

15 April 2026

To the Independent Board Committee and the Independent Shareholders

Dear Sir/Madam,

**(I) PROPOSED RIGHTS ISSUE ON THE BASIS OF
ONE (1) RIGHTS SHARE FOR EVERY ONE (1) SHARE HELD ON
THE RECORD DATE ON A NON-UNDERWRITTEN BASIS;
AND
(II) PLACING AGREEMENT UNDER THE COMPENSATORY
ARRANGEMENTS**

INTRODUCTION

We refer to our appointment as Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Rights Issue, the Placing Agreement and the transactions contemplated thereunder, details of which are set out in the “Letter from the Board” contained in the circular of the Company dated 15 April 2026 (the “Circular”). Terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

On 9 March 2026, the Company proposes to raise gross proceeds of up to approximately HK\$66.80 million (assuming no change in the number of Shares in issue on or before the Record Date) by issuing up to 785,927,000 Rights Shares at the Subscription Price of HK\$0.085 per Rights Share on the basis of one (1) Rights Share for every one (1) Share held by the Qualifying Shareholders at the close of business on the Record Date.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares. In the event that the Rights Issue is not fully-subscribed, any Unsubscribed Rights Shares and ES Unsold Rights Shares will be placed to independent placees on a best effort basis by the Placing Agent under the Compensatory Arrangements. Any Unsubscribed Rights Shares and ES Unsold Rights Shares which are not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There are no statutory requirements regarding the minimum subscription levels in respect of the Rights Issue. There is no minimum amount to be raised under the Rights Issue.

LISTING RULES IMPLICATIONS

In accordance with Rule 7.19A of the Listing Rules, as the Rights Issue will increase the issued share capital of the Company by more than 50%, the Rights Issue is subject to the approval of the Independent Shareholders at the SGM by way of poll. Pursuant to Rule 7.27A(1) of the Listing Rules, where Independent Shareholders' approval is required for a rights issue under Rule 7.19A of the Listing Rules, the rights issue must be made conditional on approval by shareholders in general meeting by a resolution on which any controlling shareholders and their associates or, where there are no controlling shareholders, Directors (excluding independent non-executive Directors) and the chief executive of the issuer and their respective associates shall abstain from voting the ordinary resolution to approve the Rights Issue at the SGM.

As at the Latest Practicable Date, Brilliant Sunshine, being a company incorporated in the British Virgin Islands with limited liability and owned as to 50% by Mr. Ng Leung Ho and as to 50% by Mr. Yu Xueming, is interested in 431,127,404 Shares, representing approximately 54.86% of the issued share capital of the Company. Accordingly, Brilliant Sunshine and its associates shall abstain from voting in favour of the resolution approving the Rights Issue at the SGM.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all independent non-executive Directors, namely Mr. Chan Kin, Mr. Chau Chi Yan Benny and Ms. Wong Ping Fan, has been established to advise the Independent Shareholders as to whether the terms of the Rights Issue, the Placing Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, in the interests of the Company and the Independent Shareholders as a whole, and to advise the Independent Shareholders as to the voting at the SGM, taking into account the recommendations of the Independent Financial Adviser.

We have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Rights Issue, the Placing Agreement and the transactions contemplated thereunder are fair and reasonable.

THE INDEPENDENT FINANCIAL ADVISER

As the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, our role is to give an independent opinion to the Independent Board Committee and the Independent Shareholders on (i) whether the terms of the Rights Issue, the Placing Agreement and the transactions contemplated thereunder are fair and reasonable; (ii) whether the Rights Issue, the Placing Agreement and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole; and (iii) how to vote on the relevant resolutions to be proposed at the SGM in relation to the Rights Issue, the Placing Agreement and the transactions contemplated thereunder.

We have not acted as an independent financial adviser or financial adviser for other transactions of the Group, and have not provided any other services to the Group, in the last two years prior to the date of the Circular. Pursuant to Rule 13.84 of the Listing Rules, and given that remuneration for our engagement to opine on the Rights Issue, the Placing Agreement and the transactions contemplated thereunder is at market level and not conditional upon successful passing of the resolutions, and that our engagement is on normal commercial terms, we are independent of the Company.

BASIS OF OUR ADVICE

In formulating our advice, we have reviewed and relied on, including but not limited to, (i) the Company's interim report for the six months ended 30 September 2025 ("**Interim Report**"); (ii) the Company's annual report for the year ended 31 March 2025; (iii) the Rights Issue Announcement; and (iv) the statements, information, opinions and representations contained in the Circular and the information and representations provided to us by the Group and/or the Directors. Based on the aforesaid, we confirm that we have taken all reasonable steps which are applicable to the Rights Issue, as referred to in Rule 13.80 of the Listing Rules. We have assumed that all such statements, information, opinions and representations contained or referred to in the Circular or otherwise provided or made or given by the Group and/or the Directors and/or its senior management staff (the "**Management**"), for which they are solely responsible, are true and accurate at the time when they were provided and continue to be so as at the Latest Practicable Date. Shareholders will be notified of material changes as soon as possible, if any, to the information and representations provided and made to us after the Latest Practicable Date and up to and including the date of the SGM. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in this Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its adviser and/or the Directors, which have been provided to us. We have also relied on certain information available to the public and have assumed such information to be accurate and reliable and there are no reasons to doubt the accuracy and reliability of such public information.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this Circular have been arrived at after due and careful consideration and there are no other facts not contained in this Circular, the omission of which would make any statement contained in this Circular misleading.

We consider that we have reviewed all information and documents which are made available to us to enable us to reach an informed view and to justify our reliance on the information provided so as to provide a reasonable basis for our advice. We have no reason to doubt the truth, accuracy and completeness of the statements, information, opinions and representations provided to us by the Group and/or the Directors and/or the Management and their respective advisers or to believe that material information has been withheld or omitted from the information provided to us or referred to in the aforesaid documents. We have not, however, carried out any independent verification of the information provided, nor have we conducted any independent investigation into the business of the Group.

