
THIS COMPOSITE DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of the Offer, this Composite Document and/or the accompanying Form of Acceptance or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, stockbroker, bank manager, solicitor, professional accountant or other professional adviser and obtain independent professional advice.

If you have sold or transferred all your shares in abc Multiactive Limited, you should at once hand this Composite Document and the accompanying Form of Acceptance to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Composite Document and the accompanying Form of Acceptance, make no representation as to their accuracy or completeness, and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Composite Document and the accompanying Form of Acceptance.

This Composite Document should be read in conjunction with the accompanying Form of Acceptance, the contents of which form part of the terms and conditions of the Offer.

**BRAVO MERIT MANAGEMENT
GROUPS LIMITED**
*(Incorporated in the British Virgin Islands
with limited liability)*

abcmultiactive
abc Multiactive Limited
辰罡科技有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code: 8131)

**COMPOSITE DOCUMENT RELATING TO
UNCONDITIONAL MANDATORY CASH OFFER BY
ASTRUM CAPITAL MANAGEMENT LIMITED
FOR AND ON BEHALF OF
BRAVO MERIT MANAGEMENT GROUPS LIMITED
FOR ALL THE ISSUED ORDINARY SHARES IN
ABC MULTIACTIVE LIMITED (OTHER THAN THOSE SHARES ALREADY OWNED
OR AGREED TO BE ACQUIRED
BY BRAVO MERIT MANAGEMENT GROUPS LIMITED AND
THE PARTIES ACTING IN CONCERT WITH IT)**

Financial adviser to the Offeror



Offer agent to the Offeror



Independent Financial Adviser to the Independent Board Committee

VINCO
Vinco Financial Limited

Unless the context otherwise requires, capitalised terms used in this Composite Document (including this cover page) having the same meanings as those defined in the "Definitions" section of this Composite Document.

A letter from Astrum containing, among other things, principal terms of the Offer is set out on pages 9 to 18 of this Composite Document. A letter from the Board is set out on pages 19 to 26 of this Composite Document. A letter from the Independent Board Committee to the Independent Shareholders containing its recommendation in respect of the Offer is set out on pages 27 to 28 of this Composite Document. A letter from the Independent Financial Adviser containing its recommendation to the Independent Board Committee in respect of the Offer and the principal factors considered by it in arriving at its recommendation is set out on pages 29 to 56 of this Composite Document.

The procedures for acceptance and settlement as well as other related information of the Offer are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance. Form of Acceptance should be received by the Registrar, namely Tricor Abacus Limited at 17/F Far East Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event no later than 4:00 p.m. on Friday, 3 November 2023 (or such later time and/or date as the Offeror may determine and the Offeror and the Company may jointly announce, with the consent of the Executive, in accordance with the Takeovers Code).

Any persons including, without limitation, custodians, nominees and trustees, who would, or otherwise intend to, forward this Composite Document and/or the accompanying Form of Acceptance to any jurisdiction outside Hong Kong should read the details in this regard which are contained in the section headed "The Offer – Overseas Shareholders" in the "Letter from Astrum" of this Composite Document before taking any action. It is the sole responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental, exchange control or other consent which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes due from the accepting Overseas Shareholders in respect of such jurisdictions). The Overseas Shareholders are advised to seek professional advice on deciding whether to accept the Offer (as applicable).

This Composite Document is issued jointly by the Offeror and the Company. This Composite Document will remain on the website of the Stock Exchange at www.hkexnews.hk and website of the Company at www.hklistco.com as long as the Offer remains open. In case of any inconsistency, the English language texts of this Composite Document and the accompanying Form of Acceptance shall prevail over their respective Chinese texts for the purpose of interpretation.

This Composite Document, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the issuer. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Composite Document is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.

* For identification purposes only

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and midsized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

CONTENTS

	<i>Page</i>
EXPECTED TIMETABLE	1
IMPORTANT NOTICE	3
DEFINITIONS	4
LETTER FROM ASTRUM	9
LETTER FROM THE BOARD	19
LETTER FROM THE INDEPENDENT BOARD COMMITTEE	27
LETTER FROM VINCO FINANCIAL	29
APPENDIX I – FURTHER TERMS AND PROCEDURES FOR ACCEPTANCE OF THE OFFER	I-1
APPENDIX II – FINANCIAL INFORMATION OF THE GROUP	II-1
APPENDIX III – GENERAL INFORMATION OF THE GROUP	III-1
APPENDIX IV – GENERAL INFORMATION OF THE OFFEROR	IV-1
ACCOMPANYING DOCUMENT – FORM OF ACCEPTANCE	

EXPECTED TIMETABLE

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

2023

Despatch date of this Composite Document and the accompanying Form of Acceptance and commencement date of the Offer (*Note 1*) Friday, 13 October

Latest time and date for acceptance of the Offer (*Notes 1, 2 and 4*) 4:00 p.m. on Friday, 3 November

Closing Date (*Notes 1 and 2*) Friday, 3 November

Announcement of the results of the Offer, to be posted on the website of the Stock Exchange (*Note 1*) no later than 7:00 p.m. on Friday, 3 November

Latest date for posting of remittances in respect of valid acceptances received under the Offer (*Notes 3 and 4*) Tuesday, 14 November

Notes:

- (1) The Offer, which is unconditional in all respect, is made on the date of posting of this Composite Document, and is capable of acceptance on and from that date until 4:00 p.m. on the Closing Date.

In accordance with the Takeovers Code, the Offer must remain open for acceptance for at least 21 days following the date on which this Composite Document is posted. The latest time and date for acceptance will be at 4:00 p.m. on Friday, 3 November 2023 unless the Offeror revises or extends the Offer in accordance with the Takeovers Code. The Offeror and the Company will jointly issue an announcement through the websites of the Stock Exchange and the Company no later than 7:00 p.m. on Friday, 3 November 2023 stating the results of the Offer and whether the Offer has been extended, revised or expired. In the event that the Offeror decides to extend the Offer, and the announcement regarding the extension of the Offer does not specify the next closing date, at least 14 days' notice by way of an announcement will be given before the Offer is closed to those Independent Shareholders who have not accepted the Offer.

- (2) Beneficial owners of the Shares who hold their Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements (set out in Appendix I to this Composite Document) for causing instructions to be made to CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures.

- (3) Remittances in respect of the cash consideration (after deducting the seller's ad valorem stamp duty) payable for the Offer Shares tendered under the Offer will be despatched to the Independent Shareholders accepting the Offer by ordinary post at their own risk as soon as possible, but in any event within seven (7) business days (as defined under the Takeovers Code) following the date of receipt by the Registrar of all relevant documents (receipt of which renders such acceptance complete and valid), in accordance with the Takeovers Code. Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code. Please refer to the paragraph headed "5. Right of withdrawal" in Appendix I to this Composite Document for further information on the circumstances where acceptances may be withdrawn.

EXPECTED TIMETABLE

- (4) If there is a tropical cyclone warning signal number 8 or above, or “extreme conditions” caused by super typhoons or a black rainstorm warning:
- (a) in force in Hong Kong at any local time before 12:00 noon but no longer in force after 12:00 noon on the latest date for acceptance of the Offer and the latest date for despatch of remittances for the amounts due under the Offer in respect of valid acceptances, the latest time for acceptance of the Offer will remain at 4:00 p.m. on the same business day (as defined under the Takeovers Code) and the latest date for despatch of remittances will remain on the same business day (as defined under the Takeovers Code) ; or
 - (b) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the latest date for acceptance of the Offer and the latest date for despatch of remittances for the amounts due under the Offer in respect of valid acceptances, the latest time for acceptance of the Offer will be rescheduled to 4:00 p.m. on the following business day (as defined under the Takeovers Code) which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m. and the latest date for despatch of remittances will be rescheduled to the following business day (as defined under the Takeovers Code) which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

Save as mentioned above, if the latest time for acceptance of the Offer do not take effect on the date and time as stated above, the other dates mentioned above may be affected. The Offeror and the Company will notify the Independent Shareholders by way of announcement(s) on any change to the expected timetable as soon as practicable.

All references to dates and times contained in this Composite Document and the accompanying Form of Acceptance refer to Hong Kong dates and times.

IMPORTANT NOTICE

NOTICE TO THE OVERSEAS SHAREHOLDERS

The making of the Offer to persons with a registered address in jurisdictions outside Hong Kong may be prohibited or affected by the laws of the relevant jurisdictions. Overseas Shareholders who are citizens or residents or nationals of jurisdictions outside Hong Kong should inform themselves about and observe any applicable legal and regulatory requirements and, where necessary, seek independent legal advice in respect of the Offer.

It is the responsibility of any such person who wishes to accept the Offer to satisfy himself/herself/itself as to the full observance of the laws and regulations of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required or the compliance with other necessary formalities or legal and regulatory requirements and the payment of any transfer or other taxes or other required payments due from him/her/it in respect of such jurisdiction.

Any acceptance by the Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholders to the Offeror that the local laws and requirements have been complied with and such acceptance shall be lawful, valid and binding in accordance with all applicable laws. Such Overseas Shareholders should consult their respective professional advisers if in doubt.

Based on the register of members of the Company as at the Latest Practicable Date, none of the Shareholders registered as a shareholder on the register of members of the Company is an Overseas Shareholder. Please refer to the section headed “7. Overseas Shareholders” in Appendix I to this Composite Document for further information.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Composite Document contains forward-looking statements, which may be identified by words such as “believe”, “expect”, “anticipate”, “intend”, “plan”, “seek”, “estimate”, “will”, “would” or words of similar meaning, that involve risks and uncertainties, as well as assumptions. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. The forward-looking statements included herein are made only as at the Latest Practicable Date. Subject to the requirements of the Takeovers Code and other applicable laws and regulations, each of the Offeror and the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in their expectations with regard thereto or any change in events, conditions of circumstances on which any such statement is based.

DEFINITIONS

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

“acting in concert”	has the meaning ascribed thereto in the Takeovers Code
“associate(s)”	has the meaning ascribed thereto in the Takeovers Code
“Astrum”	Astrum Capital Management Limited, a licensed corporation to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO, the agent making the Offer on behalf of the Offeror, lender of the Loan Facility and an indirect wholly-owned subsidiary of Astrum Financial Holdings Limited (Stock code: 8333)
“Board”	the board of Directors of the Company
“Closing Date”	3 November 2023, being the closing date of the Offer, or if the Offer is extended, any subsequent closing date as may be determined by the Offeror and jointly announced by the Offeror and the Company, with the consent of the Executive, in accordance with the Takeovers Code
“Company”	abc Multiactive Limited (Stock code: 8131), a company incorporated in Bermuda with limited liability, the Ordinary Shares of which are listed on GEM
“Completion”	the completion of the sale and purchase of the Sale Shares pursuant to the Sale and Purchase Agreement which took place on 30 August 2023
“Composite Document”	this composite offer and response document in respect of the Offer to be jointly despatched by the Offeror and the Company in accordance with the Takeovers Code containing, amongst other things, the detailed terms of the Offer and other information of the Offeror and the Company
“CPS”	the non-voting convertible preference shares of par value of HK\$0.10 each in the share capital of the Company
“Director(s)”	the director(s) of the Company

DEFINITIONS

“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any of his delegates
“Form of Acceptance”	the form of acceptance and transfer of the Offer Shares in respect of the Offer accompanying this Composite Document
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“Grand Moore”	Grand Moore Capital Limited, a licensed corporation under the SFO to carry out type 1 (dealing in securities) and type 6 (advising in corporate finance) regulated activities, the financial adviser to the Offeror
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Board Committee”	the independent committee of the Board comprising all independent non-executive Directors, namely Mr. Kwong Sang LIU and Mr. Edwin Kim Ho WONG, all of whom have no direct or indirect interest in the Offer, to advise the Independent Shareholders in relation to the Offer and in particular as to whether the Offer is fair and reasonable and as to the acceptance of the Offer
“Independent Financial Adviser” or “Vinco Financial”	Vinco Financial Limited, a licensed corporation under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities, being the independent financial adviser appointed by the Company to advise the Independent Board Committee in respect of the Offer
“Independent Shareholders”	Shareholders other than the Offeror, its ultimate beneficial owner and parties acting in concert with any one of them

DEFINITIONS

“iRregular”	iRregular Consulting Limited, a company incorporated in Hong Kong with limited liability, the holder of 123,529,400 CPS, which is (i) beneficially and wholly owned by Merit Advisory Limited, a company incorporated in the British Virgin Islands with limited liability, which in turn is ultimately beneficially and wholly owned by Ms. WEE Yu-Chih; and (ii) not a party acting in concert (as defined in the Takeovers Code) with the Offeror
“Irrevocable Undertaking”	The irrevocable undertaking dated 29 August 2023 given by iRregular in favor of the Offeror in relation to the CPS pursuant to which iRregular has undertaken to the Offeror, <i>inter alia</i> , that it (i) will not accept the comparable offer from the Offeror (as required by the Takeovers Code) in respect of 123,529,400 CPS to iRregular; (ii) will not convert any of the 123,529,400 CPS into Ordinary Shares before close of the Offer; and (iii) before close of the Offer, will continue to hold the 123,529,400 CPS and will not sell, transfer or dispose of the 123,529,400 CPS to the Offeror or any other third party or create encumbrance on the 123,529,400 CPS
“Joint Announcement”	the announcement dated 7 September 2023 jointly issued by the Offeror and the Company in relation to, among others, the Sale and Purchase Agreement and the Offer
“Last Trading Day”	29 August 2023, being the last trading day of the Ordinary Shares prior to the suspension of trading of the Ordinary Shares on the Stock Exchange at 9:00 a.m. on 30 August 2023, pending release of the Joint Announcement
“Latest Practicable Date”	10 October 2023, being the latest practicable date prior to the printing of this Composite Document for ascertaining certain information contained herein
“Loan Facility”	a loan facility of up to HK\$9,200,000 granted by Astrum to the Offeror pursuant to a loan agreement dated 29 August 2023

DEFINITIONS

“Offer”	the unconditional mandatory cash offer to be made by Astrum for and on behalf of the Offeror for all the issued Ordinary Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it)
“Offeror”	Bravo Merit Management Groups Limited, a company incorporated in the British Virgin Islands with limited liability which is ultimately wholly and beneficially owned by Mr. LEUNG Wai Ming
“Offer Price”	HK\$0.0759, being the price per Offer Share in cash at which the Offer will be made
“Offer Share(s)”	Ordinary Share(s) in respect of which the Offer is made, being issued Ordinary Share(s) other than those already owned or agreed to be acquired by the Offeror, its ultimate beneficial owner and parties acting in concert with any one them
“Ordinary Share(s)”	the ordinary shares of par value of HK\$0.10 each in the share capital of the Company
“Overseas Shareholder(s)”	holder(s) of Share(s) whose addresses, as shown on the register of members of the Company, are outside Hong Kong
“Pledged Shares”	the Sale Shares and all the Offer Shares that may be acquired by the Offeror pursuant to the Offer, pledged by the Offeror to Astrum pursuant to the Loan Facility
“PRC”	the People’s Republic of China which for the purpose of this Composite Document, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Registrar”	Tricor Abacus Limited, the Hong Kong branch share registrar and transfer office of the Company at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Relevant Period”	the period commencing on 7 March 2023, being the date falling six months immediately preceding the commencement of the offer period (as defined under the Takeovers Code), up to and including the Latest Practicable Date

DEFINITIONS

“Sale and Purchase Agreement”	the sale and purchase agreement dated 29 August 2023 entered into between the Offeror (as purchaser) and the Vendors (as vendor) in respect of the sale and purchase of the Sale Shares
“Sale Share(s)”	comprise 355,949,933 Ordinary Shares (representing approximately 74.81% of the voting rights of the Company (assuming no CPS have been converted into Ordinary Shares)) legally and beneficially owned by the Vendors as at the date of the Sale and Purchase Agreement and immediately prior to Completion
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share(s)”	shares in the capital of the Company comprising of the Ordinary Shares and the CPS
“Shareholder(s)”	the holder(s) of the issued Ordinary Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers issued by the SFC as amended from time to time
“Vendors”	collectively, Maximizer International Limited and Pacific East Limited, which held an aggregate of 355,949,933 Ordinary Shares (representing approximately 74.81% of the voting right of the Company) immediately prior to Completion

Unless the context otherwise requires, all references in this Composite Document to:

- (a) times and dates are references to Hong Kong times and dates, except as otherwise specified;
- (b) pronouns in masculine, feminine or neutral genders shall be construed to state and include any other gender; and
- (c) words, terms and titles in the singular form shall be construed to include the plural and vice versa.

LETTER FROM ASTRUM



13 October 2023

To the Independent Shareholders

Dear Sir or Madam,

**UNCONDITIONAL MANDATORY CASH OFFER BY
ASTRUM CAPITAL MANAGEMENT LIMITED
FOR AND ON BEHALF OF
BRAVO MERIT MANAGEMENT GROUPS LIMITED
FOR ALL THE ISSUED ORDINARY SHARES IN
ABC MULTIACTIVE LIMITED (OTHER THAN THOSE SHARES
ALREADY OWNED
OR AGREED TO BE ACQUIRED
BY BRAVO MERIT MANAGEMENT GROUPS LIMITED AND
THE PARTIES ACTING IN CONCERT WITH IT)**

INTRODUCTION

Reference is made to the Joint Announcement in relation to, among other things, the Sale and Purchase Agreement and the Offer. Terms used in this letter shall have the same meanings as defined in this Composite Document unless the context otherwise requires.

