Lego Securities Limited
力高證券有限公司

28 August 2026

To the Offer Shareholders,

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
LEGO SECURITIES LIMITED
FOR AND ON BEHALF OF THE OFFEROR
TO ACQUIRE ALL THE ISSUED SHARES OF
IDT INTERNATIONAL LIMITED
(OTHER THAN THOSE ALREADY OWNED OR AGREED
TO BE ACQUIRED BY THE OFFEROR AND
PARTIES ACTING IN CONCERT WITH IT)**

INTRODUCTION

Reference is made to the Joint Announcement.

The Transactions

As disclosed in the Joint Announcement, the Board was informed by the Offeror that on 12 June 2026 (after trading hours): (i) the Offeror (as subscriber), Hunglap (as issuer) and Pinghu Maoshui entered into the Subscription Agreement, pursuant to which the Offeror has conditionally agreed to subscribe, and Hunglap has conditionally agreed to allot and issue, the Subscription Shares (being 84,250 new shares in Hunglap, representing approximately 89.39% of the enlarged issued share capital of Hunglap immediately upon completion of the Subscription) at the total Subscription Price of HK$43,895,935; and (ii) Pinghu Maoshui (as assignor), the Offeror (as assignee) and Hunglap (as debtor) entered into the Deed of Assignment, pursuant to which Pinghu Maoshui has conditionally agreed to assign and novate, and the Offeror has conditionally agreed to acquire and accept, all the rights, titles and interests of the Pinghu Shareholder's Loan at the total Assignment Consideration of HK$109,502,831.30 (representing the assignment and novation of the Pinghu Shareholder's Loan on a dollar for dollar basis).

Immediately prior to the entering into of the Subscription Agreement and the Deed of Assignment: (i) Hunglap was wholly owned by Pinghu Maoshui and the legal and beneficial owner of 203,777,563 Shares (representing approximately 39.19% of the entire issued share capital of the Company), and a controlling shareholder of the Company; and (ii) the Offeror was the legal and beneficial owner of 108,825,857 Shares (representing approximately 20.93% of the entire issued share capital of the Company), and a substantial shareholder of the Company.

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Completion of the Transactions took place simultaneously on the Completion Date, being 13 June 2026. The Subscription Price and the Assignment Consideration had been fully paid in cash by the Offeror using its internal resources. Immediately upon Completion, Hunglap is held as to 89.39% and 10.61% by the Offeror and Pinghu Maoshui respectively. Accordingly, the shareholding position of the Offeror in the Company increased from 108,825,857 Shares (representing approximately 20.93% of the entire issued share capital of the Company) to 312,603,420 Shares (comprising (a) 108,825,857 Shares directly held by the Offeror; and (b) 203,777,563 Shares indirectly held by the Offeror through its control of Hunglap, and representing approximately 60.12% of the entire issued share capital of the Company).

Pursuant to Rule 26.1 of the Takeovers Code, upon Completion, the Offeror is required to make a mandatory unconditional cash offer for all issued Shares (other than those already owned or agreed to be acquired by the Offeror, Hunglap and parties acting in concert with any of them). Pursuant to Note 8 to Rule 26.1 and Practice Note 19 to the Takeovers Code, a chain principle offer was triggered, and based on the Pacpo Formula, the effective acquisition price of each Share under the Transactions is approximately HK$0.5941.

Purpose of this letter

This letter forms part of this Composite Document and sets out, among other things, the principal terms of the Offer, together with the information on the Offeror and the intention of the Offeror in relation to the Group. Further details of the Offer are also set out in Appendix I to this Composite Document and the accompanying Form of Acceptance. Your attention is also drawn to the "Letter from the Board", the "Letter from the Independent Board Committee" to the Offer Shareholders and the "Letter from the Independent Financial Adviser" to the Independent Board Committee and the Offer Shareholders as contained in this Composite Document.

THE OFFER

Principal terms of the Offer

Lego Securities, for and on behalf of the Offeror, is making the Offer to acquire all the Offer Shares in accordance with the Takeovers Code and on the terms set out in this Composite Document and in the Form of Acceptance on the following basis:

Offer Price for each Offer Share . . . . **HK$0.5941 in cash**

The Offer Price of HK$0.5941 per Offer Share is equal to (i) the effective acquisition price per effective acquisition Share paid by the Offeror under the Transactions; and (ii) the offer price paid by the Offeror per Share in the Previous Offer.

The Offer is unconditional in all respects. The Offer is extended to all Shares in issue other than those Shares held by the Offeror and parties acting in concert with it.

