the directors of each of the Company, TOMO and Alpha. Apart from the above working relationship, the Loan arrangement and the power of attorney granted to Mr. Tsang to act on behalf of the Vendor under the Share Mortgage, there is no other relationship between the Vendor and Mr. Tsang. For the avoidance of doubt, apart from the power of attorney granted under the Share Mortgage to enable or assist in any way in the exercise of any right or the enforcement thereof including any power of sale of the Sale Shares and perform any other act, which are deemed necessary or required by Mr. Tsang to protect his security interest under the Share Mortgage, Mr. Tsang was not acting on behalf of the Vendor as an agent for exercising the Vendor's shareholder rights, including voting rights attached to the Vendor's shareholding interests in each of the Company, TOMO and Alpha. The Vendor held (i) the rights attached to the Sale Shares prior to the service of the Enforcement Notice; (ii) the voting rights attached to her shareholding interests in TOMO prior to the service of the enforcement notice on 15 March 2024; and (iii) the voting rights attached to her shareholding interests in Alpha up to the Latest Practicable Date, and exercised such voting rights independently.

## **The Share Mortgage**

The Loan Agreement was secured by the Share Mortgage over the Sale Shares, representing the entire issued share capital of Mars Worldwide. Pursuant to the Share Mortgage, among other things:

- (i) after entering into the Share Mortgage, the Vendor, being the legal owner of the Sale Shares, has irrevocably appointed Mr. Tsang to be her attorney such that Mr. Tsang can act on the Vendor's behalf (including appointing others to act). Under the Share Mortgage, Mr. Tsang can at any time and from time to time to, in the Vendor's name, enable or assist in any way in the exercise of any right or the enforcement thereof including any power of sale of the Sale Shares and perform any other act, which are deemed necessary or required by Mr. Tsang to protect his security interest under the Share Mortgage. As stated in the Share Mortgage, such power of attorney is given to secure a proprietary interest of Mr. Tsang of the performance of the obligation owed by the Vendor to Mr. Tsang under the Loan Agreement. Such proprietary interest entails that Mr. Tsang, under the Share Mortgage, holds a security interest in the Sale Shares rather than merely a contractual right to repayment. This means Mr. Tsang can look directly to the Sale Shares themselves to enforce repayment – for example, by selling or otherwise dealing with them – instead of being limited to only demanding payment from the Vendor;
- (ii) if an event of default under the Loan Agreement occurs, Mr. Tsang may at any time serve the Enforcement Notice on the Vendor and thereafter Mr. Tsang shall have the right to sell the Sale Shares or any part thereof by such method, at such place and upon such terms as Mr. Tsang may in his absolute discretion determine and without notice to, or further consent or concurrence by the Vendor; and
- (iii) after Mr. Tsang has served an Enforcement Notice following the occurrence of an event of default under the Loan Agreement and prior to Completion, Mr. Tsang became entitled to exercise (a) the power to sell the Sale Shares; and (b) the voting rights attaching to the Sale Shares and therefore the voting rights attaching to approximately 45.71% of the issued Shares held by Mars Worldwide.

## **Event of Default**

The maturity date for repayment of the principal amount of the Loan under the Loan Agreement was 9 December 2023. On 9 June 2023, the Vendor issued a post-dated cheque dated 9 December 2023 in the amount of HK\$40,000,000 to Mr. Tsang. Mr. Tsang wished to confirm with the Vendor whether the Vendor's bank account held sufficient funds prior to the deposit of the cheque, to minimise the risk of the cheque being dishonoured. As Mr. Tsang was unable to obtain confirmation from the Vendor about the adequacy of the account balance to repay the Loan, Mr. Tsang did not deposit the cheque immediately. Mr. Tsang also noted in February 2024 that there were unofficial news reports about the purported arrest of the Vendor, making Mr. Tsang reluctant to proceed with depositing the cheque. Furthermore, Mr. Tsang was aware that in