PRINCIPAL FACTORS AND REASONS CONSIDERED

1. Background information of the Group

The Group is principally engaged in (i) the garment sourcing business; and (ii) the provision of financial services.

1.1 Historical Information of the Group

The summary of the key items of the Group's (i) consolidated statement of profit or loss for the financial year ended 31 March 2025 ("FY2025") and 2024 ("FY2024") respectively, and for the six months ended 30 September 2025 ("6M2025") and 2024 ("6M2024") respectively; and (ii) consolidated statement of financial position as at 30 September 2025 and 31 March 2025 are set out below:

Consolidated statement of profit or loss

	For the year ended		For the six months ended	
	31 March	31 March	30 September	30 September
	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(audited)	(audited)	(unaudited)	(unaudited)
Revenue	81,477	96,691	49,345	44,026
Profit (loss) before taxation	929	(6,655)	(1,962)	3,779
Profit (loss) for the year/period	929	(3,655)	(1,962)	3,779

6M2025 vs 6M2024

For 6M2025, the revenue of the Group amounted to approximately HK\$49.3 million, representing an increase of approximately 12.08% (6M2024: approximately HK\$44.0 million), which was mainly attributable to the active expansion of business. The Group's other income for 6M2025 amounted to approximately HK\$3.5 million (6M2024: approximately HK\$8.6 million), which was mainly attributable to the fair value changes on financial assets at fair value through profit or loss, the dividend income from financial assets at fair value through profit or loss and the bank interest income. The Group's administrative and operating expenses for 6M2025 amounted to approximately HK\$6.2 million, representing an increase of approximately 17.37% (6M2024: approximately HK\$5.3 million), which was mainly attributable to the recruitment of additional employees for business expansion. Due to the aforesaid reasons, the loss for the period attributable to the owners of the Company for 6M2025 amounted to approximately HK\$2.0 million (6M2024: the profit for the period attributable to the owners of the Company of approximately HK\$3.8 million).

FY2025 vs FY2024

For FY2025, the revenue of the Group amounted to approximately HK\$81.5 million (FY2024: approximately HK\$96.7 million). Such decrease in revenue was driven by decrease in revenue contribution by both garment sourcing and provision of financial services segments. For FY2025, other income amounted to approximately HK\$12.5 million (FY2024: approximately HK\$4.7 million), which was mainly attributable to the fair value changes on financial assets at fair value through profit or loss, the dividend income from financial assets at fair value through profit or loss and the bank interest income. For FY2025, the Group's administrative expenses amounted to approximately HK\$13.9 million, representing an increase of approximately 1.65% (FY2024: approximately HK\$13.7 million). For FY2025, the Group's reversal of expected credit loss amounted to approximately HK\$1.7 million (FY2024: approximately HK\$152,000), which was mainly attributable to the reversal of impairment loss recognised from amount due from a former subsidiary. For FY2025, the Group's income tax credit amounted to nil (FY2024: approximately HK\$3.0 million). Due to the aforesaid reasons, the profit for the year attributable to the owners of the Company for FY2025 amounted to approximately HK\$929,000 (FY2024: the loss for the year attributable to the owners of the Company amounted to approximately HK\$3.7 million).

Consolidated statement of financial position as at 30 September 2025 and 31 March 2025

	As at 30 September 2025	As at 31 March 2025
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(unaudited)</i>	<i>(audited)</i>
Non-current assets	736	1,430
Current assets	104,776	96,064
Total assets	105,512	97,494
Current liabilities	18,238	8,258
Non-current liabilities	—	—
Total liabilities	18,238	8,258
Net assets	87,274	89,236

As at 30 September 2025, the Group had total assets of approximately HK\$105.5 million (as at 31 March 2025: approximately HK\$97.5 million), including cash and cash equivalents of approximately HK\$51.9 million (as at 31 March 2025: approximately HK\$62.0 million), representing an increase of approximately 8.2%. Such increase in total assets was mainly due to the increase in trade and other receivables of approximately HK\$11.1 million. As at 30 September 2025, the Group had total liabilities of approximately HK\$18.2 million (as at 31 March 2025: approximately HK\$8.3 million). Such increase in total liabilities was mainly due to the increase in trade and other payables of approximately HK\$10.0 million.

As at 30 September 2025, the Group's net assets were approximately HK\$87.3 million, down from approximately HK\$89.2 million as at 31 March 2025.

1.2 Outlook and prospects of the Group

The Group's core businesses, namely garment sourcing and the provision of financial services, have future performance that is largely influenced by the prospects of the China's market, which in turn are affected by the China's economies and to a greater extent, global economic activities.

As mentioned in the Interim Report, the outlook for both the macroeconomy and the textile and apparel industry remains grim. After three years of turmoil caused by the pandemic, conflicts, inflation, and tight monetary policies, global economic growth remains uncertain. The Group holds a relatively conservative yet optimistic view of the domestic economic outlook for the coming year. As further mentioned in the Interim Report, the Group will endeavor to raise the level of operations for our principal businesses and will endeavor to search for new business opportunities and expand profit channels.

2. Rationale for the Rights Issue and proposed use of proceeds

2.1 The funding needs

The net proceeds of the Rights Issue, assuming full subscription, will be up to approximately HK\$64.90 million (assuming no change in number of Shares in issue on or before Record Date). The Company intends to use the net proceeds from the Rights Issue for the following purposes:

- (i) approximately 44.0% (or approximately HK\$28.56 million, assuming no change in number of Shares in issue on or before Record Date) for the development of the existing garment sourcing business of the Group, which will be mainly used in product procurement, enhancement of the quality control and management team and strengthening its supply chain management and logistics. To support sustainable growth of the garment sourcing business, the Group has implemented enhanced supplier selection procedures under which management will prioritise suppliers that are reputable and financially sound, demonstrate a proven delivery and compliance track record, and are prepared to offer favourable terms. Accordingly, the Company intends to allocate approximately 37.0% (or approximately HK\$24.0 million) of the net proceeds from the Rights Issue to scale up product procurement (including deposits and/or prepayments to secure production capacity and raw materials) with such selected suppliers. The balance of approximately 7.0% (or approximately HK\$4.56 million) of the net proceeds will be used to upgrade the Group's quality control and sourcing management capabilities (including recruitment and training for the quality control team) and to strengthen supply chain management and logistics;