THE SALE AND PURCHASE AGREEMENT

On 29 August 2023 (after trading hours), the Offeror and the Vendors entered into the Sale and Purchase Agreement, pursuant to which the Offeror agreed to acquire and the Vendors agreed to sell the Sale Shares, comprising 355,949,933 Ordinary Shares, for a total consideration of HK\$27,000,000, equivalent to approximately HK\$0.0759 per Sale Share. Immediately prior to Completion, the Sale Shares, being all the Shares held by the Vendors, represent approximately: (a) 74.81% of the voting rights of the Company (assuming no CPS have been converted into Ordinary Shares); and (b) 59.39% of the voting rights of the Company (assuming full conversion of CPS which iRegular has undertaken not to convert before the close of the Offer pursuant to the Irrevocable Undertaking).

LETTER FROM ASTRUM

Consideration

The total consideration for the sale and purchase of the Sale Shares amounted to a sum of HK\$27,000,000, which was paid by the Offeror to the Vendors (as to HK\$25,752,148.59 to Maximizer International Limited and as to HK\$1,247,851.41 to Pacific East Limited) in full upon Completion.

The consideration pursuant to the Sale and Purchase Agreement was determined between the Offeror and the Vendors after arm's length negotiations with reference to, amongst others, (i) the recent market price of the Ordinary Shares on GEM; (ii) the financial position of the Group; and (iii) prevailing market conditions. The consideration under the Sale and Purchase Agreement was satisfied in full by the Offeror to the Vendors upon Completion.

Completion

Completion took place on 30 August 2023 pursuant to the Sale and Purchase Agreement.

UNCONDITIONAL MANDATORY CASH OFFER

Prior to Completion

Immediately prior to Completion, the Vendors held 355,949,933 Ordinary Shares, representing approximately: (a) 74.81% of the voting rights of the Company (assuming no CPS have been converted into Ordinary Shares); and (b) 59.39% of the voting rights of the Company (assuming full conversion of CPS which iRegular has undertaken not to convert before the close of the Offer pursuant to the Irrevocable Undertaking).

Immediately prior to Completion, the Offeror and parties acting in concert with it did not hold any Shares.

Upon Completion

Upon Completion and as at the Latest Practicable Date, the Vendors ceased to be Shareholders. The Offeror is interested in 355,949,933 Ordinary Shares, representing approximately: (a) 74.81% of the voting rights of the Company (assuming no CPS have been converted into Ordinary Shares); and (b) 59.39% of the voting rights of the Company (assuming full conversion of CPS which iRegular has undertaken not to convert before the close of the Offer pursuant to the Irrevocable Undertaking).

Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make an unconditional mandatory general offer in cash for all the issued Shares other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it. Pursuant to Rule 13 of the Takeovers Code, the Offeror is required to make comparable offer in respect of all the outstanding CPS, other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it.

LETTER FROM ASTRUM

This letter sets out, among other things, the principal terms of the Offer, together with the information on the Offeror and the Offeror's intentions regarding the Group. Further details of the Offer and procedures for accepting and settlement of the Offer are also set out in Appendix I to this Composite Document and the accompanying Form of Acceptance. Independent Shareholders are strongly advised to consider carefully the information contained in the "Letter from the Board", the "Letter from the Independent Board Committee" to the Independent Shareholders, the "Letter from Vinco Financial" to the Independent Board Committee and the appendices as set out in this Composite Document and to consult their professional advisers if in doubt before reaching a decision as to whether or not to accept the Offer.

IRREVOCABLE UNDERTAKING

As at the Latest Practicable Date, iRegular is interested in 123,529,400 CPS which do not carry voting rights before conversion into Ordinary Shares and are convertible into 123,529,400 Ordinary Shares carrying approximately 20.61% of the voting rights of the Company (assuming full conversion of CPS which iRegular has undertaken not to convert before the close of the Offer pursuant to the Irrevocable Undertaking).

As at the Latest Practicable Date, save for the 123,529,400 CPS, iRegular does not hold any Ordinary Shares, other securities such as options, warrants or other rights to subscribe for, purchase or otherwise acquire any such securities of the Company and is not an existing Shareholder. iRegular is not a party acting in concert (as defined in the Takeovers Code) with the Offeror.

Pursuant to the Irrevocable Undertaking, iRegular has irrevocably undertaken to the Offeror, *inter alia*, that it (i) will not accept the comparable offer from the Offeror (as required by the Takeovers Code) in respect of 123,529,400 CPS to iRegular; (ii) will not convert any of the 123,529,400 CPS into Ordinary Shares before close of the Offer; and (iii) before close of the Offer, will continue to hold the 123,529,400 CPS and will not sell, transfer or dispose of the 123,529,400 CPS to the Offeror or any other third party or create encumbrance on the 123,529,400 CPS.

LETTER FROM ASTRUM

PRINCIPAL TERMS OF THE OFFER

Taking into account the Irrevocable Undertaking, Astrum will, on behalf of the Offeror and pursuant to Rule 26.1 of the Takeovers Code, make the Offer to acquire all the issued Ordinary Shares (other than those already owned or agreed to be acquired by the Offeror, its ultimate beneficial owner and the parties acting in concert with any one of them) on terms to be set out in this Composite Document on the following basis:

The Offer

For each Offer Share HK\$0.0759 in cash

The Offer Price of HK\$0.0759 per Offer Share is, due to rounding, marginally higher than the price per Ordinary Share paid by the Offeror to the Vendors under the Sale and Purchase Agreement.

As at the Latest Practicable Date, there are 475,813,216 Ordinary Shares in issue and save for the 123,529,400 CPS, the Company does not have any outstanding options, warrants or derivatives which are convertible or exchangeable into Ordinary Shares, and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Ordinary Shares.

As at the Latest Practicable Date, save for iRregular, there are no other holders of CPS. Pursuant to the Irrevocable Undertaking, iRregular has undertaken not to accept the comparable offer from the Offeror (as required by the Takeovers Code) in respect of 123,529,400 CPS. Therefore, no comparable offer will be made in respect of the CPS by the Offeror.

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\$0.0759 per Offer Share represents:

- (i) a premium of approximately 65.00% over the closing price of HK\$0.0460 per Ordinary Share as quoted on the Stock Exchange on 29 August 2023, being the Last Trading Day;
- (ii) a premium of approximately 72.50% over the average of the closing prices of the Ordinary Shares of HK\$0.0440 per Ordinary Share as quoted on the Stock Exchange for the last five trading days up to and including the Last Trading Day;

LETTER FROM ASTRUM

- (iii) a premium of approximately 70.18% over the average of the closing prices of the Ordinary Shares of HK\$0.0446 per Ordinary Share as quoted on the Stock Exchange for the last ten trading days up to and including the Last Trading Day;
- (iv) a premium of approximately 72.11% over the average of the closing prices of the Ordinary Shares of HK\$0.0441 per Ordinary Share as quoted on the Stock Exchange for the last thirty trading days up to and including the Last Trading Day;
- (v) a discount of approximately 24.85% to the closing price of HK\$0.101 per Ordinary Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (vi) a premium of approximately 91.67% over the Company's consolidated net asset value per Ordinary Share of approximately HK\$0.0396 calculated with reference to the Company's unaudited net asset value of approximately HK\$18,861,000 as at 31 May 2023 and 475,813,216 Ordinary Shares in issue as at the Latest Practicable Date; and
- (vii) a premium of approximately 65.72% over the Company's consolidated net asset value per Ordinary Share of approximately HK\$0.0458 calculated with reference to the Company's audited net asset value of approximately HK\$20,957,000 as at 30 November 2022 and 475,813,216 Ordinary Shares in issue as at the Latest Practicable Date.

Highest and lowest Share prices

During the six-month period immediately prior to and including the Last Trading Day, (i) the lowest closing price per Ordinary Share as quoted on the Stock Exchange was HK\$0.041 on 18 May 2023, 19 May 2023, 24 May 2023 to 23 June 2023 and 9 August 2023 to 11 August 2023, respectively; and (ii) the highest closing price per Ordinary Share as quoted on the Stock Exchange was HK\$0.058 on 28 February 2023 and 1 March 2023, respectively.

Value of the Offer

119,863,283 Ordinary Shares will be subject to the Offer. Assuming there is no change in the issued share capital of the Company prior to the making of the Offer, on the basis of the Offer Price of HK\$0.0759 per Offer Share, the Offer is valued at approximately HK\$9,097,624.

Financial resources available to the Offeror

The Offeror intends to finance and satisfy the consideration payable under the Offer by the Loan Facility in the amount up to HK\$9,200,000 granted by Astrum.

Grand Moore, being the financial adviser to the Offeror in respect of the Offer, is satisfied that there are sufficient financial resources available to the Offeror to satisfy full acceptances of the Offer.

LETTER FROM ASTRUM

Effects of accepting the Offer

By accepting the Offer, the relevant Shareholders will sell their Ordinary Shares to the Offeror free from all liens, claims, charges, encumbrances, rights of pre-emption and any third party rights of any nature and together with all rights attached to them, including but not limited to the right to receive all dividends and distributions declared, made or paid, if any, on or after the date the Offer is made, being the date of despatch of this Composite Document. Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, excepted as permitted under the Takeovers Code. There is no declared but unpaid dividend by the Board as at the Latest Practicable Date and the Board has not declared and does not intend to declare any dividends during the offer period (as defined under the Takeovers Code).

The Offer is unconditional in all respects and will remain open for acceptance from the date of this Composite Document until 4:00 p.m. on the Closing Date. Acceptance of the Offer will be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code, details of which are set out in the section headed “5. Right of withdrawal” in Appendix I to this Composite Document.

Stamp duty

Seller’s ad valorem stamp duty payable by the Shareholders who accept the Offer and calculated at a rate of 0.13% of (i) the market value of the Ordinary Shares; or (ii) the consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, will be deducted from the amount payable by the Offeror to such person on acceptance of the Offer.

Settlement

Settlement of the considerations for the Offer Shares will be made in cash as soon as possible but in any event within seven (7) business days (as defined in the Takeovers Code) of the date on which the relevant documents of title are received by or on behalf of the Offeror (or its agent) to render each such acceptance complete and valid. No fractions of a cent will be payable and the amount of the consideration payable to an Independent Shareholder who accepts the Offer will be rounded up to the nearest cent.

Taxation advice

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, the Company, and their respective ultimate beneficial owners, 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.

LETTER FROM ASTRUM

Overseas Shareholders

The availability of the Offer to persons who are not residents in Hong Kong may be affected by the applicable laws of the relevant jurisdiction in which they are residents. Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements in their own jurisdictions and, where necessary, seek their own legal advice. It is the responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (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 due by such Overseas Shareholders in respect of such jurisdictions).

Any acceptance of any Shareholders will be deemed to constitute a representation and warranty from such Shareholders to the Offeror that the local laws and requirements have been complied with. The Shareholders should consult their professional advisers if in doubt.

INFORMATION ON THE OFFEROR

The Offeror is a company incorporated in the British Virgin Islands with limited liability which is ultimately wholly and beneficially owned by Mr. LEUNG Wai Ming. As at the Latest Practicable Date, the sole director of the Offeror is Mr. LEUNG Wai Ming. The Offeror is principally engaged in investment holding.

Mr. LEUNG Wai Ming (梁衛明), aged 52, is a non-executive director of eprint Group Limited (Stock code: 1884) (“**eprint Group**”). He is interested in an approximately 21.62% equity interest in eprint Limited, the controlling shareholder of eprint Group holding an approximately 56.93% equity interest. Mr. LEUNG was appointed as a director of E-Print Group Limited, a wholly-owned subsidiary of eprint Group, in June 2008. Mr. LEUNG has approximately 20 years of experience in the marketing field. He has served as a sales manager in Grandwin Development Limited since October 2002. Grandwin Development Limited is unrelated to the eprint Group and its principal business is big printing machinery trading.

LETTER FROM ASTRUM

OFFEROR'S INTENTION FOR THE GROUP

The intention of the Offeror is that the Company's existing principal business activities will be maintained and continued after completion of the Offer. The Offeror confirms that there is no intention to further expand and/or divest the existing businesses of the Company during the offer period (as defined under the Takeovers Code) and after the end of the offer period (as defined under the Takeovers Code) unless appropriate opportunities arise. The Offeror will conduct a review of the existing principal businesses, operations, financial position, investments, proposed investments of the Group for the purpose of formulating long-term business plans and strategies for the future business development of the Group. Leveraging the Offeror's commercial experience and the existing networks established by the Group's management (excluding the existing executive Directors), the Offeror intends to continue to explore business opportunities in the future.

Subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, business rationalization, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group. As at the Latest Practicable Date, (i) no investment or business opportunity has been identified nor have the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group; and (ii) the Offeror has no intention, negotiation, agreement, arrangement and understanding on the disposal of, restructuring or downsizing of the Company's assets and businesses. Should such corporate actions materialise, further announcement(s) will be made in accordance with the GEM Listing Rules.

The Offeror intends to continue the employment of the existing management and employees of the Group (except for a proposed change to the members of the Board (as discussed in the paragraph headed "Proposed change of Board composition" below) at a time no earlier than that permitted under the GEM Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate).

Save for the Offeror's intention regarding the Group as set out above, (i) the Offeror has no intention to make material changes to the employment of the management and employees of the Group (except for a proposed change to the members of the Board (as discussed in the paragraph headed "Proposed change of Board composition" below) at a time no earlier than that permitted under the GEM Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate); and (ii) the Offeror has no intention to dispose of or redeploy the assets of the Group other than those in its ordinary and usual course of business.

LETTER FROM ASTRUM

Proposed change of Board composition

As at the Latest Practicable Date, the executive Directors are Mr. Joseph Chi Ho HUI and Ms. Clara Hiu Ling LAM; and the independent non-executive Directors are Mr. Kwong Sang LIU and Mr. Edwin Kim Ho WONG. It is currently intended that all of the existing Directors will resign from the Board no earlier than the time permitted under Rule 7 of the Takeovers Code.

The Offeror intends to continue the employment of the existing management and employees of the Group (except 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 such later time as the Offeror considers to be appropriate). The Offeror intends to nominate new director(s) to the Board with effect after the close of the Offer. As at the Latest Practicable Date, the Offeror has not reached any final decision as to who will be nominated as new director(s) of the Company. Any changes to the members of the Board will be made in compliance with the Takeovers Code and the Listing Rules and further announcement(s) will be made as and when appropriate.

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 Ordinary Shares, are held by the public, or if the Stock Exchange believes that:

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

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

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 will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Company's shares.

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.

LETTER FROM ASTRUM

COMPULSORY ACQUISITION

The Offeror does not intend to avail itself of any powers of compulsory acquisition of any outstanding Offer Shares not acquired under the Offer after the close of the Offer.

GENERAL

To ensure equality of treatment of all Independent Shareholders, those Independent 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 Independent 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, or, in case of joint holders to the Independent Shareholder whose name appears first in the said register of members. None of the Offeror, parties acting in concert with the Offeror, the Vendors, the Company, Astrum, Grand Moore, Vinco Financial, 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 also reminded to consider carefully the information contained in the “Letter from the Board”, the “Letter from the Independent Board Committee” and the “Letter from Vinco Financial” contained in this Composite Document and to consult your professional advisers as you see fit, before deciding whether or not to accept the Offer.

Yours faithfully,
For and on behalf of
Astrum Capital Management Limited
Pan Chik
Director

LETTER FROM THE BOARD

abcmultiactive
abc Multiactive Limited

辰罡科技有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8131)

Executive Directors:

Mr. Joseph Chi Ho HUI (*Chairman*)

Ms. Clara Hiu Ling LAM

Independent non-executive Directors:

Mr. Kwong Sang LIU

Mr. Edwin Kim Ho WONG

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Headquarters and Principal Place
of Business in Hong Kong:*

8/F, Hong Kong Trade Centre

161 Des Voeux Road Central

Hong Kong

13 October 2023

To the Independent Shareholders:

Dear Sir or Madam,

**UNCONDITIONAL MANDATORY CASH OFFER BY
ASTRUM CAPITAL MANAGEMENT LIMITED**



**FOR AND ON BEHALF OF
BRAVO MERIT MANAGEMENT GROUPS LIMITED
FOR ALL THE ISSUED ORDINARY SHARES IN
ABC MULTIACTIVE LIMITED (OTHER THAN THOSE SHARES
ALREADY OWNED
OR AGREED TO BE ACQUIRED
BY BRAVO MERIT MANAGEMENT GROUPS LIMITED AND
THE PARTIES ACTING IN CONCERT WITH IT)**

INTRODUCTION

Reference is made to the Joint Announcement in relation to, among other things, the Sale and Purchase Agreement and the Offer.

* *For identification purposes only*

LETTER FROM THE BOARD

THE SALE AND PURCHASE AGREEMENT

On 29 August 2023 (after trading hours), the Offeror and the Vendors entered into the Sale and Purchase Agreement, pursuant to which the Offeror agreed to acquire and the Vendors agreed to sell the Sale Shares, comprising 355,949,933 Ordinary Shares, for a total consideration of HK\$27,000,000, equivalent to approximately HK\$0.0759 per Sale Share. Immediately prior to Completion, the Sale Shares, being all the Shares held by the Vendors, represent approximately: (a) 74.81% of the voting rights of the Company (assuming no CPS have been converted into Ordinary Shares); and (b) 59.39% of the voting rights of the Company (assuming full conversion of CPS which iRegular has undertaken not to convert before the close of the Offer pursuant to the Irrevocable Undertaking).

Consideration

The total consideration for the sale and purchase of the Sale Shares amounted to a sum of HK\$27,000,000, which was paid by the Purchaser to the Vendors (as to HK\$25,752,148.59 to Maximizer International Limited and as to HK\$1,247,851.41 to Pacific East Limited) in full upon Completion.

The consideration pursuant to the Sale and Purchase Agreement was determined between the Offeror and the Vendors after arm's length negotiations with reference to, amongst others, (i) the recent market price of the Ordinary Shares on GEM; (ii) the financial position of the Group; and (iii) prevailing market conditions. The consideration under the Sale and Purchase Agreement was satisfied in full by the Offeror to the Vendors upon Completion.