March 2024, there was a mandatory general offer for the shares of TOMO triggered as a result of the enforcement of security for the Leung's Loan. Despite repeated efforts and multiple attempts to contact the Vendor by phone calls only, Mr. Tsang was still unable to contact the Vendor and Mr. Tsang could only proceed with depositing the cheque on 25 April 2024. On 25 April 2024, Mr. Tsang attempted to deposit the cheque with the bank but he was informed by the bank on 26 April 2024 that the cheque was returned and could not be honoured. In November 2024, the Relevant Authority issued a public notice, stating that “鼎益豐” and its related company had issued false wealth management products, and “鼎益豐” is suspected of having contravened the relevant law. The Relevant Authority had taken criminal compulsive measures against persons including “隋某義” and “馬某秋” for suspected involvement in fraud. Please note that “隋某義” and “馬某秋” are not the full name of the suspects, they are names disclosed in the public notice issued by the Relevant Authority. For details, please refer to the announcement of Carmen Century Investment Limited (formerly known as Ding Yi Feng Holdings Group International Limited), a company listed on the Stock Exchange (stock code: 612), dated 8 November 2024.

The Loan has already become due but the Vendor as borrower has yet to repay any of the principal amount of the Loan and the interest accrued thereon such that it constituted an event of default under the Loan Agreement.

#### **Identifying potential purchaser(s) of the Sale Shares**

Since the Vendor's cheque was returned and could not be honoured, Mr. Tsang attempted to identify potential purchasers of the Sale Shares through his business acquaintance, Mr. Chan, in the market before the Enforcement Notice is issued. Mr. Chan has over 18 years of experience in financial fields and investor relations. Particularly, Mr. Chan was an executive director of Lerthai Group Limited (formerly known as LT Holdings Limited), a company listed on the Stock Exchange (stock code: 112), during the period from June 2013 to June 2016, where he was responsible for corporate finance, global investment, merger and acquisitions and investor relations. Since 2017 and up to the Latest Practicable Date, Mr. Chan has been the consultant of China Tangshang Holdings Limited, a company listed on the Stock Exchange (stock code: 674), responsible for its investor relations. As Mr. Tsang considers Mr. Chan has a strong business network that surpasses Mr. Tsang's other business acquaintances and is well-connected with wealthy investors or entrepreneurs, he had only sought Mr. Chan's assistance in identifying potential purchasers of the Sale Shares after the cheque was dishonoured in April 2024 and before the Sale and Purchase Agreement was entered into. Notwithstanding Mr. Chan's strong business network and established connections with wealthy investors or entrepreneurs, Mr. Tsang understood from Mr. Chan that as the Vendor was suspected of having committed a crime as stated in the subsection headed “Event of Default” above, it dampened potential investors' desire to purchase the Sale Shares and becoming the controlling shareholder of the Company. Other than the Purchaser, no concrete potential purchasers were identified or introduced by Mr. Chan to Mr. Tsang, although Mr. Tsang had been urging Mr. Chan multiple times to help procure potential purchasers. Due to Mr. Chan's extensive and robust business network, he was able to identify one potential investor, the Purchaser. Mr. Tsang is of the view that without Mr. Chan's involvement, it is likely that no investor would have been identified.

Mr. Tsang intended to issue the Enforcement Notice after identifying a potential purchaser and shortly before entering into a definitive sale and purchase agreement for the disposal of the Sale Shares with a view to exercising the power to sell the Sale Shares on behalf of the Vendor under the Share Mortgage, instead of enforcing the Share Mortgage by himself. Given that (i) Mr. Tsang only intended to exercise the power to sell the Sale Shares and had no intention of becoming a Shareholder or exercising the voting rights attached to the Sale Shares; and (ii) Mr. Tsang had the power to sell the Sale Shares immediately upon serving the Enforcement Notice while serving the Enforcement Notice at a later stage would not affect Mr. Tsang's ability to protect his security interest, the Enforcement Notice was not issued in early time until a potential purchaser of the Sale Shares was identified.