- (ii) approximately 44.0% (or approximately HK\$28.56 million, assuming no change in number of Shares in issue on or before Record Date), mainly for the expansion of the loan portfolio of the Group with an increasing availability of funds, for the development of the existing provision of financial services business of the Group. For the year ended 31 March 2025 and the six months ended 30 September 2025, the Group did not recognise any revenue from the provision of financial services. It was mainly attributable to a lack of eligible borrowers who meet the Group's credit policy. As at the Latest Practicable Date, the loan portfolio of the Group consisted of one secured loan facility granted to an individual in the sum of HK\$8.0 million. For details, please refer to the announcement of the Company dated 26 January 2026. In view of the increasing demand for financial services, the Group intends to allocate approximately 43.1% (or approximately HK\$28.0 million) for the expansion of the money lending portfolio of the Group with the objective of reaching more eligible borrowers and broadening its customer coverage. The Group plans to advance loans of at least HK\$10.0 million in aggregate to not fewer than two eligible borrowers through the referral by close business partners or customers of the Group within six months upon completion of the Rights Issue. The balance of approximately 0.9% (or approximately HK\$0.56 million) of the net proceeds will be utilised for legal and risk control expenses and operating costs of the provision of financial services business; and
- (iii) approximately 12.0% (or approximately HK\$7.78 million, assuming no change in number of Shares in issue on or before Record Date) for general working capital of the Group (including but not limited to the payment of salaries, utilities and administrative expenses).

The Company expects to fully utilise the net proceeds from the Rights Issue by the end of 2027. In the event that there is an undersubscription of the Rights Issue, the use of proceeds raised from the Rights Issue will be allocated on a pro-rata basis for the purposes disclosed above.

Development of the existing garment sourcing business of the Group

Approximately 44.0% of the net proceeds from the Rights Issue is intended to be used for the development of the existing garment sourcing business of the Group. Garment sourcing business is the Group's core business, which contributed the Group's entire total revenue for FY2025.

As at 30 September 2025, the unaudited cash and cash equivalents of the Group amounted to approximately HK\$51.9 million. References are made to (i) the announcements of the Company dated 10 November 2025 and 30 January 2026; and (ii) the circular of the Company dated 1 December 2025 in relation to, among other things, the acquisition (the "Acquisition") of a property for use as office premises of the Group. Immediately after the completion of the Acquisition on 30 January 2026, the Group had utilised approximately HK\$50.3 million of its cash and cash equivalents for the settlement of the consideration for the Acquisition and other directly attributable costs, representing approximately 96.9% of the unaudited cash and cash equivalents of the Group as at 30 September 2025.

As mentioned in the Interim Report, the Group endeavors to stay competitive in the garment retail market which now has higher expectation on speediness, quality and pricing of products and services, amidst the challenging business environment due to the international trade disputes. To meet such challenge, the Company has established new procedures for supplier selection with the aim to enhance business growth in a sustainable manner, pursuant to which the Management decided to only select suppliers who are reputable and financially sound, possess proven solid track record, and are willing to offer favorable terms.

As discussed with the Management, we understand that the speediness, quality and pricing of the garment sourcing service are determining factors to the overall competitiveness, which the Group intends to achieve through scaling up its product procurement effort, enhancement of the quality control and management team and strengthening its supply chain management and logistics.

Notwithstanding the prevailing uncertainty looming the global market, including geopolitical tensions and prospect of global economic downturn, the Group eyes the Chinese market with resilient economy and continuous government support. Against this backdrop, we are of the view that it is commercially justifiable to deploy part of the proceeds from the Rights Issue on the development of the existing garment sourcing business of the Group, and that the Rights Issue is a timely response to the rising market opportunity to enhance the Group's long-term competitiveness and service capabilities.

Expansion of the loan portfolio of the Group

Approximately 44.0% of the net proceeds from the Rights Issue is intended to be used for the expansion of the loan portfolio of the Group with the objective of reaching more eligible borrowers and broadening its customer coverage. The business segment of provision of financial services, which mainly includes money lending.

As per the Interim Report, under the money lending business which the Group first commenced in 2018, Golden Maximum Finance Limited ("**Golden Maximum**"), an indirectly wholly owned subsidiary of the Group and a money lender license holder under the Money Lenders Ordinance (Cap. 163 of the laws of Hong Kong), offers both secured and unsecured loans to borrowers, which primarily include individuals and corporations in Hong Kong and the PRC.

As discussed with the Management, there was a lack of eligible borrowers who met the Group's credit policy. Hence, no revenue was attributable to the provision of financial services for FY2025 and 6M2025. As per the Company's announcement dated 26 January 2026, the Group reactivated its money lending business by granting a revolving loan facility of up to HK\$8,000,000 for a six-month term at an interest rate of 5% per annum. As advised by the Management, the Group intends to further expand its money lending business following the Rights Issue, which would provide an opportunity for the Group to diversify its revenue stream in the Group's view. The Management advised that the Group plans to advance loans of at least HK\$10.0 million in aggregate to not fewer than two eligible borrowers through the referral by close business partners or customers of the Group within six months upon completion of the Rights Issue.

We are of the view that the Rights Issue is in line with the Company's business plans, and it is reasonable for the Company to allocate the net proceeds considering that the Company will continue to develop its existing garment business and at the same time, expand its money lending business, as part of provision of financial services.

2.2 Fund raising method

We noted that the Company has also considered other debt or equity fundraising alternatives such as bank borrowings, placing or open offer.

The Company has considered alternative fundraising methods which include debt financing and equity financing alternatives such as placing of new Shares and open offer. For debt financing, in light of the loss-making position of the Group for 6M2025, it is difficult for the Group to obtain loans with favourable interest rate in a timely manner and debt financing will result in additional interest burden and higher gearing ratio of the Group. For placing of new Shares, it would dilute the shareholding of the existing Shareholders while the Rights Issue will allow the Qualifying Shareholders to maintain their respective shareholdings in the Company on a pro rata basis. For open offer, although it is similar to a rights issue in offering qualifying shareholders to participate, it does not allow the trading of rights entitlements in the open market.