As at the Latest Practicable Date, 519,984,181 Shares were in issue and the Company does not have any outstanding options, derivatives, warrants or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) 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 or which confer rights to require the issue of Shares.

The Board confirms that, as at the Latest Practicable Date, (i) the Company has not declared any dividend or other distribution which remains unpaid; and (ii) it does not have any intention to make, declare or pay any future dividend/make other distributions on or before the close of the Offer. If, after the Latest Practicable Date, any dividend or other distribution is made or paid in respect of the Offer Shares, the Offeror will reduce the Offer Price by an amount equal to the gross amount of such dividend or other distribution received or receivable by the Offer Shareholders pursuant to Note 3 to Rule 26.3 and Note 11 to Rule 23.1 of the Takeovers Code.

The Offeror will not increase the Offer Price for the Offer Shares as set out above. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Price and the Offeror does not reserve the right to increase the Offer Price.

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

Comparison of value

The Offer Price of HK$0.5941 per Offer Share represents:

(i) a discount of approximately 91.51% to the closing price of HK$7 per Share as quoted on the Stock Exchange on the Last Trading Day;

(ii) a discount of approximately 91.63% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the 5 consecutive trading days up to and including the Last Trading Day of approximately HK$7.10 per Share;

(iii) a discount of approximately 92.05% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the 10 consecutive trading days up to and including the Last Trading Day of approximately HK$7.47 per Share;

(iv) a discount of approximately 91.59% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the 30 consecutive trading days up to and including the Last Trading Day of approximately HK$7.06 per Share;

(v) a discount of approximately 90.82% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the 60 consecutive trading days up to and including the Last Trading Day of approximately HK$6.47 per Share;

(vi) a premium of approximately 287.5% over the audited consolidated net asset value attributable to the owners of the Company of approximately HK$0.1534 per Share as at 31 December 2025 based on 519,984,181 Shares in issue as at the Latest Practicable Date;

(vii) a premium of approximately 8.71% over the unaudited consolidated net asset value attributable to the owners of the Company of approximately HK$0.5465 per Share as at 30 June 2026 based on 519,984,181 Shares in issue as at the Latest Practicable Date; and

(viii) a discount of approximately 90.26% to the closing price of HK$6.10 per Share as quoted on the Stock Exchange on the Latest Practicable Date.

Highest and lowest Share prices

The highest closing price of the Shares as quoted on the Stock Exchange during the Relevant Period was HK$9.91 per Share on 12 March 2026.

The lowest closing price of the Shares as quoted on the Stock Exchange during the Relevant Period was HK$1.99 per Share on 6 February 2026.

Total value of the Offer

As at the Latest Practicable Date, the Company has 519,984,181 Shares in issue. On the basis of the Offer Price of HK$0.5941 per Offer Share, the entire issued share capital of the Company is valued at approximately HK$308.9 million. The Offer is made to the Offer Shareholders.

On the basis that there are 207,380,761 Shares subject to the Offer and assuming no change in the issued share capital of the Company from the Latest Practicable Date up to the close of the Offer, the value of the Offer is approximately HK$123.2 million.

Confirmation of financial resources available for the Offer

The maximum consideration payable under the Offer will amount to approximately HK$123.2 million. The Offeror intends to finance the Offer by its own internal resources.

Lego Corporate Finance, being the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror to satisfy the full acceptance of the Offer.

Effect of accepting the Offer

By accepting the Offer, Shareholders will sell their Shares free from all Encumbrances and together with all rights accruing or attaching to them, including, without limitation, the right to receive all dividends and distributions which may be recommended, declared, made or paid, if any, at any time on or after the date on which the Offer is made, being the date of posting of the Composite Document. Acceptance of the Offer by any Shareholder will be deemed to constitute a warranty by such person that all Shares sold by such person under the Offer are free from all Encumbrances and together with all rights accruing or attaching to them, including, without limitation, the right to receive all dividends and distributions which may be recommended, declared, made or paid, if any, at any time on or after the date on which the Offer is made.

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

Offer Shareholders are reminded to read the recommendation of the Independent Board Committee and the advice of the Independent Financial Adviser in respect of the Offer 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.

Payment

Payment in cash in respect of acceptances of the 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 of receipt of a duly completed and valid acceptance of the Offer. Relevant documents evidencing title must be received by the Registrar on behalf of the Offeror to render such acceptance of the Offer complete and valid.