In April 2025, Mr. Sun, the sole director of the Purchaser and holder of 97% of its issued share capital, was introduced to Mr. Tsang by Mr. Chan at a private business gathering hosted by Mr. Chan. Subsequently, Mr. Sun and Mr. Tsang began exploring potential opportunities for business collaboration. In July 2025, Mr. Sun and Mr. Tsang initiated discussions regarding the potential sale and purchase of the Sale Shares.

#### **Concert Group Arrangement between Mr. Tsang and the Purchaser**

Mr. Tsang and the Purchaser began to negotiate the terms of the Sale and Purchase Agreement in July 2025. By mid-August 2025, as the terms of the Sale and Purchase Agreement were close to being finalised, Mr. Tsang and the Purchaser contemplated that enforcement of the Share Mortgage by Mr. Tsang, and the execution of the Sale and Purchase Agreement by the parties would each trigger a conditional mandatory general cash offer pursuant to Rule 26.1 of the Takeovers Code. In light of this, Mr. Tsang and the Purchaser reached a consensus on the Concert Group Arrangement on 27 August 2025. Pursuant to the Concert Group Arrangement, Mr. Tsang and the Purchaser agreed to (i) be parties acting in concert in respect of the Company; and (ii) jointly make the Offer for all the Offer Shares to be tendered by the Independent Shareholders to Mr. Tsang and the Purchaser (as Joint Offerors), if the enforcement of the Share Mortgage and the execution of the Sale Purchase Agreement materialise.

#### **Service of the Enforcement Notice**

On 27 August 2025, acting under the Concert Group Arrangement, Mr. Tsang issued the Enforcement Notice to the Vendor shortly before the entering into of the Sale and Purchase Agreement. Given Mr. Tsang was only able to identify the Purchaser as a potential purchaser of the Sale Shares in July 2025, it took a long time for Mr. Tsang to issue the Enforcement Notice. Following the service of the Enforcement Notice, Mr. Tsang became entitled to exercise his rights under the Share Mortgage to sell the Sale Shares on behalf of the Vendor in his capacity as the Vendor's attorney. As at the date of the Enforcement Notice, the total outstanding amount under the Loan Agreement was HK\$54,724,822 (of which HK\$40,000,000 was the principal amount of the Loan and HK\$14,724,822 was the interest accrued thereon). Shortly after the service of the Enforcement Notice dated 27 August 2025, the parties entered into the Sale and Purchase Agreement on 4 September 2025 (after trading hours), as further explained below.

## **The Sale and Purchase Agreement**

The Board was informed that on 4 September 2025 (after trading hours), the Vendor (acting through Mr. Tsang in his capacity as the Vendor's attorney by way of exercising his powers and rights under the Share Mortgage), together with Mr. Tsang (as guarantor) and the Purchaser (as purchaser), entered into the Sale and Purchase Agreement, pursuant to which the Vendor agreed to sell, and the Purchaser agreed to purchase, the Sale Shares, representing the entire issued share capital of Mars Worldwide, for a total Consideration of HK\$54,000,000. As at the Latest Practicable Date, Mars Worldwide holds 411,293,396 Shares, representing approximately 45.71% of the entire issued share capital of the Company. Other than this, Mars Worldwide does not have any other assets since its incorporation and up to the Latest Practicable Date, to the best knowledge of Mr. Tsang after due enquiry. After the date of the Share Mortgage, Mars Worldwide has not acquired or disposed of any of its assets. The Sale Shares were sold free from all Encumbrances and third party rights and together with all rights attached to them, including the right to all dividends and distributions which may be declared, paid or made at any time on or after the Completion Date.

## **Allegations on unlawful confiscation of the Sale Shares**

Your attention is drawn to the section headed "Introduction – Allegations on unlawful confiscation of the Sale Shares" in the "Letter from Quam Securities".

In accessing the allegation of unlawful confiscation of the Sale Shares, the Board has reviewed (i) the Loan Agreement; (ii) the Share Charge; (iii) copies of the cheque and deposit slips of the Loan; (iv) record of bounced cheque; (v) record of issuing the Enforcement Notice; and (vi) the Counsel Opinion obtained by the Purchaser.