The net proceeds from the Rights Issue are estimated to be approximately HK\$64.90 million (assuming no change in number of Shares in issue on or before Record Date), which is a substantial amount compared to the Group's asset base (representing over 60% of the current assets and total assets of the Group of approximately HK\$104.8 million and approximately HK\$105.5 million as at 30 September 2025). In the context of debt financing, we concurred with the Directors' view that for bank borrowings, given the size of the fundraising, it is difficult for the Group to obtain loans with favourable interest rate in a timely manner and debt financing will result in additional interest burden and higher gearing ratio of the Group, and that banks might request for substantial collateral to secure the borrowings which would be a tall order to the Group and place unnecessary financial pressure to the Group. Having considered the above, we are of the view that debt financing would result in additional interest burden and possible pledge of certain assets or securities of the Company and create additional pressure to the liquidity and flexibility of the Company, which may be less favourable to the Group in view of the latest financial position of the Group as discussed above.

In contrast to other equity financing means such as a placing, in addition to offering all existing Shareholders an equal opportunity to participate in the future growth of the Company which a placing is unable of, thereby maintaining their proportional shareholdings and mitigating the potential risk of dilution which a standalone placing would not, the Rights Issue has the extra benefit of allowing the Shareholders to sell the nil-paid Rights in the market in contrast to an open offer. As such, the Rights Issue is fairer and more equitable among the equity financing means based on the foregoing. Having considered the above, we are of the view that placing and open offer are less favourable and not preferred over the Rights Issue, mainly because the placing of new shares dilutes the interests of existing Shareholders without giving them the opportunity to participate in the exercise, and as opposed to an open offer, the Rights Issue allows Shareholders to trade their rights entitlements in the open market.

We are of the view that the Rights Issue provides certainty and flexibility for the Shareholders in whether to get the proportionate entitlements with their respective shareholding, which is fair and reasonable, while help strengthening the Group's capital structure without incurring additional debt financing cost and enhance its financial position, which in turn will support the Company's continuing development and business growth.

3. Principal terms of the Rights Issue and the Placing Agreement

3.1 Summary of the key terms

Basis of the Rights Issue	One (1) Rights Share for every one (1) Share held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price	HK\$0.085 per Rights Share
Number of Shares in issue as at the Latest Practicable Date	785,927,000 Shares
Number of Rights Shares to be issued pursuant to the Rights Issue	Up to 785,927,000 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date)
Aggregate nominal value of the Rights Shares	Up to HK\$7,859,270.0 (assuming no change in the number of Shares in issue on or before the Record Date)
Number of Shares in issue as enlarged by the allotment and issue of the Rights Shares	1,571,854,000 Shares (assuming no change in the number of Shares in issue on or before the Record Date and that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue)

Gross proceeds from the Rights Issue	Approximately HK\$66.80 million before expenses (assuming full subscription under the Rights Issue and assuming no change in the number of Shares in issue on or before the Record Date)
Net proceeds from the Rights Issue	Approximately HK\$64.90 million after expenses (assuming full subscription under the Rights Issue and assuming no change in the number of Shares in issue on or before the Record Date)
Net price (i.e. Subscription Price less cost and expenses incurred in the Rights Issue)	Approximately HK\$0.083 per Rights Share (assuming full subscription under the Rights Issue and assuming no change in the number of Shares in issue on or before the Record Date)
Rights of excess application and underwriter	There will be no excess application arrangements in relation to the Rights Issue and the Rights Issue is not underwritten.
Compensatory Arrangements	<p>Any Unsubscribed Rights Shares and ES Unsold Rights Shares will be placed to independent places on a best effort basis under the Compensatory Arrangements.</p> <p>Any of the Rights Shares which remain unsold in the market will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.</p>

At the Latest Practicable Date, the Company has no outstanding convertible securities, options or warrants, which confer any right to subscribe for or convert into or exchange for Shares. For further information of the Rights Issue, please refer to the Letter from the Board.

3.2 Subscription Price

The Subscription Price of HK\$0.085 per Rights Share represents:

- (i) a discount of approximately 32.00% to the closing price of HK\$0.125 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 27.97% to the closing price of HK\$0.118 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 27.72% to the average of the closing prices of HK\$0.1176 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day;

- (iv) a discount of approximately 28.27% to the average of the closing prices of approximately HK\$0.1185 per Share as quoted on the Stock Exchange for the ten (10) consecutive trading days up to and including the Last Trading Day;
- (v) a discount of approximately 16.26% to the theoretical ex-rights price of approximately HK\$0.1015 per Share as adjusted for the effect of the Rights Issue, based on the closing price of HK\$0.118 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (vi) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 13.98% to the existing Shareholders if they elect not to participate in the Rights Issue, which is calculated based on the theoretical ex-rights price of approximately HK\$0.1015 per Share and the benchmarked price of HK\$0.118 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of the closing price on the Last Trading Day of HK\$0.118 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to the Last Trading Day of HK\$0.1174 per Share); and
- (vii) a discount of approximately 22.73% to the unaudited consolidated net asset value per Share of approximately HK\$0.11 (based on the latest published unaudited consolidated net asset value of the Company of HK\$87,274,000 as at 30 September 2025 and 785,927,000 Shares in issue as at 28 February 2026).

The Subscription Price was determined with reference to, among others, (i) the recent closing prices of the Shares; (ii) prevailing market conditions and financial position of the Group; and (iii) the reasons as discussed in the section headed “REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS” in the Letter from the Board. The Directors consider that it is reasonable to set the Subscription Price at a discount to the prevailing market price and the consolidated net asset value per Share as illustrated above, taking into consideration the recent decreasing trend of the market price per Share since January 2026. The Board believes that setting the Subscription Price at or close to the prevailing market level would be less likely to attract sufficient subscriptions from existing Shareholders to raise the intended proceeds.

