
THIS 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, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or otherwise transferred all your securities in Rivera (Holdings) 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).

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. This Composite Document is not for release, publication or distribution in or into any jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction.

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.

The Offer is being made for the securities of a Hong Kong company and is subject to Hong Kong disclosure and procedural requirements, investors should be aware that these requirements are different from those of the U.S.. The financial statements included herein have been prepared in accordance with Hong Kong Financial Reporting Standards and thus may not be comparable to financial statements of U.S. companies.

STEP FAMOUS INVESTMENT LIMITED

進譽投資有限公司

(Incorporated in Hong Kong with limited liability)



Tomson Group

RIVERA (HOLDINGS) LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 281)

COMPOSITE OFFER AND RESPONSE DOCUMENT

VOLUNTARY CONDITIONAL GENERAL CASH OFFER BY ABLE CAPITAL PARTNERS LIMITED ON BEHALF OF

STEP FAMOUS INVESTMENT LIMITED TO ACQUIRE ALL THE ISSUED SHARES OF RIVERA (HOLDINGS) LIMITED (川河集團有限公司) (OTHER THAN THOSE ALREADY OWNED BY OR TO BE ACQUIRED BY STEP FAMOUS INVESTMENT LIMITED AND THE PARTIES ACTING IN CONCERT WITH IT)

Financial adviser to the Offeror

**ABLE CAPITAL
PARTNERS**

Able Capital Partners Limited

Offeree Independent Financial Adviser

HALCYON 鎧盛

Halcyon Capital Limited

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

A "Letter from Able Capital" containing, among other things, the details of the terms and conditions of the Offer is set out on pages 9 to 24 of this Composite Document. A "Letter from the Offeree Board" is set out on pages 25 to 29 of this Composite Document. A "Letter from the Offeree Independent Board Committee" containing its recommendation to the Offeree Independent Shareholders in respect of the Offer is set out on pages 30 and 31 of this Composite Document. A "Letter from the Offeree Independent Financial Adviser" containing its advice and recommendation to the Offeree Independent Board Committee and the Offeree Independent Shareholders in respect of the Offer is set out on pages 32 to 61 of this Composite Document.

The procedures for acceptance and settlement of the Offer are set out in "Appendix I – Further Terms of the Offer" to this Composite Document and in the accompanying Form of Acceptance. Acceptances of the Offer should be received by the Registrar by no later than 4:00 p.m. on Monday, 11 February 2019 or such later time(s) and/or date(s) as the Offeror may determine and announce, in accordance with the Takeovers Code.

The Offeree Independent Shareholders should inform themselves of and observe any applicable legal, tax or regulatory requirements. Please refer to "Important Notices" on pages vi and vii of this Composite Document.

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 paragraph headed "Overseas Offeree Independent Shareholders" in the "Letter from Able Capital" in this Composite Document before taking any action. It is the responsibility of any overseas Offeree Independent Shareholders wishing to take any action in relation to the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection therewith, including obtaining all governmental, exchange control or other consents which may be required and the compliance with all necessary formalities or legal requirements and the payment of any issue, transfer or other taxes payable by such overseas Offeree Independent Shareholders in respect of the acceptance of the Offer in such jurisdiction. The overseas Offeree Independent Shareholders are advised to seek professional advice on deciding whether or not to accept the Offer.

This Composite Document is issued jointly by the Offeror and the Offeree.

The English texts of this Composite Document and the accompanying Form of Acceptance shall prevail over their respective Chinese texts for the purpose of interpretation.

11 January 2019

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IMPORTANT NOTICES TO ALL OFFEREE INDEPENDENT SHAREHOLDERS

The following information is important for all Offeree Independent Shareholders.

You are urged to read this entire Composite Document, including the appendices, and the accompanying Form of Acceptance carefully.

- **Offer Price:** HK\$0.55 in cash per Offer Share. **The Offer Price will not be increased and the Offeror does not reserve the right to do so.**
- **How to accept the Offer:** Please return the duly completed and signed Form of Acceptance and the relevant documents to the Registrar.
- **Deadline for acceptance:** The Offer will close for acceptances at **4:00 p.m. on Monday, 11 February 2019** (the first Closing Date), unless otherwise revised or extended.

For details, please refer to “Appendix I – Further Terms of the Offer” to this Composite Document.

- **Settlement: Payments in cash will be made within seven (7) Business Days** following the later of: (a) the date on which the Offer becomes or is declared unconditional in all respects; and (b) the date of receipt of your valid acceptance in accordance with the Takeovers Code, this Composite Document and the accompanying Form of Acceptance.
- **Your prompt action is critical: The Offer will lapse if insufficient valid acceptances** of the Offer are received (and not, where permitted, withdrawn) by 4:00 p.m. on Monday, 11 February 2019 (being the first Closing Date) **to result in the Offeror and the Offeror Concert Parties holding in aggregate more than 50% of the voting rights of the Offeree**, unless otherwise revised or extended in accordance with the Takeovers Code. **You should therefore act promptly.**

NEED HELP?

Please call the customer service hotline of the Registrar, Tricor Secretaries Limited, at (852) 2980-1333 between 9:00 a.m. and 5:00 p.m. on Mondays to Fridays, excluding Hong Kong public holidays, if you have any enquiries concerning administrative matters, such as dates, documentation and procedures relating to the Offer.

The hotline cannot and will not provide advice on the merits or recommendation in respect of the Offer or give financial or legal advice. If you are in any doubt as to any aspect of this Composite Document or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant or other professional adviser.

EXPECTED TIMETABLE

The timetable set out below is indicative only and may be subject to changes. Further announcement(s) will be made in the event that there is any change to the following timetable.