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

Hong Kong stamp duty

Seller's ad valorem stamp duty arising in connection with acceptance of the Offer amounting to 0.1% of the amount payable in respect of relevant acceptances by the Offer Shareholders, or the market value of the Shares as determined by the Collector of Stamp Revenue under the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong), whichever is higher, will be deducted from the cash amount payable to the Offer Shareholders who accept the Offer. The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of accepting Offer Shareholders and will pay the buyer's ad valorem stamp duty in connection with the acceptances of the Offer.

Taxation advice

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

Overseas Shareholders

The Offer will be made to all Offer Shareholders, including those who are not resident in Hong Kong. The making and the implementation of the Offer to Offer Shareholders who are not resident in Hong Kong may be subject to the laws of the relevant overseas jurisdictions in which such Offer Shareholders are located. Such Offer Shareholders should observe any applicable requirements and restrictions in their own jurisdictions, and where necessary, seek independent legal advice in respect of the Offer. It is the responsibility of such Offer Shareholders who have registered addresses outside Hong Kong and wish to accept the Offer to satisfy themselves as to the full observance of the applicable laws and regulations of the relevant jurisdiction in connection therewith (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes payable by such Offer Shareholders in such jurisdiction).

As at the Latest Practicable Date, details of the Overseas Shareholders are as follows:

Jurisdiction in which the registered address is located	**Number of Offer Shareholders**	**Total number of Shares held as at the Latest Practicable Date**	**Approximate % of issued Shares**
Macau	1	10,000	0.00
Switzerland	1	3	0.00
Japan	2	225	0.00
British Virgin Islands	4	54,000,000	10.38
Cayman Islands	1	18,000,000	3.46

Advice has been obtained from a law firm qualified to advise on the laws of British Virgin Islands, Cayman Islands, Macau, Switzerland and Japan, which opined that there is no requirement for any of the Company, Lego Securities or the Offeror to obtain any prior approval, consent or registration with any governmental, regulatory or such other authority in the relevant jurisdictions in relation to the extension of the Offer, and the despatch of this Composite Document to the Overseas Shareholders with registered addresses in British Virgin Islands, Cayman Islands, Macau, Switzerland and Japan.

Any acceptance of the Offer by any Offer Shareholders will be deemed to constitute a representation and warranty from such Offer Shareholders to the Offeror that the local laws and requirements have been complied with. The Overseas Shareholders should consult their professional advisers if in doubt. Offer Shareholders who are in doubt as to the action they should take should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

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 Cayman Islands with limited liability, principally engaged in investment holding. As at the Latest Practicable Date, save for the holding of Shares and the Pinghu Shareholder's Loan assigned to it, the Offeror has not engaged in any business activities.

As at the Latest Practicable Date, the Offeror is indirectly wholly-owned by Ms. Shen. Ms. Shen Jingwei, aged 52, has substantial experience in corporate finance and capital operations involving listed companies on the Shanghai Stock Exchange and Shenzhen Stock Exchange. Ms. Shen has previously served as project manager and executive president of the investment banking division of Northeast Securities Co., Ltd. (東北證券股份有限公司), a company listed on the Shenzhen Stock Exchange, during the period from March 2000 to November 2008 and as executive president of the mergers and acquisitions division of Anxin Securities Co., Ltd.* (安信證券股份有限公司) (now SDIC Securities Co., Ltd. (國投證券股份有限公司)) during the period from November 2008 to April 2020. Ms. Shen then joined Range Technology Development Co., Ltd. (潤澤智算科技集團股份有限公司) ("**Range Technology**") in 2020, a company listed on the ChiNext of Shenzhen Stock Exchange and has served as a director during the period from August 2022 to April 2026. Range Technology is one of the leading companies in the third-party AI infrastructure industry. With years of experience in the sector, Ms. Shen possesses extensive expertise and capabilities in AI-related business.

INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

Following the close of the Offer, it is the intention of the Offeror that the Group will continue with its existing principal activities and maintain the employment of the existing employees of the Group including operational staff. The Offeror has no plan and/or intention to downsize or change the scale of the Group's existing principal business.

The Group is specialised in the design, development, manufacturing and sales of electronic products and the provision of AI infrastructure services.

Following the COVID-19 outbreak and as a result of the lockdowns and control measures imposed by authorities globally, many businesses, including the Group's business operation were disrupted and significantly affected and the business operations of the Group had been substantially suspended.