In order to assess the fairness and reasonableness of the Subscription Price to be set at a discount to the prevailing Share price, we have considered the historical price performance of the Shares and the trading liquidity of the Shares.

Historical price performance of the Shares

Set out below are the chart illustrating the historical closing price of the Shares during the period from 10 March 2025, being 12 months immediately preceding the Last Trading Day and up to the Last Trading Day (the “**Review Period**”). We consider that a period of 12 months, which reflects historical and prevailing market sentiment, is adequate to illustrate the recent price movement of the Shares for the purpose of conducting a reasonable comparison.



As illustrated in the above chart, the Shares were traded within the range from HK\$0.13 to HK\$0.25 per Share for majority of the Review Period. During the Review Period, the highest daily closing price of the Shares was HK\$0.30 per Share as recorded on 11 September 2025, and the lowest daily closing price of the Shares was HK\$0.116 per Share as recorded on 26 February 2026. The average daily closing price per Share during the Review Period was approximately HK\$0.18.

There was a downtrend beginning on 11 March 2025, with the closing price of the Shares reaching a periodic low of HK\$0.128 per Share on 8 July 2025. Subsequently, the Share price rebounded sharply, rising from HK\$0.142 per Share on 13 August 2025 to HK\$0.30 per Share on 11 September 2025.

After reaching its highest closing price during the Review Period, the closing price of the Shares trended downward, falling steadily over the following months and reaching the lowest closing price of HK\$0.116 per Share on 26 February 2026. The closing price of the Shares then remained relatively stable at a similar level before closing at HK\$0.118 per Share on the Last Trading Day.

We note that the Subscription Price of HK\$0.085 per Share is below the daily closing prices of the Shares throughout the Review Period and represents (i) a discount of approximately 26.7% from the lowest closing price; (ii) a discount of approximately 71.7% from the highest closing price; and (iii) a discount of approximately 52.8% from the average daily closing price of the Review Period. We are of the view that a discount of the prevailing market price of the Shares could provide certain incentive to attract the existing Shareholders to invest in the Company and participate in the Rights Issue.

Trading liquidity of the Shares

To assess whether the Subscription Price is at a fair and reasonable level, we also considered the trading liquidity of the Shares from the average daily trading volume as a percentage to (i) the total number of issued Shares as at the end of the corresponding months; and (ii) the total number of issued Shares held by the public Shareholders as at the Latest Practicable Date, as follows.

Month	Number of trading day Days	Trading Volume of Shares Shares	Average daily trading volume of Shares Shares	Total issued Shares at the end of month Shares	Average daily trading volume as a percentage to the total number of issued Shares	Average daily trading volume as a percentage to the total number of issued Shares held by public Shareholders (Note)
2025						
March (since 10 March)	16	3,468,000	216,750	785,927,000	0.0276%	0.0611%
April	19	904,000	47,579	785,927,000	0.0061%	0.0134%
May	20	1,352,000	67,600	785,927,000	0.0086%	0.0191%
June	21	1,364,000	64,952	785,927,000	0.0083%	0.0183%
July	22	3,556,000	161,636	785,927,000	0.0206%	0.0456%
August	21	12,224,000	582,095	785,927,000	0.0741%	0.1641%
September	22	28,021,360	1,273,698	785,927,000	0.1621%	0.3590%
October	20	5,304,000	265,200	785,927,000	0.0337%	0.0747%
November	20	1,936,632	96,832	785,927,000	0.0123%	0.0273%
December	21	200,000	9,524	785,927,000	0.0012%	0.0027%
2026						
January	21	811,657	38,650	785,927,000	0.0049%	0.0109%
February	17	34,011,545	2,000,679	785,927,000	0.2546%	0.5639%
March (to the Last Trading Day)	6	3,856,000	642,667	785,927,000	0.0818%	0.1811%
Max					0.2546%	0.5639%
Min					0.0012%	0.0027%
Median					0.0535%	0.1185%

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

Note: The calculation is based on the average daily trading volume divided by total number of issued Shares held by the public Shareholders (i.e. 354,799,596 Shares) as at the Latest Practicable Date.

As illustrated in the above table, the average daily trading volume of the Shares accounted for only a small portion of (i) the total number of issued Shares as at the end of the corresponding month; and (ii) the total number of Shares held by public Shareholders as at the Latest Practicable Date, which ranged from approximately 0.0012% to 0.2546% and 0.0027% to 0.5639% respectively during the Review Period. The average daily trading volumes of the Shares in September 2025 (1,273,698 shares) and February 2026 (2,000,679 shares) were exceptionally high during the Review Period. In this regard, we have reviewed the Company's announcements during the respective months and are not aware of any specific reasons for the exceptionally high trading volumes. The average daily trading volume of the Shares during the Review Period was approximately 394,346 Shares, representing approximately 0.0502% and 0.1111% of the total number of issued Shares and the total number of Shares held by public Shareholders as at the Latest Practicable Date, which implied that the Shares lack liquidity in the open market.

Given the generally thin trading liquidity of the Shares during the Review Period, we agree with the Directors that it is reasonable to set a subscription price lower than the prevailing market price to promote the attractiveness of the Rights Issue and motivate the Qualifying Shareholders and investors to engage in the Rights Issue.

Comparison with recent rights issue transactions

In order to assess the fairness and reasonableness of the proposed terms of the Rights Issue, we have identified an exhaustive list of 20 companies (the "**Comparable(s)**") listed on the Main Board and GEM of the Stock Exchange which announced a rights issue during three-month period prior to the Last Trading Day (the "**Comparable Review Period**"), and which had not been terminated as at the Last Trading Day. We are of the view that a three-month period is sufficient and appropriate given that (i) such shorter period provides the recent and relevant information that demonstrates prevailing market practices prior to the Last Trading Day, particularly in light of ongoing economic and political volatility and its corresponding impact on market sentiment and pricing dynamics; and (ii) we are able to identify a sufficient and reasonable sample size for the selection of Comparables within the Comparable Review Period. In contrast, extending the selection period to six months or longer would yield an excessive number of comparable rights issues, potentially diluting the analysis due to the broader range of premiums and discounts associated with subscription prices.