Event	Hong Kong Time
Despatch date of this Composite Document and the accompanying Form of Acceptance	Friday, 11 January 2019
Opening date of the Offer	Friday, 11 January 2019
First Closing Date (<i>Note 1</i>)	Monday, 11 February 2019
Latest time for acceptance of the Offer on the first Closing Date (<i>Note 2</i>)	4:00 p.m. on Monday, 11 February 2019
Announcement of the results of the Offer as at the first Closing Date, on the website of the Stock Exchange	no later than 7:00 p.m. on Monday, 11 February 2019
Latest date for despatch of cheques for payment of the amounts due under the Offer in respect of valid acceptances received by the first Closing Date, assuming that the Offer becomes or is declared unconditional on the first Closing Date (<i>Note 3</i>)	Wednesday, 20 February 2019
Latest time and date for acceptance of the Offer assuming that the Offer becomes or is declared unconditional in all respects on the first Closing Date (<i>Note 4</i>)	4:00 p.m. on Monday, 25 February 2019
Latest time and date by which the Offer can become or be declared unconditional as to acceptances (<i>Note 5</i>)	no later than 7:00 p.m. on Tuesday, 12 March 2019

EXPECTED TIMETABLE

Notes:

- (1) The Offer will close for acceptances at 4:00 p.m. on Monday, 11 February 2019 unless the Offeror revises or extends the Offer in accordance with the Takeovers Code. The Offeror has the right under the Takeovers Code to extend the Offer until such date as it may determine subject to compliance with the Takeovers Code (or as permitted by the Executive in accordance with the Takeovers Code). In the event that the Offer has not become or is not declared unconditional on the first Closing Date, the Offeror will issue an announcement stating whether the Offer has lapsed or has been revised or extended. If the Offer is revised or extended, the announcement of such revision or extension will either state the next Closing Date or, if the Offer has become or been declared unconditional as to acceptances, include a statement that the Offer will remain open until further notice. In the latter case, at least fourteen (14) days' notice in writing must be given, before the Offer is closed, to the Offeree Independent Shareholders who have not accepted the Offer. There is no obligation to extend the Offer if the Conditions are not met by the first Closing Date or any subsequent Closing Date. Any revised Offer must be kept open for at least fourteen (14) days following the date on which the revised offer document is posted or, if longer and to the extent required by applicable U.S. regulations, at least ten (10) U.S. Business Days following the date on which the revised offer document is posted, and shall not close earlier than Monday, 11 February 2019.
- (2) If you wish to accept the Offer, you should ensure your duly completed and signed Form of Acceptance and the relevant documents arrive at the Registrar by no later than the prescribed time. If you choose to deliver the documents by post, you should consider the timing requirements for postage.

Beneficial owners of the Offer Shares who hold their Offer Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements for causing instructions to be made to CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures.

All acceptances, instructions, authorisations and undertakings given by the Offeree Independent Shareholders in the accompanying Form of Acceptance shall be irrevocable except as permitted under the Takeovers Code.

- (3) Payment of the consideration (after deducting the seller's ad valorem stamp duty) for the Offer Shares tendered for acceptance under the Offer will be posted by ordinary post to the Offeree Independent Shareholders who accept the Offer at their own risk. Payment will be made as soon as possible, but in any event within seven (7) Business Days following the later of (a) the date on which the Offer becomes or is declared unconditional in all respects; and (b) the date of receipt by the Registrar of all the relevant documents to render each acceptance under the Offer complete and valid in accordance with the Takeovers Code, this Composite Document and the accompanying Form of Acceptance.
- (4) Pursuant to Rule 15.3 of the Takeovers Code, the final Closing Date should be no less than fourteen (14) days after the date on which the Offer becomes or is declared unconditional in all respects.
- (5) In accordance with the Takeovers Code, except with the consent of the Executive, the Offer may not become or be declared unconditional as to acceptances after 7:00 p.m. on the 60th day after the day this Composite Document is posted. Accordingly, unless the Offer has previously become or been declared unconditional as to acceptances or has been extended with the consent of the Executive, the Offer will lapse at 7:00 p.m. on Tuesday, 12 March 2019.

EXPECTED TIMETABLE

Effect of bad weather on the latest time for acceptance of the Offer and/or the latest date for despatch of cheques

If there is a tropical cyclone warning signal number 8 or above, or a black rainstorm warning in force in Hong Kong:

- (a) at any time before 12:00 noon but no longer in force at or after 12:00 noon on the latest date for acceptance of the Offer and/or the latest date for despatch of cheques for the amounts due under the Offer in respect of valid acceptances (as the case may be), the latest time for acceptance of the Offer will remain at 4:00 p.m. on the same Business Day and/or the latest date for despatch of cheques will remain on the same Business Day; or
- (b) at any time between 12:00 noon and 4:00 p.m. on the latest date for acceptance of the Offer and/or the latest date for despatch of cheques for the amounts due under the Offer in respect of valid acceptances (as the case may be), the latest time for acceptance of the Offer will be rescheduled to 4:00 p.m. on the following Business Day and/or the latest date for despatch of cheques will be rescheduled to the following Business Day when the tropical cyclone warning signal number 8 or above or a black rainstorm warning is no longer in force.

IMPORTANT NOTICES

NOTICE TO U.S. INVESTORS

The Offer is being made for the securities of a Hong Kong company and is subject to Hong Kong disclosure and procedural requirements, which are different from those of the U.S.. The financial information included in this Composite Document has been prepared in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and thus may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the U.S.. The Offer will be made in the U.S. pursuant to exemptions from some of the applicable U.S. tender offer rules and otherwise in accordance with the requirements of the SFO. Accordingly, the Offer will be subject to disclosure and other procedural requirements of Hong Kong, including with respect to withdrawal rights, the timetable of the Offer, settlement procedures and the timing of payments that are different from those applicable under U.S. domestic tender offer procedures and laws.