Completion

Completion took place on 30 August 2023 pursuant to the Sale and Purchase Agreement.

UNCONDITIONAL MANDATORY CASH OFFER

Prior to Completion

Immediately prior to Completion, the Vendors held 355,949,933 Ordinary Shares, representing approximately: (a) 74.81% of the voting rights of the Company (assuming no CPS have been converted into Ordinary Shares); and (b) 59.39% of the voting rights of the Company (assuming full conversion of CPS which iRegular has undertaken not to convert before the close of the Offer pursuant to the Irrevocable Undertaking).

Immediately prior to Completion, the Offeror and parties acting in concert with it did not hold any Shares.

LETTER FROM THE BOARD

Upon Completion

Upon Completion and as at the Latest Practicable Date, the Vendors ceased to be Shareholders. The Offeror is interested in 355,949,933 Ordinary Shares, representing approximately: (a) 74.81% of the voting rights of the Company (assuming no CPS have been converted into Ordinary Shares); and (b) 59.39% of the voting rights of the Company (assuming full conversion of CPS which iRegular has undertaken not to convert before the close of the Offer pursuant to the Irrevocable Undertaking).

Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make an unconditional mandatory general offer in cash for all the issued Shares other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it. Pursuant to Rule 13 of the Takeovers Code, the Offeror is required to make comparable offer in respect of all the outstanding CPS, other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it.

Further details of the Offer are set out in the “Letter from Astrum” and Appendix I to this Composite Document of which this letter forms part, and in the accompanying Form of Acceptance.

The purpose of this Composite Document is to provide you with, among other things, information relating to the Group, the Offeror and the Offer, the recommendation of the Independent Board Committee to the Independent Shareholders and the “Letter from Vinco Financial” to the Independent Board Committee in relation to the Offer.

IRREVOCABLE UNDERTAKING

As at the Latest Practicable Date, iRegular is interested in 123,529,400 CPS which do not carry voting rights before conversion into Ordinary Shares and are convertible into 123,529,400 Ordinary Shares carrying approximately 20.61% of the voting rights of the Company (assuming full conversion of CPS which iRegular has undertaken not to convert before the close of the Offer pursuant to the Irrevocable Undertaking).

As at the Latest Practicable Date, save for the 123,529,400 CPS, iRegular does not hold any Ordinary Shares, other securities such as options, warrants or other rights to subscribe for, purchase or otherwise acquire any such securities of the Company and is not an existing Shareholder. iRegular is not a party acting in concert (as defined in the Takeovers Code) with the Offeror.

LETTER FROM THE BOARD

Pursuant to the Irrevocable Undertaking, iRegular has irrevocably undertaken to the Offeror, *inter alia*, that it (i) will not accept the comparable offer from the Offeror (as required by the Takeovers Code) in respect of 123,529,400 CPS to iRegular; (ii) will not convert any of the 123,529,400 CPS into Ordinary Shares before close of the Offer; and (iii) before close of the Offer, will continue to hold the 123,529,400 CPS and will not sell, transfer or dispose of the 123,529,400 CPS to the Offeror or any other third party or create encumbrance on the 123,529,400 CPS.

PRINCIPAL TERMS OF THE OFFER

Taking into account the Irrevocable Undertaking, Astrum will, on behalf of the Offeror and pursuant to Rule 26.1 of the Takeovers Code, make the Offer to acquire all the issued Ordinary Shares (other than those already owned or agreed to be acquired by the Offeror and the parties acting in concert with it) on terms to be set out in the “Letter From Astrum” in this Composite Document on the following basis:

The Offer

For each Offer Share HK\$0.0759 in cash

The Offer Price of HK\$0.0759 per Offer Share is, due to rounding, marginally higher than the price per Ordinary Share paid by the Offeror to the Vendors under the Sale and Purchase Agreement.

As at the Latest Practicable Date, there are 475,813,216 Ordinary Shares in issue and save for the 123,529,400 CPS, the Company does not have any outstanding options, warrants or derivatives which are convertible or exchangeable into Ordinary Shares, and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Ordinary Shares.

As at the Latest Practicable Date, save for iRegular, there are no other holders of CPS. Pursuant to the Irrevocable Undertaking, iRegular has undertaken not to accept the comparable offer from the Offeror (as required by the Takeovers Code) in respect of 123,529,400 CPS. Therefore, no comparable offer will be made in respect of the CPS by the Offeror.

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

LETTER FROM THE BOARD

INFORMATION OF THE GROUP

The Group is principally engaged in the sales of computer software licenses and provision of related services; computer software licenses leasing and provision of related services; provision of maintenance services; sales of computer hardware and related products and provision of fintech resources services in Hong Kong.

Set out below is a summary of (i) the audited consolidated financial results of the Company for each of the financial years ended 30 November 2021 and 2022; and (ii) the unaudited consolidated financial information of the Company for each of the six months periods ended 31 May 2022 and 2023:

	For the six months ended		For the year ended	
	31 May		30 November	
	2023	2022	2022	2021
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)	(audited)	(audited)
Revenue	13,364	39,071	60,244	62,357
Gross profit	9,802	27,336	35,636	37,629
Profit/(loss) and total comprehensive income for the period/year attributable to owners of the Company	(2,096)	11,033	9,110	15,640
	As at 31 May		As at 30 November	
	2023	2022	2022	2021
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)	(audited)	(audited)
Total assets	53,378	61,141	65,023	51,613
Total liabilities	34,517	38,261	44,066	39,766
Net assets	18,861	22,880	20,957	11,847

LETTER FROM THE BOARD

SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company immediately before and after Completion are as follows:

	Immediately before Completion				Immediately after Completion and as at the Latest Practicable Date				Immediately after Completion and as at the Latest Practicable Date (Assuming full conversion of all CPS) (note 3)			
	Number of Ordinary Shares	Approx. %	Number of CPS	Approx. %	Number of Ordinary Shares	Approx. %	Number of CPS	Approx. %	Number of Ordinary Shares	Approx. %	Number of CPS	Approx. %
Offeror and parties acting in concert with it (note 1)	-	-	-	-	355,949,933	74.81	-	-	355,949,933	59.39	-	-
Vendors (note 2)												
Maximizer International Limited	339,499,095	71.35	-	-	-	-	-	-	-	-	-	-
Pacific East Limited	16,450,838	3.46	-	-	-	-	-	-	-	-	-	-
Sub-total	355,949,933	74.81	-	-	-	-	-	-	-	-	-	-
iRegular	-	-	123,529,400	100.00	-	-	123,529,400	100.00	123,529,400	20.61	-	-
Independent Shareholders	119,863,283	25.19	-	-	119,863,283	25.19	-	-	119,863,283	20.00	-	-
Total	475,813,216	100.00	123,529,400	100.00	475,813,216	100.00	123,529,400	100.00	599,342,616	100.00	-	-

Notes:

- (1) Immediately after Completion and as at the Latest Practicable Date, save for the Offeror itself which is interested in 355,949,933 Ordinary Shares, representing approximately 74.81% of the voting rights of the Company, its ultimate beneficial owner and parties acting in concert with any one of them does not hold any Shares.
- (2) Immediately prior to Completion, DGM Trust Corporation is the trustee of The City Place Trust which wholly owned (a) Maximizer International Limited, which held 339,499,095 Ordinary Shares (equivalent to approximately 71.35% equity interest in the Company) and (b) Pacific East Limited, which held 16,450,838 Ordinary Shares (equivalent to approximately 3.46% equity interest in the Company). The City Place Trust is a discretionary trust and its beneficiaries include certain family members of Mr. Kau Mo Hui, but does not include Mr. Joseph Chi Ho Hui or Ms. Clara Hiu Ling Lam or any of their respective spouses or minor child. Mr. Kau Mo Hui is the father of Mr. Joseph Chi Ho Hui, an executive Director and Mr. Samson Chi Yang Hui, the chief executive officer of the Company. Mr. Kau Mo Hui is also the father-in-law of Ms. Clara Hiu Ling Lam, an executive Director.
- (3) The scenario is for illustrative purpose only. Pursuant to the Irrevocable Undertaking, iRegular has irrevocably undertaken to the Offeror, among others, that it will not convert any of the 123,529,400 CPS into Ordinary Shares before close of the Offer.

LETTER FROM THE BOARD

INTENTIONS OF THE OFFEROR REGARDING THE GROUP

Your attention is drawn to the paragraphs headed “Information on the Offeror” and “Offeror’s intention for the Group” in the “Letter from Astrum” as set out on pages 9 to 18 of this Composite Document. The Board is aware of the intentions of the Offeror regarding the Group and is willing to render reasonable co-operation with the Offeror which is in the interests of the Company and the Independent Shareholders as a whole.

PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

The Board is aware that 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 Company will, together with the Offeror, use reasonable endeavours to maintain the listing status of the Shares on the Stock Exchange and procure that not less than 25% of the entire issued share capital in the Company be held by the public in compliance with the GEM Listing Rules.

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 Ordinary Shares, are held by the public, or if the Stock Exchange believes that:

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

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

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 will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Company’s shares.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

LETTER FROM THE BOARD

RECOMMENDATION

The Independent Board Committee, comprising all the independent non-executive Directors, namely, Mr. Kwong Sang LIU and Mr. Edwin Kim Ho WONG, has been established to advise the Independent Shareholders as to whether the Offer is fair and reasonable so far as the Independent Shareholders are concerned, and as to acceptance of the Offer. Your attention is drawn to (i) the “Letter from the Independent Board Committee” as set out on pages 27 to 28 of this Composite Document; and (ii) the “Letter from Vinco Financial” as set out on pages 29 to 56 of this Composite Document containing their respective advice and recommendation in respect of the Offer and principal factors considered by it in arriving at their recommendation.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information contained in the appendices to this Composite Document. You are also recommended to read carefully Appendix I to this Composite Document and the accompanying Form of Acceptance for further details in respect of the procedures for acceptance of the Offer.

In considering what actions 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 own professional advisers.

Yours faithfully,
On behalf of the Board of
abc Multiactive Limited
Joseph Chi Ho HUI
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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

abcmultiactive

abc Multiactive Limited

辰罡科技有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8131)

13 October 2023

To the Independent Shareholders:

Dear Sir or Madam,

**UNCONDITIONAL MANDATORY CASH OFFER BY
ASTRUM CAPITAL MANAGEMENT LIMITED**



**FOR AND ON BEHALF OF
BRAVO MERIT MANAGEMENT GROUPS LIMITED
FOR ALL THE ISSUED ORDINARY SHARES IN
ABC MULTIACTIVE LIMITED (OTHER THAN THOSE SHARES
ALREADY OWNED
OR AGREED TO BE ACQUIRED
BY BRAVO MERIT MANAGEMENT GROUPS LIMITED AND
THE PARTIES ACTING IN CONCERT WITH IT)**

We refer to this Composite Document dated 13 October 2023 jointly issued by the Company and the Offeror, of which this letter forms part. Unless the context otherwise requires, terms used in this letter shall have the same meanings as defined in this Composite Document.

* *For identification purposes only*

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

We have been appointed to constitute the Independent Board Committee to consider the terms of the Offer and to advise you (i.e. the Independent Shareholders) as to whether or not the Offer is fair and reasonable so far as the Independent Shareholders are concerned, and to make recommendation in respect of the acceptance of the Offer. Vinco Financial has been appointed as the Independent Financial Adviser to make recommendation to us in respect of the terms of the Offer and, in particular, whether the Offer is fair and reasonable so far as the Independent Shareholders are concerned, and to make recommendation in respect of the acceptance of the Offer. Details of its advice and recommendation, together with the principal factors and reasons which it has considered before arriving at such recommendation, are set out in the “Letter from Vinco Financial” on pages 29 to 56 of this Composite Document.

We also wish to draw your attention to the “Letter from the Board”, the “Letter from Astrum” and the additional information set out in the appendices to this Composite Document.

RECOMMENDATION

Taking into account the terms of the Offer and Vinco Financial’s advice and recommendations, we concur with Vinco Financial’s view and consider that the Offer is fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to accept the Offer.

In any case, the Independent Shareholders are strongly advised that the decision to realise or to hold their investment is subject to individual circumstances and investment objectives. If in doubt, the Independent Shareholders should consult their own professional advisers for advice. Furthermore, the Independent Shareholders who wish to accept the Offer are recommended to read carefully the procedures for accepting the Offer as detailed in this Composite Document and the accompanying Form of Acceptance.

Yours faithfully,

For and on behalf of

the Independent Board Committee of

abc Multiactive Limited

Kwong Sang LIU

Edwin Kim Ho WONG

Independent

Independent

non-executive Director

non-executive Director

LETTER FROM VINCO FINANCIAL

The following is the text of a letter of advice from Vinco Financial setting out its advice to the Independent Board Committee and the Independent Shareholders prepared in respect of the Offer, which has been prepared for the purpose of incorporation in this Composite Document:

VINCO 
Vinco Financial Limited

13 October 2023

*To the Independent Board Committee and the Independent Shareholders of
abc Multiactive Limited*

Dear Sirs,

**UNCONDITIONAL MANDATORY CASH OFFER BY ASTRUM CAPITAL
MANAGEMENT LIMITED FOR AND ON BEHALF OF BRAVO MERIT
MANAGEMENT GROUPS LIMITED FOR ALL THE ISSUED ORDINARY
SHARES IN ABC MULTIACTIVE LIMITED (OTHER THAN THOSE
SHARES ALREADY OWNED OR AGREED TO BE ACQUIRED BY
BRAVO MERIT MANAGEMENT GROUPS LIMITED AND THE PARTIES
ACTING IN CONCERT WITH IT)**

INTRODUCTION

We refer to our engagement as the Independent Financial Adviser to advise the Independent Board Committee in respect of the Offer, details of which are set out in this Composite Document jointly issued by the Offeror and the Company to the Shareholders dated 13 October 2023 of which this letter forms part. Capitalised terms used in this letter shall have the same meanings ascribed to them in this Composite Document unless the context otherwise requires.

Reference is made to the Joint Announcement, on 29 August 2023 (after trading hours), the Offeror and the Vendors entered into the Sale and Purchase Agreement, pursuant to which the Offeror agreed to acquire and the Vendors agreed to sell the Sale Shares, comprising 355,949,933 Ordinary Shares, for a total consideration of HK\$27,000,000, equivalent to approximately HK\$0.0759 per Sale Share. Immediately prior to Completion, the Sale Shares, being all the Shares held by the Vendors, represent approximately: (a) 74.81% of the voting rights of the Company (assuming no CPS have been converted into Ordinary Shares); and (b) 59.39% of the voting rights of the Company (assuming full conversion of CPS which iRegular has undertaken not to convert before the close of the Offer pursuant to the Irrevocable Undertaking).

LETTER FROM VINCO FINANCIAL

The Independent Board Committee, comprising Mr. Liu Kwong Sang and Mr. Wong Kim Ho Edwin, being all the independent non-executive Directors has been established to advise the Independent Shareholders as to whether the Offer is fair and reasonable so far as the Independent Shareholders are concerned, and as to acceptance of the Offer. We have been appointed as the Independent Financial Adviser to advise the Independent Board Committee in respect of the Offer. In our capacity as the Independent Financial Adviser, our role is to give a recommendation to the Independent Board Committee in respect of the Offer and, in particular, as to whether the Offer is fair and reasonable so far as the Independent Shareholders are concerned, and to make recommendation in respect of the acceptance of the Offer.

As at the Latest Practicable Date, (i) we are not connected with the directors, chief executive, ultimate beneficial owner(s), and substantial shareholders of the Company and the Offeror or any of their respective subsidiaries or their respective associates or any party acting or presumed to be acting in concert with any of them, (ii) we do not have shareholding, directly or indirectly, in any of them (if applicable) and any of their respective associates or any party acting or presumed to be acting in concert with any of them, and, (iii) do not have any shareholding, directly or indirectly, in any entities within the Group or the Offeror or any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any entities within the Group and the Offeror. There are no relationships or interest between us and the Company, the Offeror or any other parties that could be reasonably be regarded as hindrance to our independence as defined under Rule 17.96 of the GEM Listing Rules and Rule 2.1 of the Takeovers Code to act as the Independent Financial Adviser to the Independent Board Committee in respect of the Offer. We are eligible to give independent advice and recommendations on the Offer and as to acceptance thereof. Apart from normal professional fees payable to us in connection with this appointment as the Independent Financial Adviser to the Independent Board Committee, no arrangement exists whereby we will receive any fees from the Offeror and the Company, their subsidiaries, their associates or their respective substantial shareholders or associates or any party acting, or presumed to be acting, in concert with any of them.

During the past two years, there was no engagement between the Group or the Offeror and us. Accordingly, we consider that we are eligible to give independent advice and recommendations on the Offer and as to acceptance.