In the circumstances, the Board strenuously denied the unfounded allegation which is not true, accurate or have any substance.

## **General**

The purpose of this Composite Document (of which this letter forms part) is to provide you with, among other things: (i) the details of the Offer; (ii) the information relating to the Group and the Joint Offerors; (iii) the letter from Quam Securities containing, among others, the details of the Offer; (iv) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Offer; and (iv) a letter from the Independent Financial Adviser to the Independent Board Committee in respect of the Offer.

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



## INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, which comprises all the independent non-executive Directors who have no direct or indirect interest in the Offer, namely Mr. Cheng Wai Hei, Mr. Lam Chi Wing and Ms. Li Qian, has been established to make a recommendation to the Independent Shareholders as to whether the Offer is fair and reasonable and as to the acceptance of the Offer pursuant to Rule 2.1 of the Takeovers Code.

Merdeka has been appointed as the Independent Financial Adviser with the approval of the Independent Board Committee to advise the Independent Board Committee in respect of the Offer and, in particular, as to whether the Offer is fair and reasonable and as to the acceptance of the Offer.

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

## THE OFFER

Quam Securities, the offer agent to the Joint Offerors, is, for and on behalf of the Joint Offerors, making the Offer to acquire the Offer Shares on the terms in accordance with the Takeovers Code on the following basis:

**For each Offer Share ..... HK\$0.1331 in cash**

The Offer Price of HK\$0.1331 per Offer Share is approximately equal to, but not lower than, the higher of:

- (i) approximately HK\$0.1331 per Share, calculated based on the total outstanding amount of HK\$54,724,822 owed by the Vendor to Mr. Tsang under the Loan Agreement as at the date of the Enforcement Notice, divided by 411,293,396 Shares held by Mars Worldwide. This reflects the deemed consideration paid by Mr. Tsang when the rights associated with his proprietary interest over the Sale Shares became exercisable under the Share Mortgage upon the due service of the Enforcement Notice; and
- (ii) approximately HK\$0.1313 per Share, calculated as the Consideration of HK\$54,000,000 paid by the Purchaser under the Sale and Purchase Agreement, divided by 411,293,396 Shares held by Mars Worldwide.

The Company confirms that as at the Latest Practicable Date, (i) it has not declared any dividend which is not yet paid; and (ii) it does not have any intention to declare or pay any future dividend or make other distributions prior to and including the date of closing or lapse of the Offer.

As at the Latest Practicable Date, 899,845,554 Shares were in issue and the Company did not have any outstanding options, derivatives, warrants or securities which are convertible or exchangeable into 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.

The Offer is subject to the satisfaction of the Condition as set out in the section headed “Condition of the Offer” in the “Letter from Quam Securities” in this Composite Document.

Further details regarding the Offer, including the terms and procedures for acceptance of the Offer are set out in the “Letter from Quam Securities” and Appendix I to this Composite Document and the accompanying Form of Acceptance.

#### **INFORMATION ON THE JOINT OFFERORS**

Your attention is drawn to the section headed “Information on the Joint Offerors” in the “Letter from Quam Securities” and Appendix IV contained in this Composite Document for information on the Joint Offerors.

#### **INFORMATION ON THE GROUP**

The Company was incorporated in Bermuda as an exempted company with limited liability and its issued Shares are listed on the Main Board of the Stock Exchange. The principal activity of the Company is investment holding. The Group is principally engaged in manufacturing and trading of garment products for internationally renowned brand names. The Group utilizes its production facilities in Heshan, Mainland China, and engages overseas subcontractors for its manufacturing process. In addition, the Group has a securities investment business segment that trades securities listed on the Stock Exchange.

Pursuant to Rule 11.1(f) of the Takeovers Code, as the book value of the consolidated property assets of the Group exceeded 15% of the Group’s consolidated total assets, a valuation on the properties of the Group as at 31 October 2025 has been set out in Appendix III to this Composite Document.