The receipt of cash pursuant to the Offer by a U.S. holder of the Offer Shares pursuant to the Offer may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local laws, as well as foreign and other tax laws. Each holder of the Offer Shares is urged to consult his/her independent professional adviser immediately regarding the tax consequences of the Offer applicable to him/her.

It may be difficult for U.S. holders of the Offer Shares to enforce their rights and claims arising out of the U.S. federal securities laws, since the Offeror is located in a country other than the U.S., and some or all of its officers and directors may be residents of a country other than the U.S.. U.S. holders of the Offer Shares may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of the U.S. securities laws. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court's judgment.

In accordance with normal Hong Kong practice and pursuant to Rule 14e-5(b) of the U.S. Exchange Act, the Offeror hereby discloses that it or its affiliates, or its nominees, or its brokers (acting as agents) may from time to time make certain purchases of, or arrangements to purchase, Shares outside of the U.S., other than pursuant to the Offer, before or during the period in which the Offer remains open for acceptance. These purchases may occur either on open market at prevailing prices or in private transactions at negotiated prices, provided that (i) any such purchase or arrangement complies with applicable laws and is made outside the U.S.; and (ii) if applicable and required under the relevant exemption or exception (or the Takeovers Code), the Offer Price is increased to match any consideration paid in any such purchase or arrangement. Any information about such purchases will be reported to the SFC and, to the extent made public by the SFC, will be available on the website of the SFC at <http://www.sfc.hk>. To the extent that such information is required to be publicly disclosed in Hong Kong in accordance with applicable regulatory requirements, this information will, as applicable, also be publicly disclosed in the U.S., by publishing it on the website of the Stock Exchange at <http://www.hkexnews.hk>.

IMPORTANT NOTICES

CAUTIONARY LANGUAGE REGARDING FORWARD-LOOKING STATEMENTS

This Composite Document includes certain “forward-looking statements”. These statements are based on the current expectations of the management of the Offeror and/or the Offeree (as the case may be) and are naturally subject to uncertainty and changes in circumstances.

Forward-looking statements include, without limitation, statements typically containing words such as “intends”, “expects”, “anticipates”, “targets”, “estimates”, “envisages” and words of similar import. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to, the satisfaction of the Conditions, as well as additional factors, such as general, social, economic and political conditions in the countries and/or regions in which the Offeree Group operates or other countries and/or regions which have an impact on the Offeree Group’s business activities or investments, interest rates, the monetary and interest rate policies of the countries and/or regions in which the Offeree Group operates, inflation or deflation, foreign exchange rates, the performance of the financial markets in the countries and/or regions in which the Offeree Group operates and globally, changes in domestic and foreign laws, regulations and taxes, changes in competition and the pricing environments in the countries and/or regions in which the Offeree Group operates and regional or general changes in asset valuations. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements.

Subject to the requirement of applicable laws, rules and regulations, including the Takeovers Code, all written and oral forward-looking statements attributable to the Offeror, the Offeree or parties acting on behalf of any of them are expressly qualified in their entirety by the cautionary statements above. The forward-looking statements included herein are made only as at the Latest Practicable Date. Subject to the requirement of applicable laws, rules and regulations, including the Takeovers Code, none of the Offeror, the Offeree and parties acting on behalf of any of them assumes any obligation to correct or update the forward-looking statements or opinions contained in this Composite Document.

DEFINITIONS

In this Composite Document, the following expressions have the same respective meanings set out below unless the context requires otherwise:

“Able Capital”	means Able Capital Partners Limited, being the financial adviser to the Offeror in relation to the Offer, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO;
“acting in concert”	has the meaning ascribed to it in the Takeovers Code;
“associates”	has the meaning ascribed to it in the Listing Rules or Takeovers Code (as the case may be);
“Brightsec”	means Brightsec Limited, a company incorporated in Hong Kong with limited liability, and a party presumed under the Takeovers Code to be acting in concert with the Offeror in relation to the Offeree by virtue of acting as nominee of Madam Hsu in respect of certain of her shareholding in the Offeree;
“Business Day”	means a day on which the Stock Exchange is open for the transaction of business;
“CCASS”	means the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited;
“Closing Date”	means Monday, 11 February 2019, being the first closing date of the Offer or any subsequent closing date as may be announced by the Offeror and approved by the Executive;
“Composite Document”	means this composite offer and response document dated 11 January 2019 in respect of the Offer jointly issued by the Offeror and the Offeree in accordance with the Takeovers Code, as may be revised or supplemented as appropriate;
“Condition(s)”	means the condition(s) to the Offer, as set out under the paragraph headed “Conditions of the Offer” in the “Letter from Able Capital” in this Composite Document;
“controlling shareholder”	has the meaning ascribed to it in the Listing Rules;

DEFINITIONS

“Encumbrance”	means any liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature;
“Executive”	means the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director;
“Facility”	means the irrevocable standby documentary credit issued by Fubon Bank in favour of the Offeror of up to the principal amount of HK\$761,000,000 (complemented by the committed term loan facility of up to the principal amount of HK\$761,000,000 granted by Fubon Bank to the Offeror);
“Facility Letters”	means the facility letters dated 16 November 2018 in respect of the Facility;
“Form of Acceptance”	means the form of acceptance and transfer in respect of the Offer accompanying this Composite Document;
“Fubon Bank”	means Fubon Bank (Hong Kong) Limited, an authorized institution within the meaning of the Banking Ordinance (Chapter 155 of the Laws of Hong Kong);
“HK\$”	means Hong Kong dollar(s), the lawful currency of Hong Kong;
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC;
“Last Trading Day”	means 3 December 2018, being the last trading day of the Shares prior to the issue of the Offeror Announcement;
“Latest Practicable Date”	means Tuesday, 8 January 2019, being the latest practicable date prior to the printing of this Composite Document for ascertaining certain information for inclusion in this Composite Document;
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange;
“Macau”	means the Macau Special Administrative Region of the PRC;