LETTER FROM VINCO FINANCIAL

BASIS OF OUR OPINION AND RECOMMENDATION

In forming our opinion and recommendation, we have relied on the information, facts and representations contained or referred to in this Composite Document and the information, facts and representations provided by, and the opinions expressed by the Directors, management of the Company and its subsidiaries. In rendering our opinion in this Composite Document, we have discussion with the management of the Group to understand the information collected from the Company including but not limited to (i) published financial reports of the Company for the year ended 30 November 2021 (the “**2021 Annual Report**”) and 30 November 2022 (the “**2022 Annual Report**”); (ii) interim reports for the six months ended 31 May 2022 (the “**Interim Report 2022**”) and 31 May 2023 (the “**Interim Report 2023**”); (iii) the Sale and Purchase Agreement; (iv) the Joint Announcement; and (v) other information as set out in this Composite Document. Furthermore, we have researched and analysed the market information obtained from the website of the Stock Exchange. Our opinion is necessarily based on the management’s representation and confirmation that there is no undisclosed private agreement/arrangement or implied understanding with anyone concerning the Offer. We have assumed that all information, facts, opinions and representations made or referred to in this Composite Document were true, accurate and complete at the time they were made and continued to be true, accurate, and complete up to date throughout the offer period (as defined under the Takeovers Code) and the Independent Shareholders will be notified of any material changes to such statements, information, opinions and/or representations as well as those in our letter as soon as possible in accordance with Rule 9.1 of the Takeovers Code. We have also assumed that all statements of belief, opinion and intention made by the Directors and the Offeror in this Composite Document were reasonably made after due enquiries and considerations.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have no reason to doubt that any relevant information has been withheld, nor are we aware of any fact or circumstance which would render the information provided and representations made to us untrue, inaccurate or misleading. We consider that we have performed all the necessary steps to enable us to reach an informed view and to justify our reliance on the information provided so as to provide reasonable basis for our opinion and recommendations. The Directors have confirmed that no material fact or information has been omitted from the information supplied and that the representations made or opinions expressed have been arrived at after due and careful consideration and there are no other facts or representations the omission of which would make any statement in this Composite Document, including this letter, misleading. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 17.92 of the GEM Listing Rules. Shareholders will be notified of material changes in this Composite Documents, including this letter, as soon as possible, if any, to the information and representations provided and made to us after the Latest Practicable Date. We have not carried out any independent verification of the information, opinions or representations

LETTER FROM VINCO FINANCIAL

given or made by or on behalf of the Company or the Offeror as set out in this Composite Document, nor have we conducted an independent investigation into the business affairs or assets and liabilities of the Group or any of the other parties involved in the Offer.

In formulating our opinions, we have not considered the taxation implications on the Independent Shareholders arising from the holding of or dealing in the Offer Shares or otherwise, since these are particular to their own circumstances. It is emphasised that we will not accept responsibility for any tax effects on, or liabilities of any person resulting from the holding of or dealing in of the Offer Shares. In particular, Independent Shareholders subject to overseas taxation or Hong Kong taxation on securities dealings should consider their own tax position and, if in any doubt, should consult their own professional advisers.

This letter is issued for the information for the Independent Board Committee solely in connection with their consideration of the Offer and, except for its inclusion in this Composite Document, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation in relation to the Offer, we have considered the following principal factors and reasons set out below:

1. Information on the Group

Principal activities

According to the management of the Company, the Group is principally engaged in the sales of computer software licenses and provision of related services; computer software licenses leasing and provision of related services; provision of maintenance services; sales of computer hardware and related products and provision of financial technology (the “**FinTech**”) resources services in Hong Kong.

LETTER FROM VINCO FINANCIAL

Historical financial information

Set out below is a summary of (i) the audited consolidated financial results of the Group for each of the financial years ended 30 November 2020 (“**FY2020**”), 30 November 2021 (“**FY2021**”) and 30 November 2022 (“**FY2022**”) as extracted from the 2021 Annual Report and the 2022 Annual Report, respectively; and (ii) the unaudited consolidated financial information of the Group for the six months ended 31 May 2022 (“**HY2022**”) and 31 May 2023 (“**HY2023**”), as extracted from the Interim Report 2022 and the Interim Report 2023.

	For the six months		For the year ended		
	ended 31 May		30 November		
	2023	2022	2022	2021	2020
	(unaudited)	(unaudited)	(audited)	(audited)	(audited)
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	13,364	39,071	60,244	62,357	16,626
Gross profit	9,802	27,336	35,636	37,629	9,185
Profit/(loss) and total comprehensive income for the period/year attributable to owners of the Company	(2,096)	11,033	9,110	15,640	(2,987)
	As at 31 May		As at 30 November		
	2023	2022	2022	2021	2020
	(unaudited)	(unaudited)	(audited)	(audited)	(audited)
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Total assets	53,378	61,141	65,023	51,613	12,123
Total liabilities	34,517	38,261	44,066	39,766	37,327
Net assets/(liabilities)	18,861	22,880	20,957	11,847	(25,204)

LETTER FROM VINCO FINANCIAL

(i) *For the six months ended 31 May 2022 and 31 May 2023*

With reference to the Interim Report 2022 and the Interim Report 2023, the Group recorded a decrease in revenue by approximately 65.8% from approximately HK\$39.1 million for HY2022 to approximately HK\$13.4 million for HY2023. The Group's revenue derived from the sales of computer software licenses, computer software licenses leasing and provision of related services, provision of maintenance services, sales of computer hardware and related products and provision of FinTech resources services. We noted that the decrease in total revenue was mainly attributable to the drop of approximately 91.8% in revenue from sales of computer software licenses, computer software licenses leasing and provision of related services. As discussed with the management of the Company, it is attributed to slowdown in new license sales due to deferral of project engagement by customers, as the customers of the Company in financial industry prudently controlled their costs on system upgrade and new system implementation due to the deterioration of Hong Kong stock market in first five months of 2023. The Heng Seng Index ("HSI") was dropped from 22,688.90 on 27 January 2023 to 18,234.27 on 31 May 2023 or decreased by approximately 19.6% in the first five months of 2023. In addition, the Company adopted a more stringent scrutiny of the current business of new customers due to the long outstanding receivable balances from its customers and a more tightening pricing policy with longer process to ensure the payment to be received on a timely manner before entering into new sales contract such as requiring deposit from customers before the provision of products and services. Therefore, the hesitation of the new customers led to decrease in new customers engaged which further contributes to the decline in revenue. The tightening pricing policy and stringent scrutiny of new customers are to achieve more effective risk management, the Directors believe that those measurements could benefit the Company in long run and the impact on the financial performance of the Group would be affect temporarily. Furthermore, the Group has also centralised its sales and marketing resources effort on product promotion of the new launched FinTech solution "abcWealthConnect" to the market in the first quarter of 2023, the launching of abcWealthConnect further impacted the new sales contract signing of existing product in the first half of the year. The abcWealthConnect, which is management system developed by the Company for extended asset management firms, has not yet generated income in HY2023 and expected to broaden the client base of the Company to asset management industry.

The gross profit of the Group was decreased by approximately 64.1% from approximately HK\$27.3 million for HY2022 to approximately HK\$9.8 million for HY2023, which was in line with the decrease in the Group's revenue.

LETTER FROM VINCO FINANCIAL

The loss attributable to owners of the Company for HY2023 was approximately HK\$2.1 million, while the Group recorded a profit attributable to owners of the Company of approximately HK\$11.0 million for HY2022. The loss was mainly due to the decrease in the Group's revenue mentioned in above and approximately HK\$2.9 million of the fair value loss on financial assets for HY2023.

As illustrated above, the Group's total assets and total liabilities as at 31 May 2023 amounted to approximately HK\$53.4 million and HK\$34.5 million, respectively. The Group's consolidated net assets decreased by approximately 10.0% from approximately HK\$21.0 million as at 30 November 2022 to approximately HK\$18.9 million as at 31 May 2023. The decrement in net assets as at 31 May 2023 comparing with that of 30 November 2022 was attributable to the loss for the six months ended 31 May 2023.

As illustrated above, the Group's total assets and total liabilities as at 31 May 2022 amounted to approximately HK\$61.1 million and HK\$38.3 million, respectively. The Group's consolidated net assets increased by approximately 93.1% from approximately HK\$11.8 million as at 30 November 2021 to approximately HK\$22.9 million as at 31 May 2022. The increment in net assets as at 31 May 2022 comparing with that of 30 November 2021 was attributable to the increase in right-of-use assets and trade and other receivables.

(ii) For the year ended 30 November 2021 and 2022

With reference to the 2022 Annual Report, the Group recorded a decrease in revenue by approximately 3.4% from approximately HK\$62.4 million for FY2021 to approximately HK\$60.2 million for FY2022. The decrease in total revenues were mainly attributed to existing projects delayed delivery and launch by customers as the manpower of the customers were insufficient for system installation and project launching and reduced in sales of computer hardware to customers in FY2022. We noted that there is a decrease of approximately 98.3% in the sales of computer hardware and related products from approximately HK\$4.1 million for FY2021 to approximately HK\$72,000 for FY2022. Such decrease was mainly due to low profit margin of hardware sales in FY2022, the Company then reallocated its sales resources to focus on selling and promoting the new products instead of the computer hardware and related products.

The gross profit of the Group was decreased by approximately 5.3% from approximately HK\$37.6 million for FY2021 to approximately HK\$35.6 million for FY2022, which was in line with the decrease in the Group's revenue.

LETTER FROM VINCO FINANCIAL

The profit attributable to owners of the Company for FY2022 was approximately HK\$9.1 million, while the Group recorded a profit attributable to owners of the Company of approximately HK\$15.6 million for FY2021. The decrease of approximately 41.8% in profit attributable to owners of the Company was mainly due to the increase in net allowance for expected credit losses on trade receivables by approximately HK\$4.1 million in FY2022.

As illustrated above, the Group's total assets and total liabilities as at 30 November 2022 amounted to approximately HK\$65.0 million and HK\$44.1 million, respectively. The Group's consolidated net assets increased by approximately 76.9% from approximately HK\$11.8 million as at 30 November 2021 to approximately HK\$21.0 million as at 30 November 2022. The increment in net assets as at 30 November 2022 comparing with that of 30 November 2021 was attributable to the increase in trade and other receivables.

(iii) For the year ended 30 November 2021 and 2020

With reference to the 2021 Annual Report, the Group recorded an increase in revenue by approximately 275.1% from approximately HK\$16.6 million for FY2020 to approximately HK\$62.4 million for FY2021. The increase in total revenues is a result of the introduction of the new regulatory technology (the “**RegTech**”) solution FinReg Innovative Tools (“**FinReg**”) products since 2020 followed by the strong market acceptance of the Group's release of the FinReg and its peripheral product lines in early 2021, including FinReg KYC+ and FinReg Check. Another contributing factor to the increase was result of acquisition of one FinTech resources company in FY2021.

The gross profit of the Group was increased by approximately 309.7% from approximately HK\$9.2 million for FY2020 to approximately HK\$37.6 million for FY2021, which was in line with the increase in the Group's revenue.

The profit attributable to owners of the Company for FY2021 was approximately HK\$15.6 million, while the Group recorded a loss attributable to owners of the Company of approximately HK\$3.0 million for FY2020. The profit was mainly attributable to the substantial increase in the revenue as compared to the corresponding period last year.

As illustrated above, the Group's total assets and total liabilities as at 30 November 2021 amounted to approximately HK\$51.6 million and HK\$39.8 million, respectively. The Group's liquidity position improved significantly from net liabilities of approximately HK\$25.2 million as at 30 November 2020 to net assets of approximately HK\$11.8 million as at 30 November 2021 as a result of the conversion of convertible bond and the profit generated during FY2021.

LETTER FROM VINCO FINANCIAL

We noted the Company was on an improving trend from 2020 to 2022 with reference to the increase in net profit and total comprehensive income for the year attributable to owners. However, the financial performance has fallen in HY2023. After the discussion with the management of the Company, we understand that the loss in HY2023 was mainly due to most of the existing and potential customers of the Company preferred to retain their current system software by paying maintenance fee or software license leasing fee to the Company rather than spend more on system upgrade or new system implementation. Since the system solutions provided by the Company are mainly targeted to the financial institutions in Hong Kong, the business growth of the Company highly depends on the overall market performance of Hong Kong stock market. In 2023, even it is entered into the post-Covid period, the Hong Kong stock market is still heavily impacted from the global economy downturns, uncertainty in PRC economy resumption and property market crisis, labour shortage resulted from staff turnover in the financial industry, trading tension between PRC and the United States and slow recovery of Hong Kong economy. Hong Kong has suffered its biggest workforce decline on record since 2022, causing major labour shortages that there is a drop of approximately 5.2% and 3.2% in the number of employed persons in the financial services sector in the first quarter of 2023 compared to that in the first quarter of 2021 and 2022 respectively. Details can be found in the statistics published by the Census and Statistics Department in the corresponding period (source: <https://www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1050001&scode=200>). Given Hong Kong's economic growth was approximately 1.5% in the second quarter of 2023 slowing from approximately 2.9% in the first quarter of 2023, it is considered as the sign of the momentum being softened on the back of the strong rebound in the preceding quarter. Further details can be found in the Half-Yearly Economic Report 2023 issued by Hong Kong government on 11 August 2023 (source: <https://www.hkeconomy.gov.hk/en/pdf/er23q2.pdf>). Therefore, the end customers of the Company are affected and hesitated to spend resources on products and services offered by the Company.

2. Information on the Offeror

(a) *Background information of the Offeror*

As stated in the “Letter from Astrum”, the Offeror is a company incorporated in the British Virgin Islands with limited liability which is ultimately wholly and beneficially owned by Mr. LEUNG Wai Ming. As at the Latest Practicable Date, the sole director of the Offeror is Mr. LEUNG Wai Ming. The Offeror is principally engaged in investment holding. Mr. LEUNG Wai Ming (梁衛明), aged 52, is a non-executive director of eprint Group Limited (Stock code: 1884) (“**eprint Group**”). He is interested in an approximately 21.62% equity interest in eprint Limited, the controlling shareholder of eprint Group holding an approximately 56.93% equity interest. Mr. LEUNG was appointed as a director of E-Print Group Limited, a wholly-

LETTER FROM VINCO FINANCIAL

owned subsidiary of eprint Group, in June 2008. Mr. LEUNG has approximately 20 years of experience in the marketing field. He has served as a sales manager in Grandwin Development Limited since October 2002. Grandwin Development Limited is unrelated to the eprint Group and its principal business is big printing machinery trading.

(b) Intention of the Offeror in relation to the Group

As set out in the “Letter from Astrum”, the intention of the Offeror is that the Company’s existing principal business activities will be maintained and continued after completion of the Offer. The Offeror confirms that there is no intention to further expand and/or divest the existing businesses of the Company during the offer period (as defined under the Takeovers Code) and after the end of the offer period (as defined under the Takeovers Code) unless appropriate opportunities arise. The Offeror will conduct a review of the existing principal businesses, operations, financial position, investments, proposed investments of the Group for the purpose of formulating long-term business plans and strategies for the future business development of the Group. Leveraging the Offeror’s commercial experience and the existing networks established by the Group’s management (excluding the existing executive Directors), the Offeror intends to continue to explore business opportunities in the future.

Subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, business rationalization, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group. As at the Latest Practicable Date, (i) no investment or business opportunity has been identified nor have the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group; and (ii) the Offeror has no intention, negotiation, agreement, arrangement and understanding on the disposal of, restructuring or downsizing of the Company’s assets and businesses. Should such corporate actions materialise, further announcement(s) will be made in accordance with the GEM Listing Rules.

The Offeror intends to continue the employment of the existing management and employees of the Group (except for a proposed change to the members of the Board (as discussed in the paragraph headed “Proposed change of Board composition” in the “letter from Astrum”) at a time no earlier than that permitted under the GEM Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate).

LETTER FROM VINCO FINANCIAL

Save for the Offeror's intention regarding the Group as set out above, (i) the Offeror has no intention to make material changes to the employment of the management and employees of the Group (except for a proposed change to the members of the Board (as discussed in the paragraph headed "Proposed change of Board composition" in the "letter from Astrum") at a time no earlier than that permitted under the GEM Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate); and (ii) the Offeror has no intention to dispose of or redeploy the assets of the Group other than those in its ordinary and usual course of business.

Based on the background information and intention of the Offeror as stated above, the Offeror possess extensive experience in the marketing field which allow the Offeror to leverage its existing networks such as its customers in financial industry to explore business opportunities for the Company. Currently, the Offeror also has no intention to make material changes to the employment of the management and employees of the Group in the near future. However, we are of the view the Offeror did not have relevant working experience to the principal business activities of the Group and contribution to the existing business of the Group in the near future is uncertain.

Taking into consideration that (i) the working experience of the Offeror and the corporates he worked before are different from the Group's principal business; and (ii) the Offeror has yet to formulate a long-term business plans and strategies for the future business development, we are of the view that there is uncertainty on the future performance of the Group under the leadership of the Offeror and new Director(s) to be appointed.

3. Prospect of the Group

As discussed above under the section headed "1. Information on the Group", the Group's revenue derived from the sales of computer software licenses and provision of related services including but not limited to system solutions, system integration, maintenance, sales of computer hardware and related products and other IT professional services. We have discussed and understood from the management of the Group that the Group has dedicated more research and development focus on its core-solutions improvement and upgrading and more new diversified solutions including FinTech and RegTech solutions, with a more efficient infrastructure and well experience in the financial industry. It is the intention of the Company to keep up with the technological advancement in the financial market by investing in research and development. Since the Company has dedicated more research and development and technical improvement on new system solutions, we believe that the Company can cope with changing demands in the future.