The criteria for selecting the Comparables were as follows: (i) the companies must be listed on the Stock Exchange; and (ii) the proposed rights issues have been announced during the Comparable Review Period. The inclusion of Comparables was conducted without any artificial selection or filtering or exclusion of outliers, ensuring that they authentically represent recent market trends among companies listed on the Stock Exchange. Hence, we are of the view that the Comparables and the corresponding range of premiums and discounts in the subscription prices provide fair and representative samples.

Date of announcement	Company name (Stock code)	Basis of entitlement	Amount of gross proceeds	The closing price as at the last trading day (%)	(Discount)/Premium of Subscription Price (to)/over		The theoretical ex-rights entitlement price (%) (Note 2)	Consolidated net asset value per Share (%) (Note 2)	Theoretical dilution effect (%) (Note 2)	Excess Application (EA)/ Compensatory Arrangement (CA) (EA/CA)	Underwriting arrangement (Yes/No)	Placing commission rate (%) (Note 4)
					5-day average (%)	10-day average (%)						
	(Note 5)											
6/3/2026	Kingland Group Holdings Limited (1751)	1 for 3	152.9	0.00	(2.30)	(6.60)	(3.10)	1,875.00	(1.00)	CA	No	3.0
5/3/2026	Madison Holdings Group Limited (8057)	3 for 2	45.4	(40.00)	(39.10)	(37.05)	(21.10)	(79.83)	(24.00)	CA	No	2.0
16/2/2026	Xinming China Holdings Limited (2699)	6 for 1	106.0	(20.00)	(20.00)	(19.70)	N/A	N/A	(17.14)	CA	No	2.0
16/2/2026	Mindtell Technology Limited (8611)	1 for 1	280.8	(40.60)	(43.60)	(41.90)	(25.50)	3.90	(21.70)	CA	No	2.0
11/2/2026	NIU Holdings Limited (8619)	2 for 1	30.9	(35.50)	(35.90)	(35.70)	(21.10)	(92.70)	(24.00)	CA	Yes	1.0
6/2/2026	WLS Holdings Limited (8021)	1 for 1	86.2	(40.00)	(41.20)	(41.20)	(25.00)	(77.10)	(21.60)	CA	No	2.5
4/2/2026	Ta Yang Group Holdings Limited (1991)	2 for 1	275.2	(2.44)	(4.53)	(7.83)	(0.83)	352.66	(4.80)	EA	No	N/A
29/1/2026	Add New Energy Investment Holdings Group Limited (2623)*	1 for 2	504.4	(37.66)	(34.81)	(35.83)	N/A	65.57	(12.55)	EA	No	N/A
27/1/2026	Pacific Legend Group Limited (8547)	1 for 2	29.6	26.58	31.23	30.55	16.28	4.09	(4.60)	CA	No	2.0
26/1/2026	Kwan On Holdings Limited (1559)*	1 for 2	65.4	(17.65)	(15.05)	(16.27)	(12.50)	79.09	(5.88)	EA	No	N/A
15/1/2026	Shanghai International Shanghai Growth Investment Limited (0770)*	3 for 8	4.5	(60.00)	(60.00)	(60.00)	(52.19)	47.44	(16.33)	CA	No	1.0
14/1/2026	Anchorstone Holdings Limited (1592)	4 for 1	121.6	(42.86)	(39.81)	N/A	(8.57)	Net deficit	(24.00)	CA	No	1.3
14/1/2026	Jutal Offshore Oil Services Limited (3303)*	1 for 6	56.9	(69.23)	(69.35)	(69.35)	(66.10)	(85.13)	(9.92)	CA	No	1.0
13/1/2026	EPI (Holdings) Limited (0689)	2 for 1	198.2	(17.10)	(21.57)	(22.71)	(8.57)	(76.88)	(14.38)	EA	Yes	N/A
2/1/2026	HKC International Holdings Limited (0248)*	1 for 2	21.8	(25.50)	(25.50)	N/A	(18.60)	(79.10)	(8.50)	EA	No	N/A

Date of announcement	Company name (Stock code)	Basis of entitlement	Amount of gross proceeds	(Discount)/Premium of Subscription Price (to)/over									
				The closing price as at the last trading day (%)	5-day average (%)	10-day average (%)	The theoretical ex-rights entitlement price (%) (Note 2)	Consolidated net asset value per Share (%) (Note 2)	Theoretical dilution effect (%) (Note 2)	Excess Application (EA)/Compensatory Arrangement (CA) (EA/CA)	Underwriting arrangement (Yes/No)	Placing commission rate (%) (Note 4)	
	(Note 5)												
30/12/2025	Wanjia Group Holdings Limited (0401)*	1 for 1	44.8	(31.62)	(27.27)	(25.93)	(18.78)	(33.33)	(15.81)	CA	No	2.0	
23/12/2025	Mindtell Technology Limited (8611)	1 for 2	287.8	(32.40)	(29.70)	(23.40)	(24.20)	8,100.00	(10.80)	CA	No	2.0	
19/12/2025	China Castson 81 Finance Company Limited (0810)	5 for 2	51.9	(26.62)	(30.80)	(31.08)	(9.41)	(27.14)	(22.73)	CA	Yes	2.5	
12/12/2025	Shun Wo Group Holdings Limited (1591)*	1 for 3	18.7	(6.70)	(3.40)	(3.40)	N/A	(54.80)	(1.67)	EA	No	N/A	
11/12/2025	Hang Yick Holdings Company Limited (1894)*	4 for 1	84.7	(28.13)	(27.67)	(26.75)	(7.26)	(84.67)	(22.50)	CA	No	1.0	
	Min (Note 3)		4.52	(69.23)	(69.35)	(69.35)	(66.10)	(92.70)	(24.00)			1.00	
	Max (Note 3)		504.40	26.58	31.23	30.55	16.28	8,100.00	(1.00)			3.00	
	Median (Note 3)		75.06	(29.88)	(28.69)	(26.34)	(18.60)	(30.24)	(15.10)			2.00	
	Average (Note 3)		123.39	(27.37)	(27.02)	(26.34)	(18.03)	546.50	(14.20)			1.80	
	The Company	1 for 1	66.8	(27.97)	(27.72)	(28.27)	(16.26)	(22.73)	(13.98)	CA	No	1.0	

Notes:

- Information has been extracted from the relevant announcements (including supplemental announcements) of the rights issue of the respective Comparables.
- "N/A" denotes that the announcement did not disclose such information.
- The calculation did not include the premium of subscription price over the closing price, the five-day average or the theoretical ex-rights entitlement price, or the ones did not have theoretical dilution effect given the Company's subscription price was at a discount to such prices and will result in theoretical dilution effect.
- "N/A" denotes that the respective fundraising exercise did not involve placing agents.
- "*" denotes that the rights issue of the Comparables has been completed.