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



## 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
<b>Joint Offerors and parties acting in concert with them</b>				
– Purchaser (through Mars Worldwide)	–	–	411,293,396	45.71
– Mr. Tsang	–	–	–	–
– Vendor (acting through Mr. Tsang in his capacity as the Vendor's attorney by way of exercising his powers and rights under the Share Mortgage) ( <i>Note 1</i> )	411,293,396	45.71	–	–
<b>Director</b>				
– Lee Chi Ho ( <i>Note 2</i> )	2,000	negligible	2,000	negligible
<b>Public Shareholders</b>	488,550,158	54.29	488,550,158	54.29
	<u>899,845,554</u>	<u>100.00</u>	<u>899,845,554</u>	<u>100.00</u>

### Notes:

- As the Vendor (acting through Mr. Tsang) agreed to receive deferred payment by agreement to the full settlement of the Consideration subsequent to Completion, the Vendor is treated as providing financing or financial assistance to the Purchaser and is therefore presumed to be acting in concert with the Purchaser under presumption Class (9) of the definition of "acting in concert" under the Takeovers Code.
- As at the Latest Practicable Date, no irrevocable undertaking regarding whether to accept or reject the Offer was provided by Mr. Lee Chi Ho. Save as disclosed above, none of the Directors hold any Shares as at the Latest Practicable Date.

There is no change in the shareholding structure of the Company immediately prior to Completion and immediately upon Completion that the Company is owned as to approximately 45.71% by Mars Worldwide and approximately 54.29% by public Shareholders. Immediately prior to Completion, Mars Worldwide was wholly and beneficially owned by the Vendor. Immediately upon Completion and as at the Latest Practicable Date, Mars Worldwide is wholly

and beneficially owned by the Purchaser, which is owned as to 97% by Mr. Sun and 3% by Ms. Zhu as at the Latest Practicable Date.

#### **INTENTION OF THE JOINT OFFERORS IN RELATION TO THE GROUP**

Your attention is drawn to the section headed “Intention of the Joint Offerors in relation to the Group” in the “Letter from Quam Securities” in this Composite Document. In particular, the Joint Offerors intend to continue the existing principal business of the Group and had no intention to make material changes to the employment of the management and employees of the Group (save for a proposed change to the members of the Board at a time no earlier than that permitted under the Listing Rules and the Takeovers Code or to dispose of or re-deploy the assets of the Group other than those in its ordinary course of business. As at the Latest Practicable Date, no investment or business opportunity has been identified nor had the Joint Offerors entered into any agreement, arrangement, understanding or negotiation in relation to (i) the disposal, restructuring or downsizing of the Company’s existing businesses, operation and assets; and (ii) the injection of any assets or business into the Group.

The Joint Offerors intend to nominate new director(s) to the Board with effect from a date which is no earlier than such date as permitted under the Listing Rules and the Takeovers Code. Any changes to the members of the Board will be made in compliance with the Takeovers Codes and/or the Listing Rules and further announcement(s) will be made as and when appropriate.

The Board is pleased to note the intention of the Joint Offerors in relation to the Group as disclosed. The Board is willing to cooperate with the Joint Offerors for the best interests of the Company and the Shareholders as a whole.

#### **PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY**

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

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

The Joint Offerors intend the Company to remain listed on the Stock Exchange. The sole director of the Purchaser, Mr. Tsang, and the new directors to be appointed to the Board (if any) will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares. The Joint Offerors will issue a separate announcement as and when necessary in this regard.

## RECOMMENDATION

Your attention is drawn to (i) the "Letter from the Independent Board Committee", which contains its recommendation to the Independent Shareholders as to whether the Offer is fair and reasonable and as to the acceptance of the Offer; and (ii) the "Letter from the Independent Financial Adviser", which contains its advice to the Independent Board Committee in connection with the Offer and the principal factors considered by it in arriving at its advice, in this Composite Document.

## ADDITIONAL INFORMATION

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

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

By order of the Board of  
**Carry Wealth Holdings Limited**



**Mr. Zhang ZiXing**  
*Chairman and executive Director*