LETTER FROM VINCO FINANCIAL

Industry prospect and overview in Hong Kong

Making reference to the financial solutions offering by the Group such as FinReg, KYC+ and its peripheral product line which contributed a positive outcome to the Group in the past mark an important milestone as it has been successfully launched to the market and were well recognised by the customers. To go further, such product lines will be one of the key factors to facilitate the development of RegTech solutions in the securities brokerage industry in Hong Kong and is expected to contribute significantly to the Company in the future as Hong Kong Monetary Authority (the “**HKMA**”) promoted the use of RegTech solution. So, more companies put emphasis on regulatory compliance and look for appropriate RegTech solutions such as those solutions cover account opening, client master know-your-client (“**KYC**”) management, transaction monitoring and anti-money laundering (“**AML**”). As discussed with the management of the Company, we noted there are various providers offering a wide range of RegTech solutions for financial institutions in Hong Kong. As referred to whitepaper “Transforming Risk Management and Compliance: Harnessing the Power of Regtech” issued by HKMA and KPMG in 2020, there are six key RegTech topics which are identified as (i) regulatory compliance obligations; (ii) financial crime; (iii) conduct & customer protection; (iv) regulatory & tax reporting; (v) risk management; and (vi) governance & accountability yet the Company’s RegTech solutions mainly cover financial crime, one of the six RegTech topics. As discussed with the Company, we note that the market is fragmented, with different RegTech solutions providers to serve specific topic or multiple regulatory needs in Hong Kong. As confirmed by the management of the Company, there are two major competitors of the Company which providing similar coverage of RegTech solutions, a global solution provider mainly for banking industry and a PRC solution provider mainly for brokerage firm based in PRC, respectively. Pursuant to the speech of RegTech event hosted by the HKMA in 2021, we understand HKMA has promoted the use of RegTech solution and seen Hong Kong to become a leading hub for developing RegTech solutions and cultivating RegTech talents by 2025. (Details can be found from the news and media of HKMA issued on 30 June 2021. Source: <https://www.hkma.gov.hk/eng/news-and-media/speeches/2021/06/20210630-1/#>) According to the annual report of HKMA for 2022, the HKMA has launched the “RegTech Knowledge Hub” to encourage greater sharing of RegTech adoption experience and expertise within the RegTech ecosystem in Hong Kong since April 2022 and provided a collaborative platform named AML RegTech Lab among the banks, technology firms and experts for ongoing peer group sharing of operational and hands-on experience of RegTech approaches. We also noted the latest AML RegTech Lab was held in June 2023. We understand the HKMA has continued to prioritise and strength further efforts in RegTech adoption including data analytics. (source: <https://www.hkma.gov.hk/eng/key-functions/banking/regtech-knowledge-hub/>) Pursuant to the report named “AML RegTech: Network Analytics” issued by Deloitte in May 2023, we understand the capability of the enforcement authority with aid of

LETTER FROM VINCO FINANCIAL

RegTech has already resulted in banks increasing the number of intelligence-led suspicious transaction reports by 319% in 2022 compared with 2021, leading to an increase of 113% in criminal proceeds restrained or confiscated. (source: <https://www.hkma.gov.hk/media/eng/doc/key-functions/banking-stability/aml-cft/AML-Regtech-Network-Analytics.pdf>)

Due to the awareness of RegTech solution from the financial institutions, the Company has developed RegTech solutions which targeting those small and medium sized financial institutions in Hong Kong, details are mentioned earlier in section headed “1. Information on the Group” to align with the demand in the market. Although there is a broad range of RegTech solutions providing in the market with different technological strength and market focus, the Company position itself as a system integration provider that can integrate different RegTech solutions to its core system and providing a one-stop solutions to its customers. Besides, with more than 30 years of experience in providing securities brokerage system in Hong Kong market, the Company is able to provide a more comprehensive FinTech and RegTech solutions including account opening system, KYC system, client master management system, trading and settlement system, trade & AML monitoring system and related professional technical services, to brokerage industry in Hong Kong.

Hence, we are of the view that the Group has benefited from RegTech solutions in 2021 and 2022. In 2023, the Group launched abcWealthConnect in the market to extend product line coverage to wealth and asset management segment in the financial industry which is expected to broaden the client base of the Company and generate new source of income. In addition, the HKMA and Cyberport, which is managed by Hong Kong Cyberport Management Company Limited and is Hong Kong’s digital technology flagship and incubator, jointly promote use of RegTech in July 2022 and the Company joined Cyberport as a tenant in 2023 to explore more business opportunities for implementation of RegTech solutions. Pursuant to the discussion with the management of the Company, the Company is well equipped with its 30 years experiences of providing system solutions to financial institutions to catch up with the following trends including (i) the vision of HKMA to promote Hong Kong as a leading hub for RegTech in 2025; (ii) the growing awareness of using RegTech solution and its corresponding benefits; (iii) the encouragement of technology investment for small and medium enterprises from Hong Kong such as funding on Technology Voucher Programme and FinTech Proof-of Concept Subsidy Scheme; and (iv) the focus on FinTech development in Hong Kong leading by Cyberport.

Since the launch of Technology Voucher Programme (the “**TVP Scheme**”) in November 2016, it has aimed to support local enterprises or organisations in using technological services and solutions to improve productivity, or upgrade or transform their business processes. Details can be found from the official website of Innovation and Technology Commission (source: <https://www.itf.gov.hk/en/funding-programmes/>)

LETTER FROM VINCO FINANCIAL

facilitating-technology/typ/). As confirmed with the Company, some customers are granted of such funding to procure the goods and services from the Company. We are of the view that the Group's competitiveness will be maintained by utilising its experience and by offering such well diversified products and services range with technology which enables the delivery of robust, scalable and innovative business solutions into the market.

Competition in the industry

The Group face significant competition in business and inability to compete effectively would be detrimental to business and prospects for future growth. The industry and markets for system solutions, including, among others, the FinTech and RegTech products, are characterized by factors such as rapid technological change and new product development, rapid product obsolescence, evolving industry standards and significant price erosion over the life of a product. The Group primarily compete on the following bases: product functionality, quality and reliability; design, technical and manufacturing capabilities; ability to meet customers' delivery schedules; customer relationships and services; and product price. The Group may face competition from established multinational players in the markets for similar products especially when the Group plans to expand its product offerings to launch such new products.

Moreover, competition for qualified personnel is intense in the industry as the Group is dependent on other qualified managerial marketing personnel and technicians for manufacturing, marketing, sales, and research and development operations. In order to maintain the Group's competitiveness, the Company must retain its key managerial and technical personnel.

Regarding the above challenges in the industry of the Group, the Group has been continuing to focus on its research and development as well as technical improvement. During the years, the Group has launched new solutions including but limited to FinReg and abcWealthconnect to cope with market demand in RegTech and FinTech areas and expand its product offerings. In addition, as confirmed with the management of the Group, they have two senior staff serving the Group in research and development department over 25 years. Therefore, the Group has put great effort to retain its key staff and maintain its competitiveness in its market.

LETTER FROM VINCO FINANCIAL

The economic uncertainties

Although, with the continuous support by the Hong Kong government through various supporting scheme such as the TVP Scheme as mentioned above, the industry outlook is still clouded by several uncertain factors and the recovery of Hong Kong economy especially the financial services market is in itself an important part of economic recovery. The economic recovery stalled in 2023 following a major COVID pandemic, the Hong Kong stock market is still heavily impacted from the global economy downturns, uncertainty in PRC economy resumption and property market crisis, trading tension between PRC and the United States and slow recovery of Hong Kong economy. According to the quarterly business receipts indices for service industries issued by Hong Kong Census and Statistics Department on 8 September 2023 (source: <https://www.censtatd.gov.hk/en/wbr.html?ecode=B10800062023QQ02&scode=570>), we noted that the business receipts indices (the “BRI” which measures the short term business performance) for the financing industry were slightly decreased from approximately 130.3 and approximately 128.6 in the first quarter of 2022 and 2023 respectively. In addition, with reference to the website of the Stock Exchange, average daily turnover in Hong Kong’s securities market for the eight months ended 31 August 2023 was down by 12.6% by comparing for the same period in 2022. The local stock market exhibited downtrend in the first three quarters of 2023, with the HSI recorded its highest of 22,689 points on 27 January 2023 to its lowest of 17,373 points as recorded on 28 September 2023. Given the trading performance in the securities market and the condition of economy resumption are critical to the Company’s business as the majority of the customers are active in the securities industry which their business is impacted by the above factors and the slow post-Covid economy recovery.

Our view

To sum up the foregoing, we continue to see supports brought by the technology related government funding as explained earlier under section headed “Industry prospect and overview in Hong Kong” but we cannot ignore the difficult global economic environment will continue to weigh on Hong Kong’s recovery as mentioned under section headed “The economic uncertainties” such as the global economy downturns, uncertainty in PRC economy resumption and property market crisis, labour shortage resulted from staff turnover in the financial industry, trading tension between PRC and the United States and slow recovery of Hong Kong economy. Such factors will directly or indirectly affect the customers of the Group to increase its expenditures at this stage. Having considered the uncertainties associated with the financial services industry and the challenges of the post-Covid economy recovery, we consider that it is not guaranteed that the Group will be able to maintain its business performance in HY2023 and/or react and adapt in a timely manner in response to the volatility of the economy in the future.

LETTER FROM VINCO FINANCIAL

4. Principal terms of the Offer and analysis of the Offer Price

Taking into account the Irrevocable Undertaking, Astrum will, on behalf of the Offeror and pursuant to Rule 26.1 of the Takeovers Code, make the Offer to acquire all the issued Ordinary Shares (other than those already owned or agreed to be acquired by the Offeror, its ultimate beneficial owner and the parties acting in concert with any one of them) on terms to be set out in this Composite Document on the following basis:

The Offer

For each Offer Share HK\$0.0759 in cash

The Offer Price of HK\$0.0759 per Offer Share is, due to rounding, marginally higher than the price per Ordinary Share paid by the Offeror to the Vendors under the Sale and Purchase Agreement.

As at the Latest Practicable Date, there are 475,813,216 Ordinary Shares in issue and save for the 123,529,400 CPS, the Company does not have any outstanding options, warrants or derivatives which are convertible or exchangeable into Ordinary Shares, and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Ordinary Shares.

As at the Latest Practicable Date, save for iRegular, there are no other holders of CPS. Pursuant to the Irrevocable Undertaking, iRegular has undertaken not to accept the comparable offer from the Offeror (as required by the Takeovers Code) in respect of 123,529,400 CPS. An application has been made by the Offeror to the Executive for, and the Executive has granted, the consent to waive the Offeror's obligation to make the comparable offer in respect of the CPS. Therefore, no comparable offer will be made in respect of the CPS by the Offeror.

Comparison of value

The Offer Price of HK\$0.0759 per Offer Share represents:

- (i) a premium of approximately 65.00% over the closing price of HK\$0.0460 per Ordinary Share as quoted on the Stock Exchange on 29 August 2023, being the Last Trading Day;
- (ii) a premium of approximately 72.50% over the average of the closing prices of the Ordinary Shares of HK\$0.0440 per Ordinary Share as quoted on the Stock Exchange for the last five trading days up to and including the Last Trading Day;

LETTER FROM VINCO FINANCIAL

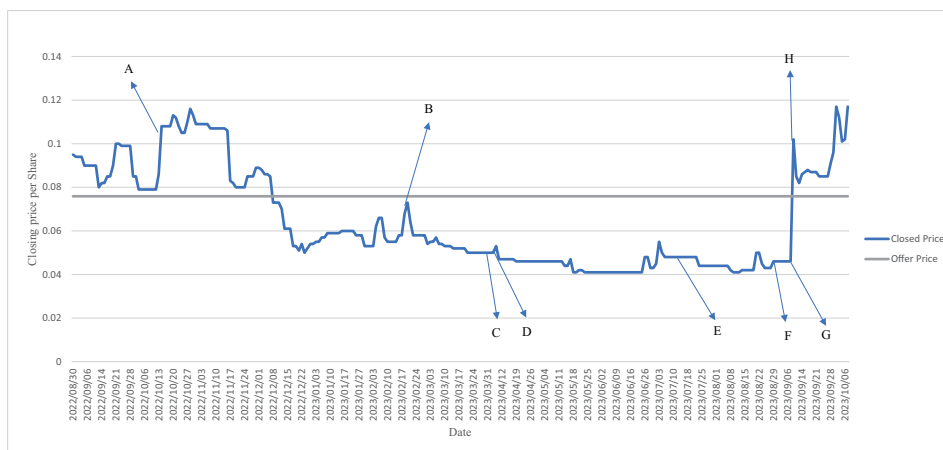
- (iii) a premium of approximately 70.18% over the average of the closing prices of the Ordinary Shares of HK\$0.0446 per Ordinary Share as quoted on the Stock Exchange for the last ten trading days up to and including the Last Trading Day;
- (iv) a premium of approximately 72.11% over the average of the closing prices of the Ordinary Shares of HK\$0.0441 per Ordinary Share as quoted on the Stock Exchange for the last thirty trading days up to and including the Last Trading Day;
- (v) a discount of approximately 24.85% to the closing price of HK\$0.101 per Ordinary Share as quoted on the Stock Exchange on the Latest Practicable Date; and
- (vi) a premium of approximately 91.67% over the Company's consolidated net asset value per Ordinary Share of approximately HK\$0.0396 calculated with reference to the Company's audited net asset value of approximately HK\$18,861,000 as at 31 May 2023 and 475,813,216 Ordinary Shares in issue as at the Latest Practicable Date; and
- (vii) a premium of approximately 65.72% over the Company's consolidated net asset value per Ordinary Share of approximately HK\$0.0458 calculated with reference to the Company's audited net asset value of approximately HK\$20,957,000 as at 30 November 2022 and 475,813,216 Ordinary Shares in issue as at the Latest Practicable Date.

4.1 Historical performance of the Ordinary Shares

In order to assess the fairness and reasonableness of the Offer Price, we have reviewed the daily closing prices and the trading liquidity of the Ordinary Shares as quoted on the Stock Exchange during the period commencing from 30 August 2022, being the twelve-month period prior to the Last Trading Day, up to and including the Latest Practicable Date (the "**Review Period**"). We consider that the duration of the Review Period, being more than one year prior to the publication of the Joint Announcement, would be adequate to illustrate the recent price movement of the Ordinary Shares for conducting a reasonable comparison among the historical closing prices and such comparison is relevant for the assessment of the fairness and

LETTER FROM VINCO FINANCIAL

reasonableness of the offer price. The chart below illustrates the daily closing price of the Ordinary Shares during the Review Period (“**Closing Price**”) versus the Offer Price of HK\$0.0759 per Ordinary Share:



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

Notes:

- Event A – Publication of third quarterly results announcement for nine months ended 31 August 2022 dated 14 October 2022
- Event B – Publication of annual results announcement for the year ended 30 November 2022 dated 21 February 2023
- Event C – Publication of circular in relation to the proposals for general mandates to issue and repurchase shares dated 3 April 2023
- Event D – Publication of first quarterly results announcement for three months ended 28 February 2023 dated 11 April 2023
- Event E – Publication of interim results announcement for the six months ended 31 May 2023 dated 12 July 2023
- Event F – Trading halted on 30 August 2023
- Event G – Publication of Joint Announcement dated 7 September 2023
- Event H – Trading resumed on 11 September 2023

LETTER FROM VINCO FINANCIAL

As shown in the above chart, we noted a fluctuation in Closing Prices throughout the Review Period between HK\$0.041 per Ordinary Share, being the lowest Closing Price recorded on total of 26 trading days (18 May 2023 to 19 May 2023, 24 May 2023 to 23 June 2023 and 9 August 2023 to 11 August 2023) and HK\$0.117 per Ordinary Share, being the highest Closing Price recorded on 3 October 2023 and 9 October 2023. The Offer Price of HK\$0.0759 represents a discount of approximately 35.13% to the highest Closing Price during the Review Period and a premium of approximately 85.12% over the lowest Closing Price during the Review Period.

During the period under review from 30 August 2022 to 29 August 2023 (being the Last Trading Day) (the “**Pre-Announcement Period**”), the closing prices of the Ordinary Shares fluctuated and volatile from August 2022 to December 2022 that the closing price reached the highest level on 28 October 2022 and experienced an overall downward trend from December 2022 to the Last Trading Day. During the Pre-Announcement Period, there were observable fluctuations in the closing prices of the Ordinary Shares (i) from HK\$0.095 per Ordinary Share on 30 August 2022 to HK\$0.080 per Ordinary Share on 13 September 2022, which represent an accumulated decrease of approximately 15.79%; (ii) from HK\$0.080 per Ordinary Share on 13 September 2022 to HK\$0.100 per Ordinary Share on 21 September 2022, which represents an accumulated increase of approximately 25.00%; (iii) from HK\$0.100 per Ordinary Share on 21 September 2022 to HK\$0.079 per Ordinary Share on 3 October 2022, which represents an accumulated decrease of approximately 21.00%; (iv) from HK\$0.079 per Ordinary Share on 12 October 2022 to HK\$0.108 per Ordinary Share on 14 October 2022, which represents an accumulated increase of approximately 36.71%; (v) from HK\$0.108 per Ordinary Share on 14 October 2022 to HK\$0.080 per Ordinary Share on 21 November 2022, which represents an accumulated decrease of approximately 25.93%; (vi) from HK\$0.080 per Ordinary Share on 21 November 2022 to HK\$0.050 per Ordinary Share on 23 December 2022, which represents an accumulated decrease of approximately 37.50%; (vii) from HK\$0.050 per Ordinary Share on 23 December 2022 to HK\$0.073 per Ordinary Share on 21 February 2023, which represents an accumulated increase of approximately 46.00%; and (viii) from HK\$0.073 per Ordinary Share on 21 February 2023 to HK\$0.041 per Ordinary Share on 23 June 2023, which represents an accumulated decrease of approximately 43.84%. Since then, the closing price of the Ordinary Shares fluctuated within a tight range between approximately HK\$0.041 and HK\$0.055 from 23 June 2023 to the Last Trading Day.

During the publication of the Joint Announcement up to and including the Latest Practicable Date (the “**Post-Announcement Period**”), the lowest and highest closing price of the Ordinary Shares as quoted on the Stock Exchange were HK\$0.046 per Ordinary Share on 7 September 2023 and HK\$0.117 per Ordinary Share on 3 October 2023 and 9 October 2023 respectively. The Offer Price of HK\$0.0759 per Ordinary

LETTER FROM VINCO FINANCIAL

Share represents (i) a premium of approximately 65.00% over the lowest closing price of HK\$0.046 per Ordinary Share during the Post-Announcement Period; and (ii) a discount of approximately 35.13% to the highest closing price of HK\$0.117 per Ordinary Share during the Post-Announcement Period.