DEFINITIONS

“Madam Hsu”

means Hsu Feng (徐楓), mother of Mr Albert Tong and Mr Charles Tong, and a party who is and is presumed under the Takeovers Code to be acting in concert with the Offeror, Mr Albert Tong, Mr Charles Tong and Tomson in relation to the Offeree by virtue of Tomson and the Offeror being controlled by her and her close relatives. Madam Hsu is also an executive director of the Offeree. As at the Latest Practicable Date, Madam Hsu was entitled to control the exercise of approximately 12.257% of the voting rights of the Offeree. Madam Hsu is an executive director and the managing director of Tomson, the chairman of the Tomson Board and was, as at the Latest Practicable Date, entitled to control the exercise of approximately 31.736% of the voting rights of Tomson;

“Mr Albert Tong”

means Albert Tong (湯子同), son of Madam Hsu and brother of Mr Charles Tong, and a party who is and is presumed under the Takeovers Code to be acting in concert with the Offeror, Madam Hsu, Mr Charles Tong and Tomson in relation to the Offeree by virtue of Tomson and the Offeror being controlled by him and his close relatives. Mr Albert Tong is also an executive director of the Offeree. As at the Latest Practicable Date, Mr Albert Tong was entitled to control the exercise of approximately 3.957% of the voting rights of the Offeree. Mr Albert Tong is an executive director of Tomson and the vice chairman of the Tomson Board and was, as at the Latest Practicable Date, entitled to control the exercise of approximately 13.401% of the voting rights of Tomson;

DEFINITIONS

- “Mr Charles Tong” means Tong Chi Kar Charles (湯子嘉), son of Madam Hsu and brother of Mr Albert Tong, and a party who is and is presumed under the Takeovers Code to be acting in concert with the Offeror, Madam Hsu, Mr Albert Tong and Tomson in relation to the Offeree by virtue of Tomson and the Offeror being controlled by him and his close relatives. As at the Latest Practicable Date, Mr Charles Tong was entitled to control the exercise of approximately 3.957% of the voting rights of the Offeree. Mr Charles Tong is an executive director of Tomson and the vice chairman of the Tomson Board and was, as at the Latest Practicable Date, entitled to control the exercise of approximately 13.681% of the voting rights of Tomson;
- “Nankeen” means Nankeen (Nominees) Limited, a company incorporated in Hong Kong with limited liability, and a party presumed under the Takeovers Code to be acting in concert with the Offeror in relation to the Offeree by virtue of acting as nominee of Madam Hsu in respect of certain of her shareholding in the Offeree;
- “Nomsec No. 1” means Nomsec No. 1 Limited, a company incorporated in Hong Kong with limited liability, and a party presumed under the Takeovers Code to be acting in concert with the Offeror in relation to the Offeree by virtue of acting as nominee of Madam Hsu in respect of certain of her shareholding in the Offeree;
- “Nomsec No. 2” means Nomsec No. 2 Limited, a company incorporated in Hong Kong with limited liability, and a party presumed under the Takeovers Code to be acting in concert with the Offeror in relation to the Offeree by virtue of acting as nominee of Madam Hsu in respect of certain of her shareholding in the Offeree;
- “Offer” means the voluntary conditional general cash offer by Able Capital on behalf of the Offeror to acquire all of the Offer Shares in accordance with the terms and conditions set out in this Composite Document and the accompanying Form of Acceptance, and any subsequent revision or extension of the Offer in accordance with the Takeovers Code;

DEFINITIONS

“Offer Period”	has the meaning ascribed to it in the Takeovers Code and which commenced on 4 December 2018, being the Offeror Announcement Date, and ending on the later of (a) the date when the Offer closes for acceptances; and (b) the date when the Offer lapses;
“Offer Price”	means the price at which the Offer is made, being HK\$0.55 in cash per Offer Share;
“Offer Share(s)”	means Share(s), other than those already owned by or to be acquired by the Offeror or any of the Offeror Concert Parties, being 1,826,720,023 Shares as at the Latest Practicable Date;
“Offeree”	means Rivera (Holdings) Limited, a company incorporated in Hong Kong with limited liability, whose ordinary shares are listed on the Main Board of the Stock Exchange (Stock Code: 281);
“Offeree Announcement”	means the announcement dated 4 December 2018 issued by the Offeree in respect of the Offeror Announcement;
“Offeree Board”	means the board of the Offeree Directors;
“Offeree Director(s)”	means the director(s) of the Offeree;
“Offeree Group”	means, collectively, the Offeree and its subsidiaries;
“Offeree Independent Board Committee”	means the independent board committee of the Offeree, comprising all non-executive directors and independent non-executive directors of the Offeree who are not interested in the Offer, being Madam Liu Ying, Mr Zhang Hong Bin, Mr Sit Hing Kwok and Mr Hung Wai Lung Ricky, established by the Offeree Board to make recommendation to the Offeree Independent Shareholders in respect of the Offer;
“Offeree Independent Financial Adviser” or “Halcyon Capital”	means Halcyon Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser to advise the Offeree Independent Board Committee and the Offeree Independent Shareholders in respect of the Offer;