It is noted that among the 20 Comparables, only one of them set the subscription price at premium level over the closing price as at the last trading day, 5-day average closing price preceding to the last trading day, 10-day average closing price preceding to the last trading day, and the theoretical ex-rights entitlement price, while a majority of them set the subscription price at the discount level over the abovementioned price basis.

According to the above analysis, (i) the subscription price against the closing price as at the last trading day of the Comparables ranged from a discount of approximately 69.23% to a premium of approximately 26.58%, with an average discount and median discount of approximately 27.37% and 29.88% respectively; (ii) the subscription price against the 5-day average closing price preceding to the last trading day of the Comparables ranged from a discount of approximately 69.35% to a premium of approximately 31.23%, with an average discount and median discount of approximately 27.02% and 28.69% respectively; (iii) the subscription price against the 10-day average closing price preceding to the last trading day of the Comparables ranged from a discount of approximately 69.35% to a premium of approximately 30.55%, with an average discount and median discount of approximately 26.34% and 26.34% respectively; (iv) the subscription price against the theoretical ex-rights entitlement price ranged from a discount of approximately 66.10% to a premium of approximately 16.28%, with an average discount and median discount of approximately 18.03% and 18.60% respectively; (v) the subscription price against the consolidated net asset value per share of the Comparables ranged from a discount of approximately 92.70% to a premium of approximately 8,100%, with an average premium of approximately 546.50% and median discount of approximately 30.24% respectively; and (vi) the theoretical dilution effect ranged from approximately 1.00% to 24.00%, with an average and median of approximately 14.20% and 15.10% respectively.

In addition to the above, we note the significant variation in the premiums and discounts of the subscription price of the Comparables against the (i) closing share price as at the last trading day; (ii) 5-day average closing price preceding to the last trading day; and (iii) 10-day average closing price preceding to the last trading day; (iv) theoretical ex-rights entitlement price; and (v) consolidated net asset value per share of the Comparables. We are not aware of any specific reasons for the significant discounts in the subscription prices of the Comparables against their respective closing prices. In the absence of a compelling rationale to exclude outliers from the Comparables, we have opted to include them in our analysis. This approach is intended to minimise potential bias and ensure a more accurate representation of the data. By incorporating the outliers, we aim to provide a thorough and comprehensive understanding of the Comparables. As such, despite the wide range of premiums and discounts in the subscription prices of the Comparables against their respective benchmark prices, and given that the Comparables provide a general reference for the prevailing market practice of rights issue exercises of listed companies on the Stock Exchange with a sufficient and reasonable sample size, we are of the view that such comparable analysis is meaningful for assessing the fairness and reasonableness of the Subscription Price.

Given the (i) Subscription Price was set at a discount of approximately 27.97% against the closing price as at the Last Trading Day, which falls into the range of the Comparables; (ii) Subscription Price was set at a discount of approximately 27.72% against the 5-day average closing price preceding to the Last Trading Day, which falls into the range of the Comparables; (iii) Subscription Price was set at a discount of approximately 28.27% against the 10-day average closing price preceding to the Last Trading Day, which falls into the range of the Comparables; (iv) Subscription Price was set at a discount of approximately 16.26% against the theoretical ex-rights entitlement price, which falls into the range of the Comparables; (v) Subscription Price was set at a discount of approximately 22.73% against the consolidated net asset value per share, which falls into the range of the Comparables; and (vi) the theoretical dilution effect was approximately 13.98%, which is in line with the range of the Comparables, we consider the Subscription Price is fair and reasonable.

In light of above, we consider that the Subscription Price are fair and reasonable to the Shareholders and in the interests of the Company and the Shareholders as a whole.

Non-underwritten basis of the Rights Issue

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares. In the event that the Rights Issue is not fully-subscribed, any Unsubscribed Rights Shares and ES Unsold Rights Shares will be placed to independent placees on a best effort basis by the Placing Agent under the Compensatory Arrangements. Any Unsubscribed Rights Shares and ES Unsold Rights Shares which are not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There are no statutory requirements regarding the minimum subscription levels in respect of the Rights Issue. There is no minimum amount to be raised under the Rights Issue. As the Rights Issue will proceed on a non-underwritten basis, any Shareholder who applies to take up all or part of his/her/its entitlement under the PAL(s) may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken-up, the application of any Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which does not trigger an obligation on the part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance with the note to Rule 7.19(5)(b) of the Listing Rules.

We note that 17 out of the 20 Comparables were conducted on a non-underwritten basis, which suggested that it is common practice for the recent period that the rights issue was conducted on a non-underwritten basis.

Procedures in respect of the Unsubscribed Rights Shares and ES Unsold Rights Shares and the Compensatory Arrangements

According to Rule 7.21(1)(b) of the Listing Rules, the Company will make arrangements to dispose of the Unsubscribed Rights Shares and ES Unsold Rights Shares by offering the Unsubscribed Rights Shares and ES Unsold Rights Shares to independent placees for the benefit of the Shareholders to whom they were offered by way of the Rights Issue. Accordingly, on 9 March 2026 (after trading hours of the Stock Exchange), the Company entered into the Placing Agreement with the Placing Agent in relation to the placing of the Unsubscribed Rights Shares and ES Unsold Rights Shares to the independent placees on a best effort basis.