We have made the enquiries regarding the surge in the closing price of Ordinary Shares when the trading resumed on 11 September 2023 and the sharp increase in the closing price of Ordinary Shares on 3 October 2023 and 9 October 2023, and the Board confirmed that, saved for the publication of announcement of the Company as described below, (i) the third quarterly announcement for nine months ended 31 August 2022 dated 14 October 2022; (ii) the annual results announcement for the year ended 30 November 2022 dated 21 February 2023; (iii) the circular in relation to the proposals for general mandates to issue and repurchase shares dated 3 April 2023; (iv) the first quarterly results announcement for three months ended 28 February 2023 dated 11 April 2023; (v) the interim results announcement for the six months ended 31 May 2023 dated 12 July 2023; (vi) the announcement in relation to the trading halt dated 29 August 2023; and (vii) the Joint Announcement dated 7 September 2023, the Directors were not aware of any specific reasons which may have an impact of the fluctuations of Ordinary Share prices during the Pre-Announcement Period.

Based on the above, we noted that (i) the Offer Price is higher than the historical closing price of the Ordinary Shares during the majority of the Review Period; (ii) there are 182 days that the Offer Price is higher than the historical closing price of the Ordinary Shares during the Review Period; (iii) the closing prices of the Ordinary Shares had been staying above the Offer Price after the trading resumed from 11 September 2023; and (iv) the Offer Price represented a premium of approximately 17.44% over the average closing prices of the Ordinary Shares during the Review Period, there is no guarantee on whether the trading price of the Ordinary Shares could be sustained at a level higher than the Offer Price during and/or after the offer period (as defined under the Takeovers Code). Therefore, we consider that the Offer Price at HK\$0.0759 is fair and reasonable. However, Independent Shareholders should consider the overall perspective of the various factors contained in different sections of this letter before making their decision on the acceptance of the Offer.

Independent Shareholders who wish to realise their investment in the Group are reminded that they should carefully and closely monitor the market price of the Company during the offer period (as defined under the Takeovers Code) and consider selling their Ordinary Shares in the open market during the offer period (as defined under the Takeovers Code), rather than accepting the Offer, if the net proceeds from the sale of such Ordinary Shares in the open market would exceed the net amount receivable under the Offer. Independent Shareholders should note that the information

LETTER FROM VINCO FINANCIAL

set out above is not an indicator of the future performance of the Ordinary Shares, and that the price of the Ordinary Shares may increase or decrease from its closing price as at the Latest Practicable Date.

4.2 Trading liquidity of the Ordinary Shares during the Review Period

The following table sets out the total and average daily trading volume per month of the Ordinary Shares, the number of trading days and the percentages of the average daily trading volume to the number of total issued Ordinary Shares and public float of the Company respectively during the Review Period:

	Total volume of the Ordinary Shares traded	Number of trading days	Average daily trading volume	Approximate % of average daily trading volume to the then total number of issued Ordinary Shares as at end of respective month/period (Note 2)	Approximate % of average daily trading volume to total number of Ordinary Shares held by public Shareholders (Note 3)
2022					
August (commencing from 30 August 2022)	–	2	–	–	–
September	1,270,000	21	60,476	0.013%	0.050%
October	830,000	20	41,500	0.009%	0.035%
November	330,000	22	15,000	0.003%	0.013%
December	2,301,000	20	115,050	0.024%	0.096%
2023					
January	410,000	18	22,778	0.005%	0.019%
February	6,620,000	20	331,000	0.070%	0.276%
March	433,500	23	18,848	0.004%	0.016%
April	230,000	17	13,529	0.003%	0.011%
May	475,000	21	22,619	0.005%	0.019%
June	408,000	21	19,429	0.004%	0.016%
July	300,000	20	15,000	0.003%	0.013%
August (Note 1)	2,863,209	23	124,487	0.026%	0.104%
September (Note 1)	58,351,500	19	3,071,132	0.645%	2.562%
October (up to the Latest Practicable Date)	6,250,000	6	1,041,667	0.219%	0.869%

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

LETTER FROM VINCO FINANCIAL

Notes:

1. Trading in the Ordinary Shares on the Stock Exchange was halted from 30 August 2023 to 10 September 2023 (both dates inclusive).
2. Based on Ordinary Shares in issue as at the end of respective month/period.
3. Based on Ordinary Shares held by the public as at the end of respective month/period.

In order to determine whether the Offer Price would be attractive to the Independent Shareholders to participate in the Offer, we noted as shown in the table above the highest average daily volume was approximately 3,071,132 Ordinary Shares in September 2023, representing approximately 0.645% and 2.562% of the total number of Ordinary Shares and Ordinary Shares held by public Shareholders respectively. We noted that the trading liquidity of the Ordinary Shares were thin during the Review Period, with all months less than 1.0% to the then total number of issued Ordinary Shares as at the end of respective month/period or the number of shares held by public Shareholders except September 2023. As the relatively high average trading volume only occurred in September 2023 and was in Post-Announcement Period, it may not be representable on the trading liquidity over the Review Period. We concur with the Directors that the exceptionally high trading volume of the Shares in September 2023 was likely to be related to the Offer and may or may not continue after the Closing Date.

Given the low historical trading volume of the Ordinary Shares as stated above, it is uncertain as to whether there would be sufficient liquidity in the Ordinary Shares for the Independent Shareholders to dispose of a significant number of Ordinary Shares in the open market without exerting a downward pressure on the Ordinary Share price. Accordingly, the market trading price of the Ordinary Shares in Review Period may not necessarily reflect the proceeds that the Independent Shareholders can receive by the disposal of their Ordinary Shares in the open market. The Offer, therefore, represents an assured opportunity for the Independent Shareholders to realise their investment at a fixed price, particular for those who hold a large number of the Ordinary Shares, to dispose of some or all of them at the Offer Price if they so wish, without creating a significant downward pressure on the trading price of the Ordinary Shares.

4.3 Comparison to comparable companies

In order to assess the fairness and reasonableness of the Offer Price, we have conducted a comparable analysis which are engaging in similar business of the Group. Taking into account (i) the business model and principal activities of the Group, we have set out to identify comparable companies with the selection criteria of (i) being listed on the Stock Exchange; and (ii) principally engaged in system applications & IT consulting; and (iii) their shares are not suspended on the Stock Exchange as at the Latest Practicable Date. Based on the above three criteria, we have identified 18 comparable companies with market capitalisations as at the Last Trading Day ranging from approximately HK\$22.2 million to approximately HK\$15.1 billion, while the Company's market capitalisation as at the Last Trading Day is approximately HK\$21.9 million. Regarding the number of comparable companies, we consider that selecting comparable companies without considering the comparable companies' market capitalisation would be difficult in forming a fair list to assess the Offer Price. Given that the market capitalisation of the Company is approximately HK\$21.9 million, in order to provide a meaningful and representative sample size for comparison of the Offer Price, we set the selection criteria of the comparable companies with market capitalisation below HK\$100 million in order to obtain a meaningful sample size of not less than four comparable companies, being 100% over two comparable companies, the minimum requirement to perform a range analysis which in order to avoid to include a disproportionate number of industry peer which is outlier and anomaly. Based on the aforesaid selection criteria, we have identified an exhaustive list of 8 comparable companies listed on the Stock Exchange (the "**Comparable Companies**") based on our selection criteria. Although the Comparable Companies exhibit differences in the operations and prospects as compared with the Company, we consider that the Comparable Companies to be fair and representative samples for comparison purpose as the Comparable Companies are selected by the abovementioned criteria.

LETTER FROM VINCO FINANCIAL

For comparison purpose, we have considered the price-to-earnings ratio (the “**PE Ratio**”) and price-to-book multiple (“**PB Ratio**”), which are two of the most commonly used benchmarks in assessing the financial valuation of a company as the data for calculating the ratios can be obtained fairly and directly from publicly available information and reflect the value of the company determined by the open market. However, given that, based on the Interim Report 2023, the Group’s total assets are mostly consisted of cash and cash equivalent, financial asset at fair value through profit or loss, contract costs and trade and other receivables which accounted for approximately 94.6% of the total assets of the Group as at 31 May 2023, we are of the view that the Group is an asset-light company. Therefore, an analysis of the PB Ratio may not be practicable and meaningful for comparison purpose in assessing the fairness and reasonableness of the Offer. Additionally, we have not considered the PE Ratio of the Comparable Companies in conducting our analysis because five out of eight of the Comparable Companies were at a loss position during their latest financial year and did not have a PE Ratio for comparison. Given only three out of eight Comparable Companies which representing less than half (50%) of the total identified comparable companies based on our selection criteria able to apply PE Ratio analysis, we consider the sample size is not adequate to form a fair and representative assessment of the Offer. We consider it is inconclusive as to whether the Offer Price is fair and reasonable on the basis of the PE Ratio analysis alone (which comprised of only three Comparable Companies) and therefore, we advise the Independent Shareholders to also consider our alternative analysis set out in paragraph below when assessing the Offer Price.

Alternatively, we also attempt to carry out the comparable analysis using other price multiples, namely price-to-sales ratio (“**PS Ratio**”), enterprise value (“**EV**”) to earnings before taxes, interest, depreciation and amortization (“**EBITDA**”) ratio (the “**EV/EBITDA Ratio**”) and EV-to-sales ratio (the “**EV/Sales Ratio**”), also being commonly used as valuation methods. The Group recorded an EBITDA of approximately HK\$12.4 million in FY2022, being its latest financial year, and its enterprise value was approximately HK\$52.2 million. However, seven out of eight of the Comparable Companies recorded either negative EV or EBITDA, which did not have EV/EBITDA Ratio for comparison, we have not considered the EV/EBITDA of the Comparable Companies in conducting our analysis. On the other hands, four out of eight of the Comparable Companies are able to apply EV/Sales Ratio, we consider it is acceptable as sample size is not less than 50% of the total identified comparable companies based on our selection criteria. Thus, we are of the view that PS Ratio and EV/Sales Ratio are alternatives which suit for comparable analysis.

LETTER FROM VINCO FINANCIAL

Company	Stock code	Principal activities	Market capitalisation as at the Last Trading Day	PS Ratio (Note 1)	EV/Sales Ratio (Note 2, 3)	PE Ratio (Note 4)
InvesTech Holdings Limited	1087	Principally engaged in the provision of network system integration including the provision of network infrastructure solutions, network professional services and smart office software solutions, and the network equipment rental business	58,620,000	0.10	0.17	N/A
Kantone Holdings Limited	1059	Principally engaged in sale of systems products, software licensing and customisation and leasing of systems products and trading of cultural products.	84,643,814	0.66	N/A	18.57
Jiangsu Nandasoft Technology Company Limited	8045	The principal activities of the company are sales of computer hardware and software products, trading business of information technology related products and equipment, provision of information technology training services, developing, manufacturing and marketing of network security software, internet application software, education software and business application software and provision of system integration services.	36,990,000	0.11	0.84	N/A
Shanghai Jiaoda Withub Information Industrial Company Limited	8205	Principally engaged in the development and provision of business application solutions	72,000,000	1.87	1.22	N/A
Expert Systems Holdings Limited	8319	Principally engaged in the provision of information technology ("IT") infrastructure solutions, IT infrastructure management services and artificial intelligence ("AI") business for corporate and institutional customers by integrating different hardware and software	93,983,760	0.11	N/A	4.14
Nexion Technologies Limited	8420	Principally engaged in provision of cyber infrastructure solutions services, provision of cyber security solutions services and provision of software-as-a-service	22,194,000	0.52	N/A	N/A
Mindtell Technology Limited	8611	Principally engaged in the provision of system integration and development services, IT outsourcing services and maintenance and consultancy services	56,550,000	2.70	1.33	N/A
Novacon Technology Group Limited	8635	Principally engaged in the development and provision of financial trading solutions and development and supply of resource allocation, planning, scheduling and management of software and services	56,000,000	1.07	N/A	9.81
			Maximum	2.70	1.33	18.57
			Minimum	0.10	0.17	4.14
			Average	0.89	0.89	10.84
			Median	0.59	1.03	9.81
The Company (Note 6)	8131		36,114,223	0.60	0.87	3.96

Sources: the website of the Stock Exchange (www.hkex.com.hk) and the financial reports of the respective Comparable Companies

LETTER FROM VINCO FINANCIAL

Notes:

- (1) The PS Ratio of the Comparable Companies is calculated based on their respective market capitalisation as at the Last Trading Day divided by the total revenue of the Comparable Companies as disclosed in their respective latest published annual reports.
- (2) The EV is calculated based on the market capitalisation as at the Last Trading Day added by the preferred shares (if any), debts and minority interest value of the respective companies, and then subtracted by the cash and cash equivalents as at their latest full financial year as disclosed in their respective latest published annual reports.
- (3) The EV/Sales Ratio of the Comparable Companies is calculated based on their respective EV (as defined in note 2) divided by their total revenue as disclosed in their respective latest published annual reports.
- (4) The PE Ratio is calculated based on the market capitalisation as at the Last Trading Day divided by the profit attributable to owners of the Comparable Companies for their respective latest published financial year.
- (5) N/A represents negative EV of respective Comparable Companies.
- (6) The implied market capitalisation and EV of the Group are calculated based on the Offer Price. The Group's sales and EBITDA were based on its annual report for the year ended 30 November 2022.

As illustrated in the table set out above, we note that (i) the PE Ratio of the Comparable Companies ranged from approximately 18.57 times to approximately 4.14 times, with an average of approximately 10.84 times and a median of approximately 9.81 times; (ii) the PS Ratio of the Comparable Companies ranged from approximately 0.10 times to approximately 2.70 times, with an average of approximately 0.89 times and a median of approximately 0.59 times; and (iii) the EV/Sales Ratio of the Comparable Companies ranged from approximately 0.17 times to approximately 1.33 times, with an average of approximately 0.89 times and a median of approximately 1.03 times. We note that (i) the Group's implied PE Ratio of approximately 3.96 times is slightly out of the range of the Comparable Companies, however, we would like to highlight that the PE Ratio analysis is merely one of the factors taken into consideration in assessing the fairness and reasonableness of the Offer Price does not have much weighting in our assessment and is for reference purpose only; (ii) the Group's implied PS Ratio of approximately 0.60 times is below the average of the Comparable Companies, but close to the median of the Comparable Companies; and (iii) implied EV/Sales Ratio of approximately 0.87 times is below the median of the Comparable Companies, but close to the average of the Comparable Companies. Based on the above, we are of the view that the Offer Price is fair and reasonable.

LETTER FROM VINCO FINANCIAL

RECOMMENDATION

Having taken into consideration of the principal factors and reasons regarding the major terms of the Offer, in particular:

- (i) In view of the net loss attributable to owners of the Company for the six months ended 31 May 2023 and the significant decrease in net profit attributable to owners of the Company for the latest financial year, it is uncertain as to whether the Group can make a turnaround in operating results and financial position;
- (ii) the Ordinary Share price during the Review Period has demonstrated an overall downward trend until the trading resumed on 11 September 2023 and with very thin trading volume with all months less than 1.0% of average trading volume to the then total number of issued Ordinary Shares except September 2023 throughout the Review Period that there is no guarantee that the Ordinary Share price will sustain at a level higher than the Offer Price during and after the offer period (as defined under the Takeovers Code), we concur with the Directors that the exceptionally high trading volume of the Shares in September 2023 was likely to be related to the Offer and may or may not continue after the Closing Date;
- (iii) the Group's implied PE Ratio is slightly out the range of the Comparable Companies; and the implied PS Ratio and EV/Sales Ratio based on the Offer Price per Offer Share are close to the median of PS Ratio and the average of EV/Sales Ratio of the Comparable Companies respectively, various principal factors should be considered as overall basis in assessing the fairness and reasonableness of the Offer Price as discussed in the paragraph headed "4.3 Comparison to comparable companies" above; and
- (iv) the Offer represents an opportunity for Shareholders to realise their investment at a fixed price since Shareholders may not be able to dispose large quantities of Ordinary Shares without exerting downward pressure on the price of Ordinary Shares in the open market given the low liquidity of the Ordinary Shares;

we are of the view that the Offer is fair and reasonable so far as the Independent Shareholders are concerned. On such basis, we recommend the Independent Board Committee to advise the Independent Shareholders to accept the Offer. Nonetheless, we note that the Ordinary Share price has been trading above the Offer Price since the trading resumed on 11 September 2023 and up to the Latest Practicable Date. As such, for those Independent Shareholders who intend to accept the Offer, we would remind them to closely monitor the market price and liquidity of the Ordinary Shares during the offer period (as defined under the Takeovers Code), and having regard to their own circumstances, should sell the Ordinary Shares in the open market, instead of accept the Offer, if the net proceeds from the ultimate sale of such Ordinary Shares would be higher than that receivable under the Offer.

LETTER FROM VINCO FINANCIAL

For those Independent Shareholders who intend to dispose of large blocks of Ordinary Shares in the open market, we would also remind them of the possible difficulty in disposing of their Ordinary Shares in the open market without creating downward pressure on the market prices of the Ordinary Shares as a result of the thin trading in the Ordinary Shares.

For those Independent Shareholders who consider to retain their Ordinary Shares, in full or in part, we would remind them that there is no guarantee that the prevailing Ordinary Share price will sustain at a level higher than the Offer Price during and after the offer period (as defined under the Takeovers Code).

As each individual Independent Shareholder would have different investment objectives and/or circumstances, we would recommend the Independent Shareholders who may require advice in relation to any aspect of this Composite Document, or as to the action to be taken, to consult a licensed securities dealer, bank manager, solicitor, professional accountant, tax adviser or other professional adviser. Furthermore, Independent Shareholders read carefully the procedures for accepting the Offer as set out in this Composite Document, its appendices and the accompany Form of Acceptance.