DEFINITIONS

“Offeree Independent Shareholder(s)”	means Shareholder(s) other than the Offeror and the Offeror Concert Parties;
“Offeror”	means Step Famous Investment Limited (進譽投資有限公司), a company incorporated in Hong Kong with limited liability, which, as at the Latest Practicable Date, was legally and beneficially owned as to 66% by Madam Hsu, 17% by Mr Albert Tong and 17% by Mr Charles Tong. Each of Madam Hsu, Mr Albert Tong and Mr Charles Tong is also a director of the Offeror;
“Offeror Announcement”	means the announcement dated 4 December 2018 made by the Offeror in relation to the Offer;
“Offeror Announcement Date”	means 4 December 2018, being the date of the Offeror Announcement;
“Offeror Board”	means the board of directors of the Offeror;
“Offeror Concert Parties”	means, collectively, the parties who are either acting in concert and/or are presumed under the Takeovers Code to be acting in concert with the Offeror in relation to the Offeree who, as at the Latest Practicable Date, included (a) Madam Hsu, Mr Albert Tong, Mr Charles Tong, Tomson, and companies controlled by one or more of them (which include Tomson Group); (b) Brightsec, Nankeen, Nomsec No. 1 and Nomsec No. 2, all acting as nominees of Madam Hsu in respect of certain of her shareholding in the Offeree; and (c) Able Capital and entities controlling, controlled by or under common control as Able Capital (for the avoidance of doubt, does not include 300,000 Shares which were held in the capacity as agent for their respective clients as at the Latest Practicable Date);
“PRC”	means the People’s Republic of China (for the purpose of this Composite Document, excluding Hong Kong, Macau and Taiwan);
“public”	has the meaning ascribed to it under the Listing Rules;
“Registrar”	means Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, the share registrar of the Offeree;

DEFINITIONS

“Relevant Period”	means the period from 4 June 2018, being the date which is six months before the Offeror Announcement Date, up to and including the Latest Practicable Date;
“SFC”	means the Securities and Futures Commission of Hong Kong;
“SFO”	means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share Option Scheme”	means the share option scheme adopted by the Offeree on 1 June 2012;
“Shareholder(s)”	means registered holder(s) for the time being of Share(s);
“Share(s)”	means issued ordinary share(s) in the Offeree;
“Stamp Duty Ordinance”	means the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong);
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“subsidiaries”	has the meaning ascribed to it in the Listing Rules;
“Takeovers Code”	means the Hong Kong Code on Takeovers and Mergers;
“Tomson”	means Tomson Group Limited (湯臣集團有限公司), a company incorporated in the Cayman Islands with limited liability, whose ordinary shares are listed on the Main Board of the Stock Exchange (Stock Code: 258), and a party presumed under the Takeovers Code to be acting in concert with the Offeror, Madam Hsu, Mr Albert Tong and Mr Charles Tong in relation to the Offeree under the Takeovers Code by virtue of Tomson and the Offeror being controlled by Madam Hsu and her close relatives. As at the Latest Practicable Date, Tomson was entitled to control the exercise of 255,676,326 Shares representing approximately 9.801% of the voting rights of the Offeree, which in turn held 247,300,000 issued ordinary shares in Tomson, representing approximately 11.879% of the voting rights of Tomson as at the Latest Practicable Date;
“Tomson Board”	means the board of directors of Tomson;

DEFINITIONS

“Tomson Group”	means, collectively, Tomson and its subsidiaries;
“Tong Family”	means, collectively, Madam Hsu, Mr Albert Tong, Mr Charles Tong;
“U.S.”	means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;
“U.S. Business Day”	means any day, other than Saturday, Sunday or a U.S. federal holiday, and consists of the time period from 12:01 a.m. through 12:00 midnight Eastern time;
“U.S. Exchange Act”	means the U.S. Securities Exchange Act of 1934, as amended; and
“%”	means per cent.

1. Except as otherwise specified, all times and dates contained in this Composite Document and the accompanying Form of Acceptance refer to Hong Kong times and dates.
2. Certain amounts and percentage figures in this Composite Document have been subject to rounding adjustments.
3. Certain English translations of Chinese names or words or Chinese translations of English names or words in this Composite Document are included for information and identification purposes only and should not be regarded as the official English translation of such Chinese names or words or Chinese translation of such English names or words, respectively.
4. The singular includes the plural and vice versa, unless the context otherwise requires.
5. References to any appendix, paragraph and sub-paragraph are references to the appendices to, and paragraphs of, this Composite Document and any sub-paragraphs of them, respectively.
6. References to any statute or statutory provision include a statute or statutory provision which amends, consolidates or replaces the same whether before or after the date of this Composite Document.
7. Reference to one gender is a reference to all or any genders.
8. The English texts of this Composite Document and the accompanying Form of Acceptance shall prevail over their respective Chinese texts for the purpose of interpretation.

LETTER FROM ABLE CAPITAL

ABLE CAPITAL PARTNERS

Able Capital Partners Limited
Unit 2201, 22/F, Cosco Tower,
183 Queen's Road Central,
Hong Kong

11 January 2019

To the Offeree Independent Shareholders,

Dear Sir or Madam,

**VOLUNTARY CONDITIONAL GENERAL CASH OFFER
BY ABLE CAPITAL PARTNERS LIMITED
ON BEHALF OF
STEP FAMOUS INVESTMENT LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
RIVERA (HOLDINGS) LIMITED
(OTHER THAN THOSE ALREADY OWNED BY OR
TO BE ACQUIRED BY STEP FAMOUS INVESTMENT LIMITED
AND THE PARTIES ACTING IN CONCERT WITH IT)**

INTRODUCTION

Reference is made to the Offeror Announcement in respect of the Offeror's intention to have Able Capital make on its behalf a voluntary conditional general cash offer to acquire the Offer Shares at the Offer Price (the "**Offer**"). As at the Offeror Announcement Date, the Offeror and the Offeror Concert Parties held an aggregate of 779,274,488 Shares, representing approximately 29.874% of the total Shares. Able Capital is making the Offer on behalf of the Offeror in respect of the Offer Shares.