We further note that 14 out of the 20 Comparables did not have an arrangement for excess application for the qualifying shareholders and had the placing and compensatory arrangements. Since there is no excess application arrangement for the Rights Issue, the Company has arranged the Compensatory Arrangements for the Unsubscribed Rights Shares and the ES Unsold Rights Shares, which are in compliance with Rule 7.21(1)(b) of the Listing Rules. Hence, we concur with the view of the Board that the Compensatory Arrangements will provide a compensatory mechanism for the No Action Shareholders, protect the interest of the Shareholders, and is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Placing Agreement for the Unsubscribed Rights Shares and ES Unsold Rights Shares

With reference to the Letter from the Board, the terms of the Placing Agreement, including the placing commission, were determined after arm's length negotiation between the Placing Agent and the Company with reference to the prevailing market rate and the Company considers the Placing Agreement to be on normal commercial terms.

The placing commission is 1.0% of the aggregate placing price of the Unsubscribed Rights Shares and the ES Unsold Rights Shares successfully placed by or on behalf of the Placing Agent. The placing price of the Unsubscribed Rights Shares and/or the ES Unsold Rights Shares (as the case may be) shall be not less than the Subscription Price. As we consider that the Subscription Price is fair and reasonable as discussed in the section headed "3.2 Subscription Price" in this letter, we also consider the arrangement of setting the placing price at the Subscription Price is fair and reasonable.

According to the Comparables above, the placing commission of the Comparables ranged from 1.0% to 3.0%, with an average and median of approximately 1.8% and 2.0% respectively. The placing commission of 1.0% borne by the Company is lower than the average and median of the Comparables and in line with the range of the Comparables, we considered the placing commission is fair and reasonable, and in the interests of the Company and its Independent Shareholders as a whole.

Having considered (i) the Placing will be only for the Unsubscribed Rights Shares and ES Unsold Rights Shares under the Rights Issue; (ii) the placing price shall be not less than the Subscription Price; and the Subscription Price is considered acceptable based on analysis set out in the section headed “3.2 Subscription Price” in this letter; and (iii) the placing commission payable to the Placing Agent is fair and reasonable as mentioned above, we are of the view that terms of the Placing Agreement are fair and reasonable, and the Placing Agreement is in the interest of the Company and its Shareholders as a whole.

4. Financial impact

In terms of net tangible assets per Share, as set out in Appendix II to the Circular, upon completion of the Rights Issue, the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share as at 30 September 2025 immediately after the completion of the Rights Issue would be approximately HK\$0.097 (assuming all Qualifying Shareholders have taken up the Rights Shares), representing a decrease of approximately 12.6% as compared to the unaudited consolidated net tangible assets of the Group attributable to owners of the Company per Share as at 30 September 2025 before the completion of the Rights Issue of approximately HK\$0.111. Despite a reduction of approximately 12.6% in the consolidated net tangible assets of the Group attributable to owners of the Company per Share upon completion of the Rights Issue, we have carefully considered (i) the reasons for the Rights Issue as outlined in the Letter from the Board; and (ii) the rights of the Qualifying Shareholders to take up their respective entitlements, which allows them to maintain their shareholdings in the Company and participate in the Group’s potential growth. In our view, the overall impact on the consolidated net tangible assets of the Group attributable to owners of the Company per ordinary share is fair and reasonable, and it is in the interest of the Company and its Shareholders as a whole.

In terms of liquidity position, the Group had cash and cash equivalents of approximately HK\$51.9 million, current assets of approximately HK\$104.8 million and current liabilities of approximately HK\$18.2 million as at 30 September 2025, giving rise to a current ratio (being current assets divided by current liabilities) of approximately 5.8. Immediately upon completion of the Rights Issue, the cash and cash equivalents of the Group may increase by up to the maximum amount of net proceeds from the Rights Issue; that is up to approximately HK\$116.8 million. In such case, the current ratio of the Group will potentially increase from approximately 5.8 to 9.3. As such, the current ratio and the Group’s liquidity position will improve following the Rights Issue.

After taking into consideration the above, particularly the improvement in liquidity position of the Group, we are of the view that the Rights Issue is in the interest of the Company and the Shareholders as a whole.

5. Possible dilution effect

All the Qualifying Shareholders are entitled to subscribe for the Rights Shares. For those Qualifying Shareholders who take up their full provisional allotments under the Rights Issue, their shareholding interests in the Company will remain unchanged after the Rights Issue. Qualifying Shareholders who do not accept the Rights Issue can, subject to the then prevailing market conditions, consider selling their nil-paid rights to subscribe for the Rights Shares in the market. However, they should note that their shareholdings in the Company will be diluted upon completion of the Rights Issue if they do not take up their full provisional allotments.

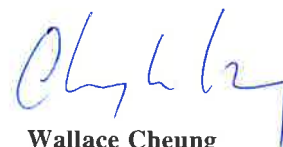
We are of the view that the proposed Rights Issue has provided equal opportunity to the Qualifying Shareholders as an invitation to treat. The Qualifying Shareholders have their own discretion to decide whether to participate or not.

Based on the above, we are of the view that the implementation of the Rights Issue, is rationally connected to the interests of the Company and the Shareholders as a whole, despite of the potential dilution impact to Qualifying Shareholders who have the priority to choose whether or not to participate in the Rights Issue.

RECOMMENDATION

Having considered the above principal factors and reasons, we are of the view that the terms of the Rights Issue, the Placing Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Shareholders to vote in favour on the resolutions at the SGM in relation to the Rights Issue, the Placing Agreement and the transactions contemplated thereunder.

Yours faithfully,
For and on behalf of
Messis Capital Limited



Wallace Cheung
Managing Director

Mr. Wallace Cheung is a licensed person registered with the Securities and Futures Commission of Hong Kong and regarded as a responsible officer of Mesis Capital Limited to carry out type 6 (advising on corporate finance) regulatory activity under the SFO and has over 15 years of experience in corporate finance industry.