Since the re-commencement of the Group's operations in December 2023, the Group has resumed sales of electronic products under the "Oregon Scientific" trademark. Furthermore, in 2025, the board of Directors of the Company at that material time had already considered it commercially imperative to upgrade the Group's product ecosystem toward AI integration. Notable developments had been made, including the raising of capital by the Company through the Placing to finance the Group's business development as well as the acquisition of AI servers for the purpose of expanding the Group's AI infrastructure and implementing its established strategy.

It is also the business intention of the Offeror to leverage on the experience of Ms. Shen in corporate finance and capital operations involving listed companies as well as her resources and network, to further strengthen the existing principal business of the Group. In this regard, Ms. Shen possesses experience in the capital market, as well as expertise in AI-related business. On the one hand, Ms. Shen's experience in the corporate finance industry enables the Group to strengthen its fundraising and capital management capabilities to support its business growth. On the other hand, Ms. Shen's experience, connections and networks developed over years in AI-related business enable the Group to potentially develop strategic cooperation with key stakeholders, such as upstream and downstream partners and professional and technical talents. This could thereby further consolidate and strengthen the Group's existing principal business and accelerate the Group's implementation of its two-phase 2026 plan to transition toward a dual-driver model of "AI-integrated products + AI data services".

* *For identification purposes only*

As disclosed in the circular of the Company dated 24 January 2025, the Group previously announced its plan to implement a corporate restructuring of carving out certain non-core subsidiaries (collectively referred to as the "**Non-core Subsidiaries**") with net liabilities to further strengthen the Group's overall financial standing, the process of which may include (but not limited to) winding up these entities. To implement such corporate restructuring, the Group appointed liquidator/administrator and voluntarily commenced liquidation arrangements in respect of the Non-core Subsidiaries (which were inactive, in net liabilities position, and did not contribute any revenue or profit or loss to the Group during the period from 1 January 2026 to the date of deconsolidation) in late June 2026 (the "**Organisation Restructuring**"), further details of which are disclosed in the interim results announcement of the Company dated 14 August 2026.

As at the Latest Practicable Date, the Offeror has not entered into any agreement, arrangements, understandings or negotiation in relation to (a) the injection of any assets or business into the Group; or (b) the disposal of any assets or business of the Group, other than those conducted by the Company in its ordinary course of business and/or the completion of the Organisation Restructuring.

As at the Latest Practicable Date, the Offeror has no intention to (i) discontinue the employment of any employees of the Group or change the composition of the board of directors of the Group's subsidiaries; (ii) redeploy the fixed assets of the Group other than those in its ordinary and usual course of business; or (iii) introduce any major changes in the existing operations and business of the Group other than completion of the Organisation Restructuring, following the close of the Offer.

PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

The Stock Exchange has stated that

(1) if, at the close of the Offer, the Stock Exchange believes that:

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

    (b) an orderly market does not exist or may not exist, it will consider exercising its discretion to suspend dealings in the shares; and

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

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

    (b) 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 Offeror does not intend to avail itself of any powers of compulsory acquisition of any Shares outstanding after the close of the Offer. The Offeror intends the Company to remain listed on the Stock Exchange. The director of the Offeror and the new directors to be appointed to the Board of the Company, if any, will jointly and severally undertake to the Stock Exchange that if, at the close of the Offer, the Company fails to comply with the requirement of Rule 13.32B, they will take appropriate steps to ensure the issuer's compliance with Rule 13.32B at the earliest possible moment.

ACCEPTANCE AND SETTLEMENT OF THE OFFER

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

COMPULSORY ACQUISITION

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

GENERAL

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

All documents and remittances will be sent to the Offer Shareholders by ordinary post at their own risk. These documents and remittances will be sent to them at their respective addresses as they appear in the register of members of the Company, or, in the case of joint holders, to the Offer Shareholder whose name appears first in the said register of members. None of the Offeror, its ultimate beneficial owner and/or parties acting in concert with it, the Company, Lego Corporate Finance, Lego Securities, the Independent Financial Adviser, the Registrar nor their respective ultimate beneficial owners, directors, officers, advisers, agents or associates, as applicable, or any other person involved in the Offer 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.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information regarding the Offer set out in the appendices to this Composite Document and the accompanying Form of Acceptance, which form part of this Composite Document. You are reminded to read carefully the "Letter from the Board", the "Letter from the Independent Board Committee" and the letter of advice by the Independent Financial Adviser to the Independent Board Committee and the Offer Shareholders in respect of the Offer as set out in the "Letter from the Independent Financial Adviser" as contained in this Composite Document before deciding whether or not to accept the Offer. If you are in doubt about your position in connection with the Offer, 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
Lego Securities Limited

Kelvin Li
Director