Yours faithfully,
For and on behalf of
Vinco Financial Limited
Alister Chung
Managing Director

Note: Mr. Alister Chung is a licensed person registered with the Securities and Future Commission of Hong Kong and a responsible officer of Vinco Financial Limited to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO and has participated in the provision of independent financial advisory services for various transactions involving companies listed in Hong Kong for over 10 years.

1. GENERAL PROCEDURES FOR ACCEPTANCE OF THE OFFER

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

- (a) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in your name, and you wish to accept the Offer, you must send the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Shares for which you intend to accept the Offer, by post or by hand, to the Registrar, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong in an envelope marked “**abc Multiactive Limited – Offer**” as soon as possible but in any event so as to reach the Registrar no later than 4:00 p.m. on the Closing Date.

- (b) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in the name of a nominee company or a name other than your own, and you wish to accept the Offer in respect of your Shares, you must either:
 - (i) lodge your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Shares for which you intend to accept the Offer with the nominee company, or other nominee, with instructions authorising it to accept the Offer on your behalf and requesting it to deliver in an envelope marked “**abc Multiactive Limited – Offer**” the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Shares for which you intend to accept the Offer to the Registrar; or

- (ii) arrange for the Shares to be registered in your name by the Company through the Registrar, and deliver in an envelope marked “**abc Multiactive Limited – Offer**” the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Shares for which you intend to accept the Offer to the Registrar; or

 - (iii) if your Shares have been lodged with your licensed securities dealer/registered institution in securities/custodian bank through CCASS, instruct your licensed securities dealer/registered institution in securities/custodian bank to authorise HKSCC Nominees Limited to accept the Offer on your behalf in respect of the number of Shares for which you intend to accept the Offer on or before the deadline set by HKSCC Nominees Limited. In order to meet the deadline set by HKSCC Nominees Limited, you should check with your licensed securities dealer/registered institution in securities/custodian bank for the timing on the processing of your instruction, and submit your instruction to your licensed securities dealer/registered institution in securities/custodian bank as required by them; or

 - (iv) if your Shares have been lodged with your investor participant’s account maintained with CCASS, authorise your instruction via the CCASS Phone System or CCASS Internet System on or before the deadline set by HKSCC Nominees Limited.
- (c) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are not readily available and/or is/are lost and you wish to accept the Offer in respect of your Shares, the Form of Acceptance should nevertheless be duly completed, signed and delivered in an envelope marked “**abc Multiactive Limited – Offer**” to the Registrar together with a letter stating that you have lost one or more of your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares or that it is/they are not readily available. If you find such document(s) or if it/they become(s) available, the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares should be forwarded to the Registrar as soon as possible thereafter. If you have lost the share certificate(s), you should also write to the Registrar for a letter of indemnity which, when completed and signed in accordance with the instructions given, should be provided to the Registrar.

- (d) If you have lodged transfer of any of your Shares for registration in your name and have not yet received your share certificate(s), and you wish to accept the Offer in respect of your Shares, you should nevertheless complete and sign the Form of Acceptance and deliver it in an envelope marked “**abc Multiactive Limited – Offer**” to the Registrar together with the transfer receipt(s) duly signed by yourself. Such action will be deemed to be an irrevocable authority to the Offeror and/or Astrum and/or their respective agent(s) to collect from the Company or the Registrar on your behalf the relevant share certificate(s) when issued and to deliver such share certificate(s) to the Registrar on your behalf and to authorise and instruct the Registrar to hold such share certificate(s), subject to the terms and conditions of the Offer, as if it was/they were delivered to the Registrar with the Form of Acceptance.
- (e) Acceptance of the Offer will be treated as valid only if the duly completed and signed Form of Acceptance is received by the Registrar no later than 4:00 p.m. on the Closing Date and the Registrar has recorded that the acceptance and the relevant documents as required under this paragraph have been so received, and is:
- (i) accompanied by the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Shares for which you intend to accept the Offer and, if that/those share certificate(s) is/are not in your name, such other document(s) in order to establish your right to become the registered holder of the relevant Shares; or
 - (ii) from a registered Independent Shareholder or his/her personal representative (but only up to the amount of the registered holding and only to the extent that the acceptance relates to the Shares which are not taken into account under another sub-paragraph of this paragraph (e)); or
 - (iii) certified by the Registrar or the Stock Exchange.
- (f) If the Form of Acceptance is executed by a person other than the registered Independent Shareholder, appropriate documentary evidence of authority to the satisfaction of the Registrar must be produced.

- (g) In Hong Kong, seller's ad valorem stamp duty for transfer of Shares registered in the seller's name by the Company through the Registrar arising in connection with acceptance of the Offer payable by the relevant Independent Shareholders at a rate of 0.13% of the market value of the Offer Shares or consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, will be deducted from the amount payable to the relevant Shareholders on acceptance of the Offer. The Offeror will arrange for payment of the sellers' ad valorem stamp duty on behalf of accepting Independent Shareholders and pay the buyer's ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).
- (h) No acknowledgement of receipt of any Form of Acceptance and/or share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given.

2. ACCEPTANCE PERIOD AND REVISIONS

- (a) Unless the Offer has previously been revised or extended, with the consent of the Executive, in accordance with the Takeovers Code, the Form of Acceptance must be received by the Registrar no later than 4:00 p.m. on the Closing Date in accordance with the instructions printed on the Form of Acceptance, and the Offer will be closed on the Closing Date.
- (b) The Offeror and the Company will jointly issue an announcement through the websites of the Stock Exchange and the Company no later than 7:00 p.m. on the Closing Date stating the results of the Offer and whether the Offer has been extended, revised or has expired.
- (c) In the event that the Offeror decides to extend the Offer, at least 14 days' notice by way of announcement will be given, before the latest time and date for acceptance of the Offer, to those Independent Shareholders who have not accepted the Offer.
- (d) If the Offeror revises the terms of the Offer, all Independent Shareholders, whether or not they have already accepted the Offer will be entitled to accept the revised Offer under the revised terms. The revised Offer must be kept open for at least 14 days following the date on which the revised offer document is posted.
- (e) If the Closing Date is extended, any reference in this Composite Document and in the Form of Acceptance to the Closing Date shall, except where the context otherwise requires, be deemed to refer to the subsequent Closing Date of the Offer so extended.

3. NOMINEE REGISTRATION

To ensure equality of treatment of all Independent Shareholders, those Independent Shareholders who hold Shares as nominee on behalf of 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.

4. ANNOUNCEMENTS

- (a) As required under Rule 19 of the Takeovers Code, by 6:00 p.m. on the Closing Date (or such later time and/or date as the Executive may in exceptional circumstances permit), the Offeror must inform the Executive and the Stock Exchange of its decision in relation to the revision, extension or expiry of the Offer. The Offeror must publish an announcement by 7:00 p.m. on the Closing Date stating the results of the Offer and whether, amongst other information required under Rule 19.1 of the Takeovers Code, whether the Offer has been extended, revised or has expired. Such announcement must state the followings:
- (i) the total number of Shares and rights over Shares for which acceptances of the Offer have been received;
 - (ii) the total number of Shares and rights over Shares held, controlled or directed by the Offeror and the parties acting in concert with him before the offer period (as defined under the Takeovers Code);
 - (iii) the total number of Shares and rights over Shares acquired or agreed to be acquired by the Offeror and parties acting in concert with him during the offer period (as defined under the Takeovers Code); and
 - (iv) details of any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror and parties acting in concert with him have borrowed or lent, save for any borrowed Shares which have been either on-lent or sold.

The announcement must also include details of any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror, its ultimate beneficial owners and parties acting in concert with any one of them has borrowed or lent (save for any borrowed Shares which have been either on-lent or sold) and specify the percentages of the issued share capital of the Company and the percentages of voting rights of the Company represented by these numbers.

- (b) In computing the total number of Shares represented by acceptances, only valid acceptances that are complete and fulfill the acceptance conditions set out in paragraph 1(e) of this Appendix, and which have been received by the Registrar no later than 4:00 p.m. on the Closing Date, being the latest time and date for acceptance of the Offer, shall be included.
- (c) If the Offeror, the parties acting in concert with him or his advisers make any statement about the level of acceptances or the number or percentage of accepting Shareholders during the offer period (as defined under the Takeovers Code), then the Offeror must make an immediate announcement in compliance with Note 2 to Rule 19 of the Takeovers Code.
- (d) As required under the Takeovers Code and the GEM Listing Rules, any announcement in relation to the Offer, in respect of which the Executive and the Stock Exchange have confirmed that they have no further comments, will be published on the website of the Stock Exchange (www.hkex.com.hk) and the website of the Company (www.hklistco.com).

5. RIGHT OF WITHDRAWAL

- (a) Acceptance of the Offer tendered by the Independent Shareholders shall be irrevocable and cannot be withdrawn, except in the circumstances set out in subparagraph (b) below.
- (b) If the Offeror is unable to comply with the requirements set out in paragraph headed “4. Announcements” above, the Executive may require pursuant to Rule 19.2 of the Takeovers Code that the Independent Shareholders who have tendered acceptance to the Offer be granted a right of withdrawal on terms that are acceptable to the Executive until the requirement of Rule 19 of the Takeovers Code can be met.

In such case, when the Independent Shareholders withdraw their acceptance(s), the Offeror shall, as soon as possible but in any event no later than seven (7) business days (as defined in the Takeovers Code) after the acceptance is withdrawn, return by ordinary post the share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) lodged with the Form of Acceptance to, or make such share certificates available for collection by the relevant Independent Shareholder(s).

6. SETTLEMENT OF THE OFFER AND RETURN OF SHARE CERTIFICATE

Provided that the accompanying Form of Acceptance for the Shares, together with the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) are valid, complete, and have been received by the Registrar no later than 4:00 p.m. on the Closing Date, a cheque for the amount due to each of the accepting Independent Shareholders in respect of the Shares tendered under the Offer (less seller's ad valorem stamp duty payable by him/her/it) will be despatched to the accepting Independent Shareholders by ordinary post at his/her/its own risk as soon as possible but in any event no later than seven (7) business days (as defined in the Takeovers Code) after the date of receipt of all relevant documents to render such acceptance complete and valid by the Registrar in accordance with the Takeovers Code.

Settlement of the consideration to which any accepting Independent Shareholder is entitled under the Offer will be paid by the Offeror in full in accordance with the terms of the Offer (save with respect of the payment of seller's ad valorem stamp duty) without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such Independent Shareholder.

No fraction 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.

The offeror must, as soon as possible but in any event no later than when the consideration is paid for by the Offeror, despatch the share certificates representing the untendered Shares to, or make such share certificates available for collection by, those Independent Shareholders who accepted the Offer.

7. OVERSEAS SHAREHOLDERS

As the Offer to persons not being resident in Hong Kong may be affected by the laws of the relevant jurisdiction in which they are resident, Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice. It is the sole responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental, exchange control or other consent which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes due from the accepting Shareholders in respect of such jurisdictions). The Offeror, parties acting in concert with the Offeror, the Vendors, the Company, Astrum, Grand Moore, Vinco Financial, the Registrar and their respective ultimate beneficial owners, directors, officers, advisers, agents or associates, as applicable, or any other person involved in the Offer shall be entitled to be fully indemnified and held harmless by the Overseas Shareholders for any taxes they may be required to pay. Any acceptance of the Offer by such

Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholders to the Offeror that the applicable local laws and requirements have been complied with. The Overseas Shareholders should consult their professional advisers if in doubt.

8. TAX IMPLICATIONS

The Independent 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, parties acting in concert with the Offeror, the Vendors, the Company, Astrum, Grand Moore, Vinco Financial, the Registrar nor their respective ultimate beneficial owners, directors, officers, advisers, agents or associates, as applicable, 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.

9. GENERAL

- (a) All communications, notices, Form of Acceptance, certificates, transfer receipts and other documents of title and/or of indemnity and/or of any other nature to be delivered by or sent to or from the Independent Shareholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk, and none of the Offeror, parties acting in concert with the Offeror, the Vendors, the Company, Astrum, Grand Moore, 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 accepts any liability for any loss or any other liabilities whatsoever which may arise as a result thereof.
- (b) Acceptance of the Offer by any person or persons will be deemed to constitute a warranty by such person or persons to the Offeror that the Shares tendered under the Offer are sold or tendered by such Independent Shareholder(s) free from all encumbrance and together with all rights and benefits attached thereto, including all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of this Composite Document.
- (c) Acceptance of the Offer by any nominee will be deemed to constitute a warranty by such nominee to the Offeror that the number of Offer Shares in respect of which it is indicated in the Form of Acceptance is the aggregate number of Offer Shares held by such nominee for such beneficial owners who accept the Offer.
- (d) The provisions set out in the accompanying Form of Acceptance form part of the terms of the Offer.

- (e) The accidental omission to despatch this Composite Document and/or the accompanying Form of Acceptance or either of them to any person to whom the Offer is made shall not invalidate the Offer in any way.
- (f) The Offer and all acceptances will be governed by and construed in accordance with the laws of Hong Kong.
- (g) Due execution of the Form of Acceptance will constitute an irrevocable authority to the Offeror and/or Astrum and/or such person or persons as any of them may direct to complete and execute on behalf of the person(s) accepting the Offer, and to do any other act(s) that may be necessary or expedient for the purpose of vesting in the Offeror, or such person or persons as it may direct the Shares in respect of which such person has accepted the Offer.
- (h) The Offer is made in accordance with the Takeovers Code.
- (i) References to the Offer in this Composite Document and in the Form of Acceptance shall include any extension and/or revision thereof.
- (j) The Independent Shareholders must rely on their own examination of the Offeror, the Group and the terms of the Offer, including the merits and risks involved, in making their decision as to acceptance of the Offer. The contents of this Composite Document, including any general advice or recommendation contained herein, together with the Form of Acceptance, shall not be construed as any legal or business advice on the part of the Offeror and parties acting in concert with him, the Company or its ultimate beneficial owners, directors, officers, agents, professional advisers or any other persons involved in the Offer. The Independent Shareholders should consult their own professional advisers for professional advices.
- (k) The English texts of this Composite Document and the accompanying Form of Acceptance shall prevail over their respective Chinese texts, in case of any inconsistency.

1. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

The following is a summary of financial information for each of the three financial years ended 30 November 2020, 2021 and 2022 (as extracted from the annual reports of the Company) and for the six months ended 31 May 2023 (as extracted from the 2023 interim report of the Company).

	For the six months ended 31 May 2023 HK\$'000 (unaudited)	For the year ended 30 November 2022 HK\$'000 (audited)	For the year ended 30 November 2021 HK\$'000 (audited)	For the year ended 30 November 2020 HK\$'000 (audited)
Revenue	13,364	60,244	62,357	16,626
Profit/(Loss) before taxation	(2,096)	9,110	15,261	(3,447)
Income tax credit/(expenses)	–	–	379	460
Profit/(Loss) for the period/year attributable to owners of the company	(2,096)	9,110	15,640	(2,987)
Total comprehensive income/(loss) for the period/ year attributable to owners of the company	(2,096)	9,110	15,640	(2,987)
Dividend per Share	Nil	Nil	Nil	Nil
	<i>HK cents</i>	<i>HK cents</i>	<i>HK cents</i>	<i>HK cents</i>
Basic earnings /(loss) per share attributable to the equity shareholders of the Company for the period/year	(0.44)	1.91	4.45	(0.99)

No dividend was paid or proposed by the Company during each of the three financial years ended 30 November 2020, 2021 and 2022 and the six months ended 31 May 2023.

Save as disclosed above, the Group did not have any item of income or expense which was material for each of the three years ended 30 November 2020, 2021 and 2022 and the six months ended 30 May 2023.

There has been no change in the Group's accounting policies which would result in the figures in its consolidated financial statements for each of the three years ended 30 November 2020, 2021 and 2022 being not comparable to a material extent.

The consolidated financial statements of the Group for each of the two financial years ended 30 November 2020 and 2021 were audited by HLB Hodgson Impey Cheng Limited and the consolidated financial statements of the Group for the financial year ended 30 November 2022 were audited by McMillan Woods (Hong Kong) CPA Limited.

Saved for the material uncertainty related to going concern disclosed below, the auditor's reports issued by the auditors of the Group in respect of the audited consolidated financial statements of the Group for the financial year ended 30 November 2020 did not contain any modified opinion, emphasis of matter or material uncertainty related to going concern. No modified or qualified opinion, emphasis of matter or material uncertainty related to going concern had been issued by the auditors of the Group in respect of the Group's audited consolidated financial statements for each of the two financial years ended 30 November 2021 and 30 November 2022.

The auditors of the Group expressed that they draw attention to note 3 to the consolidated financial statements of the Group for the year ended 30 November 2020 which indicates that the Group incurred a net loss of approximately HK\$2,987,000 during that financial year. As of 30 November 2020, the total liabilities of the Group exceeded its total assets by approximately HK\$25,200,000. As stated in note 3 to the consolidated financial statements of the Group for the year ended 30 November 2020, these events or conditions, along with other matters as set forth in note 3 to the consolidated financial statements of the Group for the year ended 30 November 2020, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

2. CONSOLIDATED FINANCIAL STATEMENTS

The Company is required to set out or refer to in this Composite Document the consolidated statement of financial position, consolidated statement of cash flows and any other primary statement as shown in the last published audited accounts, together with the significant accounting policies stated therein and the accompanying notes to the relevant published financial statements which are of major relevance to the appreciation of the above financial information.

The unaudited condensed consolidated financial results of the Group for the six months ended 31 May 2023 (the "**2023 Interim Financial Information**") has been set out on pages 3 to 21 of the 2023 interim report of the Company for the six months ended 31 May 2023 which was posted on 14 July 2023 on the Stock Exchange's website.