As at the Latest Practicable Date, the Offeror and the Offeror Concert Parties held an aggregate of 781,826,488 Shares, representing approximately 29.972% of the total Shares. 1,826,720,023 Offer Shares will be subject to the Offer.

This letter sets out, among other things, details of the terms of the Offer, the reasons for and benefits of the Offer, the intentions of the Offeror regarding the Offeree Group and information on the Offeror. Further details of the terms of the Offer are set out in "Appendix I – Further Terms of the Offer" to the Composite Document of which this letter forms part, and in the accompanying Form of Acceptance. Terms used in this letter shall have the same respective meanings as those defined in the Composite Document unless the context otherwise requires.

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The Offeree Independent Shareholders are strongly advised to consider carefully the information contained in the “Letter from the Offeree Board” on pages 25 to 29 of the Composite Document, the “Letter from the Offeree Independent Board Committee” on pages 30 and 31 of the Composite Document, and the “Letter from the Offeree Independent Financial Adviser” on pages 32 to 61 of the Composite Document, the accompanying Form of Acceptance and the appendices which form part of the Composite Document.

THE OFFER

Able Capital is making the Offer on behalf of the Offeror in compliance with the Takeovers Code on the following basis:

For each Offer Share HK\$0.55 in cash

The Offer is extended to all Shareholders other than the Offeror and the Offeror Concert Parties (one of which is Tomson).

The Offer Shares to be acquired under the Offer shall be fully paid and shall be acquired free from Encumbrances and together with all rights, benefits and entitlements attaching to them as at the Closing Date or subsequently becoming attached to them, including the right to receive and retain in full all dividends and other distributions, if any, the record date in respect of which falls on or after the Closing Date.

No Increase Statement

The Offer Price will not be increased and the Offeror does not reserve the right to do so.

Shareholders and potential investors of the Offeree should be aware that, following the making of such statement, the Offeror will not be allowed to increase the Offer Price save in wholly exceptional circumstances, as provided in Rule 18.3 of the Takeovers Code.

Comparisons of value

The Offer Price of HK\$0.55 represents:

- (a) the closing price of HK\$0.55 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a premium of approximately 0.73% over the average closing price of approximately HK\$0.546 per Share based on the daily closing prices as quoted on the Stock Exchange for the last 5 trading days immediately prior to and including the Last Trading Day;

LETTER FROM ABLE CAPITAL

- (c) a premium of approximately 1.48% over the average closing price of approximately HK\$0.542 per Share based on the daily closing prices as quoted on the Stock Exchange for the last 10 trading days immediately prior to and including the Last Trading Day;
- (d) a premium of approximately 5.16% over the average closing price of approximately HK\$0.523 per Share based on the daily closing prices as quoted on the Stock Exchange for the last 30 trading days immediately prior to and including the Last Trading Day;
- (e) a premium of approximately 3.19% over the average closing price of approximately HK\$0.533 per Share based on the daily closing prices as quoted on the Stock Exchange for the last 90 trading days immediately prior to and including the Last Trading Day;
- (f) a discount of approximately 2.48% to the average closing price of approximately HK\$0.564 per Share based on the daily closing prices as quoted on the Stock Exchange for the last 180 trading days up to and including the Last Trading Day;
- (g) a discount of approximately 6.78% to the closing price of HK\$0.59 per Share as quoted on the Stock Exchange on the Latest Practicable Date; and
- (h) a discount of approximately 49.54% to the unaudited consolidated net asset value per Share of approximately HK\$1.09 as at 30 June 2018 (which was calculated by dividing the sum of the unaudited consolidated net asset value of the Offeree Group attributable to owners of the Offeree as at 30 June 2018 (being the date to which the latest unaudited consolidated financial statements of the Offeree Group were made up) of approximately HK\$2,854,015,000 by 2,608,546,511 Shares as at the Latest Practicable Date).

Highest and lowest Share prices

During the Relevant Period, the highest closing price per Share as quoted on the Stock Exchange was HK\$0.60 on 4 June 2018, 5 June 2018 and 11 June 2018 and the lowest closing price per Share as quoted on the Stock Exchange was HK\$0.50 on 9 October 2018, 12 October 2018, 22 October 2018, 23 October 2018, 25 October 2018, 29 October 2018, 30 October 2018, 31 October 2018 and 6 November 2018.

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Value of the Offer

As at the Latest Practicable Date, there were (a) 2,608,546,511 Shares, of which a total of 781,826,488 Shares were held by the Offeror and the Offeror Concert Parties (representing approximately 29.972% of the total Shares); and (b) no options outstanding under the Share Option Scheme. Save as aforesaid, there were no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Offeree as at the Latest Practicable Date.

Based on HK\$0.55 per Offer Share under the Offer, the total Shares as at the Latest Practicable Date were valued at approximately HK\$1,434.70 million.

Based on the disclosure of dealings in the Shares made by the Offeror pursuant to Rule 22 of the Takeovers Code on 7 December 2018, 10 December 2018, 11 December 2018 and 13 December 2018, the Offeror acquired on open market an aggregate of 2,552,000 Shares. On the assumption that the Offer is accepted in full and on the basis that there will be no change in the total number of Shares held by the Offeror and the Offeror Concert Parties from the Latest Practicable Date to the Closing Date, a total of 1,826,720,023 Offer Shares will be subject to the Offer. Accordingly, the value of the Offer is approximately HK\$1,004.70 million.

Financial resources available to the Offeror

The financial resources which are available to the Offeror to satisfy full acceptance of the Offer comprise a combination of (a) an irrevocable standby documentary credit issued by Fubon Bank in favour of the Offeror (complemented by a term loan facility provided by Fubon Bank) as documented under the Facility Letters; and (b) the Offeror's existing cash deposited in a bank account maintained with Fubon Bank, both to be used solely for the Offer. The Offeror does not intend that the payment of interest on, repayment of or security for any liability (contingent or otherwise) under the Facility will depend to any significant extent on the business of the Offeree Group.

Able Capital, being the financial adviser to the Offeror in respect of the Offer, is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer in accordance with its terms in respect of 1,826,720,023 Offer Shares (being the number of Shares as at the Latest Practicable Date which were not held by any of the Offeror and the Offeror Concert Parties).

LETTER FROM ABLE CAPITAL

CONDITIONS OF THE OFFER

The Offer is subject to the following Conditions:

- (a) valid acceptances of the Offer having been received (and not, where permitted, withdrawn) by 4:00 p.m. on the Closing Date (or such later time or date as the Offeror may, subject to the rules of the Takeovers Code, decide) in which, together with the Shares held, acquired or agreed to be acquired before or during the Offer, will result in the Offeror and the Offeror Concert Parties holding in aggregate more than 50% of the voting rights of the Offeree;
- (b) the Shares remaining listed and traded on the Stock Exchange up to the Closing Date (or, if earlier, the date on which the Offer becomes unconditional) save for any trading halt(s) or temporary suspension(s) of trading in the Shares as a result of the Offer and no indication being received on or before the Closing Date (or, if earlier, the date on which the Offer becomes unconditional) from the SFC and/or the Stock Exchange to the effect that the listing of the Shares on the Stock Exchange is or is likely to be withdrawn;
- (c) no event having occurred which would make the Offer or the acquisition of any of the Offer Shares void, unenforceable or illegal or prohibit implementation of the Offer or would impose any additional material conditions or obligations with respect to the Offer or any part thereof;
- (d) no relevant government, governmental, quasi-government, statutory or regulatory body, court or agency in Hong Kong or any other jurisdictions having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order) that would make the Offer or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Offer or its implementation in accordance with its terms); and
- (e) since the Offeror Announcement Date, there having been no material adverse change in the business, assets, financial or trading positions or prospects or conditions (whether operational, legal or otherwise) of the Offeree Group (to an extent which is material in the context of the Offeree Group taken as a whole).

The Offeror reserves the right to waive, in whole or in part, all or any of the Conditions set out above (other than Condition (a)). As at the Latest Practicable Date, none of the Conditions had been satisfied or waived.

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Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror should not invoke any or all of the Conditions so as to cause the Offer to lapse unless the circumstances which give rise to the right to invoke any such Condition are of material significance to the Offeror in the context of the Offer.

In accordance with Rule 15.3 of the Takeovers Code, the Offeror must publish an announcement when the Offer becomes unconditional as to acceptances and when the Offer becomes unconditional in all respects. The Offer must also remain open for acceptance for at least fourteen (14) days after the Offer becomes or is declared unconditional as to acceptances or in all respects. Offeree Independent Shareholders are reminded that the Offeror does not have any obligation to keep the Offer open for acceptance beyond this fourteen (14)-day period.

WARNING: Shareholders and potential investors of the Offeree should be aware that the Offer is subject to the satisfaction or waiver (where applicable) of the Conditions. Accordingly, the Offer may or may not become unconditional. Shareholders and potential investors of the Offeree should therefore exercise caution when dealing in the securities of the Offeree. Persons who are in doubt as to the action they should take with respect to the Offer should consult their licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers.

OVERSEAS OFFEREE INDEPENDENT SHAREHOLDERS

As at the Latest Practicable Date, based on the record in the Offeree's register of members and the Offeree's internal record, outside of Hong Kong, the Offeree had twenty-four (24) overseas Offeree Independent Shareholders in Australia, Canada, Macau, New Zealand, the PRC, Singapore, Taiwan and the U.S.. The Offeror had been advised by the local counsel in these jurisdictions that the Composite Document and the accompanying Form of Acceptance may be forwarded to such overseas Offeree Independent Shareholders and will do so accordingly.

The making of the Offer to certain Offeree Independent Shareholders who are citizens, residents or nationals of jurisdictions outside Hong Kong may be subject to the laws of the relevant jurisdictions. Such overseas Offeree Independent Shareholders should inform themselves about and observe any applicable legal, tax or regulatory requirements. It is the responsibility of any overseas Offeree Independent Shareholders wishing to take any action in relation to the Offer, to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection therewith, including obtaining all governmental, exchange control or other consents which may be required and the compliance with all necessary formalities or legal requirements and the payment of any issue, transfer or other taxes payable by such Offeree Independent Shareholders in respect of the acceptance of the Offer in such jurisdiction. Any acceptance by such overseas Offeree Independent Shareholders will be deemed to constitute a representation and warranty from such persons to the Offeror, the Offeree and their respective advisers, including Able Capital, the financial adviser to the Offeror in respect of the Offer, that those relevant laws and regulatory requirements in those jurisdictions have been complied with. If you are in doubt as to your position, you should consult your professional advisers.

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NOTICE TO U.S. INVESTORS

The Offer is being made for the securities of a Hong Kong company and is subject to Hong Kong disclosure and procedural requirements, which are different from those of the U.S.. The financial information included in the Composite Document has been prepared in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and thus may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the U.S.. The Offer will be made in the U.S. pursuant to exemptions from some of the applicable U.S. tender offer rules and otherwise in accordance with the requirements of the SFO. Accordingly, the Offer will be subject to disclosure and other procedural requirements of Hong Kong, including with respect to withdrawal rights, the timetable of the Offer, settlement procedures and the timing of payments that are different from those applicable under U.S. domestic tender offer procedures and laws.