Please also see below a direct link to the Company's 2023 interim report:

<https://www1.hkexnews.hk/listedco/listconews/gem/2023/0714/2023071400360.pdf>

The audited consolidated financial statements of the Group for the year ended 30 November 2022 (the “**2022 Financial Statements**”) has been set out on pages 67 to 143 of the annual report of the Company for the year ended 30 November 2022 which was posted on 28 February 2023 on the Stock Exchange’s website.

Please also see below a direct link to the Company’s 2022 annual report:

<https://www1.hkexnews.hk/listedco/listconews/gem/2023/0228/2023022800332.pdf>

The audited consolidated financial statements of the Group for the year ended 30 November 2021 (the “**2021 Financial Statements**”) has been set out on pages 67 to 147 of the annual report of the Company for the year ended 30 November 2021 which was posted on 25 February 2022 on the Stock Exchange’s website.

Please also see below a direct link to the Company’s 2021 annual report:

<https://www1.hkexnews.hk/listedco/listconews/gem/2022/0225/2022022500543.pdf>

The audited consolidated financial statements of the Group for the year ended 30 November 2020 (the “**2020 Financial Statements**”) has been set out on pages 55 to 141 of the annual report of the Company for the year ended 30 November 2020 which was posted on 26 February 2021 on the Stock Exchange’s website.

Please also see below a direct link to the Company’s 2020 annual report:

<https://www1.hkexnews.hk/listedco/listconews/gem/2021/0226/2021022600045.pdf>

The 2023 Interim Financial Information, 2022 Financial Statements, the 2021 Financial Statements, and the 2020 Financial Statements (but not any other part of the annual reports of the Company for three financial years ended 30 November 2020, 2021 and 2022 and the interim report of the Company for the six months ended 31 May 2023 in which they respectively appear) are incorporated by reference into this Composite Document and form part of this Composite Document.

3. INDEBTEDNESS

Promissory Notes

As at 31 August 2023, being the latest practicable date for the purpose of ascertaining the indebtedness of the Group prior to the printing of this Composite Document, the Group had four outstanding promissory notes. Out of which, three outstanding promissory notes with principal amounts of HK\$8 million, HK\$3 million, and HK\$2 million respectively, are unsecured, non-interest bearing and mature on 1 June 2024. The remaining outstanding promissory note is in the principal amount of HK\$2.5 million and is unsecured, non-interest bearing and matures on 1 June 2025.

Lease liabilities

As at 31 August 2023, the Group had total lease liabilities amounting to approximately HK\$0.9 million.

Contingent liabilities

As at 31 August 2023, the Group did not have significant contingent liabilities.

Saved as disclosed above, as at the close of business on 31 August 2023, the Group did not have any other borrowings, mortgages, charges, debentures or debt securities, issued or outstanding, or authorised or otherwise created but unissued, or other similar indebtedness, finance lease commitments, liabilities under acceptances, acceptance credits, hire purchase commitments, material contingent liabilities or guarantees.

4. MATERIAL CHANGE

The Directors confirm that there had been no material change in the financial or trading position or outlook of the Group since 30 November 2022, being the date to which the latest published audited financial statements of the Company were made up, up to and including the Latest Practicable Date.

1. RESPONSIBILITY STATEMENT

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

2. SHARE CAPITAL

Authorised and issued share capital

As at the Latest Practicable Date, the authorized and issued share capital of the Company were as follows:

	Shares	Amount HK\$
Authorised share capital		
Ordinary shares of HK\$0.1 each	9,000,000,000	900,000,000.00
CPS of HK\$0.1 each	1,000,000,000	100,000,000.00
Issued and fully paid		
Ordinary shares of HK\$0.1 each	475,813,216	47,581,321.60
CPS of HK\$0.1 each	123,529,400	12,352,940.00

All of the ordinary shares currently in issue are fully paid up or credited as fully paid and rank *pari passu* in all respects with each other, including all rights in respect of dividends, voting rights and capital. The ordinary shares are listed on the main board of the Stock Exchange and none of the securities of the Company is listed or dealt in on any other stock exchange and no such listing or permission to deal is being or is proposed to be sought.

iRegular held the CPS and shall have no right to attend or vote at general meetings of the Company, unless a resolution is proposed to vary the rights attached to the CPS or a resolution is proposed for the winding up of the Company. Subject to compliance with applicable terms, iRegular shall not be entitled to any dividend or distribution except for a return of capital upon liquidation of the Company.

Each of the CPS, without a maturity date, is convertible into one ordinary share of the Company at no additional consideration. Conversion of CPS into ordinary shares of the Company can be made at any time after the issuance of the CPS by serving not less than 15 days' prior written notice to the Company. The Company may redeem the CPS in whole or in part at the par value at its option at any time.

No Shares have been issued by the Company since 30 November 2022 (being the date on which its latest published audited accounts were prepared) and up to and including the Latest Practicable Date.

As at the Latest Practicable Date, save as disclosed above, the Company had no outstanding warrants, derivatives, options or other securities which may confer any rights to the holder(s) thereof to subscribe for, convert or exchange into Shares.

3. DISCLOSURE OF INTERESTS

(a) Directors and chief executives' interests in securities

None of the Directors and the chief executive of the Company had any interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were: (a) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; (b) pursuant to Section 352 of the SFO, entered in the register as referred to therein; or (c) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the GEM Listing Rules; or (d) required to be disclosed under the Takeovers Code.

(b) Substantial Shareholders interest in securities

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of the SFO and, so far as was known to the Directors, the persons (other than a Director and chief executive of the Company) or entities who had an interest or a short position in the Shares or the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were, directly or indirectly, interested in 5% or more of the issued voting shares of any other member of the Group, or in any options in respect of such share capital were as follows:

Name	Capacity	Type of Shares	No. of Shares (Note 1)	Approximately (%) of interest in the Company
The Offeror	Beneficial owner	Ordinary shares	355,949,933 (L)	74.81%
LEUNG Wai Ming	Interest of a controlled corporation	Ordinary shares	355,949,933 (L) (Note 2)	74.81%
iRegular	Beneficial owner	CPS	123,529,400 (L)	25.96%
WEE Yu-Chih	Interest of a controlled corporation	CPS	123,529,400 (L) (Note 3)	25.96%

Notes:

1. "L" denotes long position.
2. As at the Latest Practicable Date, the Offeror is wholly owned by Mr. LEUNG Wai Ming. Mr. LEUNG is deemed to be interested in the Shares in which Offeror is interested under the SFO.
3. As at the Latest Practicable Date, iRegular is wholly owned by WEE Yu-Chih. Ms. WEE is deemed to be interested in the Shares in which iRegular is interested under the SFO.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other person who had, or was deemed or taken to have, an interest or short position in the Shares and underlying Shares which are required to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, or who were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

4. SHAREHOLDINGS AND DEALINGS IN SECURITIES

As at the Latest Practicable Date:

- (a) none of the Company nor the Directors had any interest in the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Offeror, and none of the Company nor the Directors had dealt for value in the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Offeror during the Relevant Period;
- (b) none of the Directors had any interest in the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company, and none of the Directors had dealt for value in the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company during the Relevant Period;
- (c) none of the subsidiaries of the Company, pension funds of the Company or of any member of the Group, or a person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of acting in concert or who is an associate of the Company by virtue of class (2) of the definition of associate under the Takeovers Code but excluding exempt principal traders and exempt fund managers (as defined under the Takeovers Code) had owned or controlled any of the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company, and none of them had dealt for value in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company during the Relevant Period;
- (d) no person who had any arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Company or with any person who is presumed to be acting in concert with the Company by virtue of classes (1), (2), (3) and (5) of the definition of acting in concert or who is an associate of the Company by virtue of classes (2), (3) and (4) of the definition of associate had owned or controlled any of the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company, and none of them had dealt for value in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company during the Relevant Period;
- (e) no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company were managed on a discretionary basis by fund managers (other than exempt fund managers) connected with the Company, and none of them had dealt for value in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company during the Relevant Period;
- (f) no Directors held any beneficial shareholdings in the Company which would otherwise entitle them to accept or reject the Offer;

- (g) neither the Company nor any of the Directors had borrowed or lent any of the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company, save for any borrowed shares which have been either on-lent or sold; and
- (h) there is no understanding, arrangement or agreement or special deal between any Shareholders on the one hand, and the Company, its subsidiaries or associated companies on the other hand.

5. ARRANGEMENTS AFFECTING DIRECTORS

As at the Latest Practicable Date,

- (a) no benefit (other than statutory compensation) would be given to any Director as compensation for loss of office or otherwise in connection with the Offer;
- (b) there was no agreement or arrangement between any Director and any other person which was conditional or dependent upon the outcome of the Offer or otherwise connected with the Offer; and
- (c) there was no material contract entered into by the Offeror in which any Director had a material personal interest.

6. SERVICE CONTRACT OF DIRECTOR

As at the Latest Practicable Date, none of the Directors had entered into a service contract with the Company or any of its subsidiaries or associated companies which:

- (a) was entered into or amended (including both continuous and fixed term contracts) within six months prior to the commencement of the Offer Period;
- (b) is a continuous contract with a notice period of 12 months or more; or
- (c) is a fixed term contract with more than 12 months to run irrespective of the notice period.

7. MATERIAL CONTRACT

There was no material contract (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by any member of the Group) entered into by any member of the Group within the two years prior to the commencement of the offer period (as defined in the Takeovers Code) and ending on the Latest Practicable Date.

8. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and, so far as the Directors are aware, no litigation or claims of material importance is pending or threatened by or against the Company and any of its subsidiaries.

9. QUALIFICATION AND CONSENT OF EXPERT

In addition to those listed under the paragraph headed “4. Experts and consents” in Appendix IV to this Composite Document, the following is the name and qualifications of the expert who has given its opinion, letters, reports or advice which are contained or referred to in this Composite Document:

Name	Qualification
Vinco Financial Limited	a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, and the Independent Financial Adviser to the Independent Board Committee in respect of the Offer

Vinco Financial has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion of its opinion, letters, reports or advice and references to its name included herein in the form and context in which it appears.

10. DOCUMENTS AVAILABLE ON DISPLAY

In addition to the documents relating to the Offeror as set out in the paragraph headed “6. Documents available on display” in Appendix IV to this Composite Document, copies of the following documents are available on display (i) on the website of the Company (www.hklistco.com) and (ii) on the website of the SFC (www.sfc.hk) from the date of this Composite Document up to and including the Closing Date:

- (a) the second amended and restated bye laws of the Company;
- (b) the annual reports of the Company for years ended 30 November 2020, 2021 and 2022, respectively and the interim report of the Company for the six months ended 31 May 2023;
- (c) the letter from the Board, the text of which is set out on pages 19 to 26 of this Composite Document;
- (d) the letter from the Independent Board Committee, the text of which is set out on pages 27 to 28 of this Composite Document;

- (e) the letter from Vinco Financial, the text of which is set out on pages 29 to 56 of this Composite Document; and
- (f) the letter of consent referred to in the paragraph headed “10. Qualification and Consent of Expert” in this Appendix;
- (g) the Sale and Purchase Agreement;
- (h) the Irrevocable Undertaking; and
- (i) this Composite Document.

1. RESPONSIBILITY STATEMENT

The sole director of the Offeror accepts full responsibility for the accuracy of information contained in this Composite Document (other than those relating to the Group) and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this Composite Document (other than the opinions expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statement in this Composite Document misleading.

2. DISCLOSURE OF INTERESTS AND DEALINGS IN SECURITIES OF THE COMPANY

As at the Latest Practicable Date, the Offeror, its ultimate beneficial owner and the parties acting in concert with any one of them hold in aggregate 355,949,933 Ordinary Shares, representing 74.81% of the total issued share capital of the Company. As at the Latest Practicable Date, save as disclosed above, the Offeror, its ultimate beneficial owner and the parties acting in concert with any one of them did not own, control or have direction over any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

The Offeror confirms that, as at the Latest Practicable Date:

- (i) save for the Sales Shares, the Offeror, its ultimate beneficial owner and parties acting in concert with any one of them do not own or have control or direction over any voting rights or rights over the Shares or convertible securities, options, warrants or derivatives of the Company;
- (ii) save for the Irrevocable Undertaking, the Offeror, its ultimate beneficial owner and parties acting in concert with any one of them have not received any irrevocable commitment to accept or not to accept the Offer;
- (iii) save for the Irrevocable Undertaking, there is no agreement or arrangement in relation to outstanding derivative in respect of securities in the Company which has been entered into by the Offeror, its ultimate beneficial owners and any person acting in concert with any one of them;
- (iv) there are no conditions to which the Offer is subject;
- (v) save for the Irrevocable Undertaking and the security arrangements involving the Pledged Shares under the Loan Facility, there is no arrangement (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the Shares or other relevant securities (as defined in

Note 4 to Rule 22 of the Takeovers Code) of the Company or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Offeror which may be material to the Offer;

- (vi) other than the Sale and Purchase Agreement, there is no agreement or arrangement to which the Offeror, its ultimate beneficial owners and parties acting in concert with any one of them is a party which relates to circumstances in which they may or may not invoke or seek to invoke a pre-condition or a condition to the Offer;
- (vii) there are no Shares or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company which the Offeror, its ultimate beneficial owner and any parties acting in concert with any one of them have borrowed or lent;
- (viii) there is no understanding, arrangement, agreement or special deal between (1) any Shareholder; and (2)(a) the Offeror, its ultimate beneficial owner and/or any parties acting in concert with any one of them, or (b) the Company, its subsidiaries or associated companies;
- (ix) save for the acquisition of the Sale Shares under the Sale and Purchase Agreement, the Offeror, its ultimate beneficial owner and parties acting in concert with any one of them had not dealt in the Shares, outstanding share options, derivatives, warrants or other securities convertible into Shares during the Relevant Period;
- (x) there is no benefit which will be given to any Director as compensation for loss of office or otherwise in connection with the Offer;
- (xi) save for the consideration pursuant to the Sale and Purchase Agreement, there is no consideration, compensation or benefit in whatever form paid or to be paid by the Offeror, its ultimate beneficial owner or any party acting in concert with any one of them to the Vendors, their respective ultimate beneficial owners or any party acting in concert with any of them in connection with the sale and purchase of the Sale Shares;
- (xii) there is no understanding, arrangement, agreement or special deal between the Offeror, its ultimate beneficial owner or any party acting in concert with any one of them on the one hand, and the Vendors, their respective ultimate beneficial owners or any party acting in concert with any of them on the other hand; and
- (xiii) there is no understanding, arrangement or agreement or special deal between any Shareholders on the one hand, and the Offeror, its ultimate beneficial owner or any party acting in concert with any one of them on the other hand.

3. MARKET PRICES

The table below shows the closing price of the Ordinary Shares as quoted on the Stock Exchange on (i) the last day on which trading took place in each of the calendar months during the Relevant Period; (ii) the Last Trading Day; and (iii) the Latest Practicable Date:

Date	Closing Price per Ordinary Share (HK\$)
31 March 2023	0.050
28 April 2023	0.046
31 May 2023	0.041
30 June 2023	0.045
31 July 2023	0.044
29 August 2023 (the Last Trading Day)	0.046
10 October 2023 (the Latest Practicable Date)	0.101

During the Relevant Period, the highest closing price of the Ordinary Shares as quoted on the Stock Exchange was HK\$0.117 per Ordinary Share on 3 October 2023 and 9 October 2023, respectively, and the lowest closing price of the Ordinary Shares as quoted on the Stock Exchange was HK\$0.041 per Ordinary Share on 18 May 2023, 19 May 2023, 24 May 2023 to 23 June 2023 and 9 August 2023 to 11 August 2023, respectively.

4. EXPERTS AND CONSENTS

In addition to those listed under the paragraph headed “10. Qualification and consent of expert” in Appendix III to this Composite Document, the followings are the names and qualifications of the professional advisers whose letters, opinions or advice are contained or referred to in this Composite Document:

Name	Qualification
Astrum	a licensed corporation to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO
Grand Moore	a licensed corporation under the SFO to carry out type 1 (dealing in securities) and type 6 (advising in corporate finance) regulated activities under the SFO

Each of the above expert has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion of its opinions, advice letter/report and/or the references to its name included herein in the form and context in which it appears.

5. MISCELLANEOUS

- (a) The principal member of the Offeror's concert group is Mr. LEUNG Wai Ming. The correspondence address of the principal member of the Offeror's concert group is Unit C, 62/F., & Roof, Tower 2, Island Resort, 28 Siu Sai Wan Road, Hong Kong.
- (b) The correspondence address of the Offeror is Unit C, 62/F., & Roof, Tower 2, Island Resort, 28 Siu Sai Wan Road, Hong Kong.
- (c) The registered office of Astrum is Room 2704, 27/F, Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong.
- (d) The registered office of Grand Moore is Unit 1401, 14/F, Lippo Sun Plaza, 28 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong.
- (e) The English text of this Composite Document and the accompanying Form of Acceptance shall prevail over their respective Chinese texts, in case of any inconsistency.

6. DOCUMENTS AVAILABLE ON DISPLAY

In addition to the documents set forth in the paragraph headed "12. Documents available on display" of Appendix III to this Composite Document, copies of the following documents are available on display on the website of the SFC at www.sfc.hk and the website of the Company at www.hklistco.com during the period from the date of this Composite Document up to and including the Closing Date:

- (a) the letter from Astrum, the text of which is set out in the section headed "Letter from Astrum" of this Composite Document;
- (b) the written consents as referred to in the section headed "4. Experts and consents" in this appendix;
- (c) the Sale and Purchase Agreement;
- (d) the Irrevocable Undertaking; and
- (e) this Composite Document and the accompanying Form of Acceptance.