The receipt of cash pursuant to the Offer by a U.S. holder of the Offer Shares pursuant to the Offer may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local laws, as well as foreign and other tax laws. Each holder of the Offer Shares is urged to consult his/her independent professional adviser immediately regarding the tax consequences of the Offer applicable to him/her.

It may be difficult for U.S. holders of the Offer Shares to enforce their rights and claims arising out of the U.S. federal securities laws, since the Offeror is located in a country other than the U.S., and some or all of its officers and directors may be residents of a country other than the U.S.. U.S. holders of the Offer Shares may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of the U.S. securities laws. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court's judgment.

In accordance with normal Hong Kong practice and pursuant to Rule 14e-5(b) of the U.S. Exchange Act, the Offeror hereby discloses that it or its affiliates, or its nominees, or its brokers (acting as agents) may from time to time make certain purchases of, or arrangements to purchase, Shares outside of the U.S., other than pursuant to the Offer, before or during the period in which the Offer remains open for acceptance. These purchases may occur either on open market at prevailing prices or in private transactions at negotiated prices, provided that (i) any such purchase or arrangement complies with applicable laws and is made outside the U.S.; and (ii) if applicable and required under the relevant exemption or exception (or the Takeovers Code), the Offer Price is increased to match any consideration paid in any such purchase or arrangement. Any information about such purchases will be reported to the SFC and, to the extent made public by the SFC, will be available on the website of the SFC at <http://www.sfc.hk>. To the extent that such information is required to be publicly disclosed in Hong Kong in accordance with applicable regulatory requirements, this information will, as applicable, also be publicly disclosed in the U.S., by publishing it on the website of the Stock Exchange at <http://www.hkexnews.hk>.

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TAXATION AND INDEPENDENT ADVICE

As stated in the Offeror Announcement, the Offeree 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. It is emphasized that none of the Offeror, the Offeror Concert Parties and Able Capital, nor any of their respective directors, officers, associates and any other persons involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any person or persons as a result of their acceptance or rejection of the Offer.

FURTHER TERMS OF THE OFFER

Procedures for acceptance

To accept the Offer, you should duly 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.

The duly completed and signed Form of Acceptance, should be delivered, 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 Offer Shares tendered for acceptance, by post or by hand, to the Registrar, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, marked "Rivera (Holdings) Limited - Offer" on the envelope so as to reach the Registrar as soon as possible but in any event by no later than 4:00 p.m. on the Closing Date or such later time(s) and/or date(s) as the Offeror may determine and announce in accordance with the Takeovers Code.

No acknowledgment of receipt of any Form of Acceptance and/or 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) in respect of the Offer Shares tendered for acceptance will be given.

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

Effect of accepting the Offer

Acceptance of the Offer by any person or persons will constitute a warranty by such person or persons to the Offeror, the Offeree and Able Capital that the Offer Shares sold by such person or persons to the Offeror are free from Encumbrances and are sold together with all rights, benefits and entitlements attaching to them as at the Closing Date or subsequently becoming attached to them, including the right to receive and retain in full all dividends and other distributions, if any, the record date in respect of which falls on or after the Closing Date.

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The Offer is made in compliance with the Takeovers Code which is administered by the Executive. Acceptance of the Offer would be irrevocable and would not be capable of being withdrawn, except as permitted under the Takeovers Code.

Hong Kong stamp duty

Seller's ad valorem stamp duty at a rate of 0.1% of the market value of the Offer Shares (as determined by the Collector of Stamp Revenue under the Stamp Duty Ordinance) or consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher (rounded up to the nearest HK\$1.00), will be deducted from the amount payable to the relevant Offeree Independent Shareholder on acceptance of the Offer. The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of accepting Offeree Independent Shareholders in connection with such Offer Shares and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance.

Close of the Offer

The Offer is subject to the Conditions. If Condition (a) is not satisfied on or before the Closing Date, the Offer will lapse. If any other Conditions are not satisfied (or waived, where applicable) on or before the Closing Date, the Offer may lapse. The Offeror will issue an announcement stating whether the Offer has been revised or extended, has expired or has become or been declared unconditional (and, in such case, whether as to acceptances or in all respects), by 7:00 p.m. on the Closing Date in accordance with the Takeovers Code. The latest time on which the Offeror can declare the Offer unconditional as to acceptances is 7:00 p.m. on Tuesday, 12 March 2019, being the 60th day after the posting of the Composite Document (or such later date to which the Executive may consent).

If the Conditions are satisfied (or waived, where applicable), Shareholders will be notified by way of an announcement in accordance with the Takeovers Code and the Listing Rules as soon as practicable thereafter.

Settlement of consideration

Settlement of the consideration payable by the Offeror in respect of acceptances of the Offer will be made as soon as possible but in any event within seven (7) Business Days following the later of (a) the date on which the Offer becomes or is declared unconditional in all respects; and (b) the date of receipt of a duly completed Form of Acceptance together with all of the relevant document(s) by the Registrar to render such acceptance under the Offer valid.

No fraction of a cent will be payable and the amount of cash consideration payable to an Offeree Independent Shareholder who accepts the Offer (if applicable) will be rounded up to the nearest cent.

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INFORMATION ON THE OFFEREE GROUP

The Offeree was incorporated in Hong Kong on 4 May 1964 with limited liability. As at the Latest Practicable Date, the Offeree Group was principally engaged in property development and investment, and securities trading and investment.

Details of the information of the Offeree Group are set out in the “Letter from the Offeree Board” in the Composite Document. Financial and general information of the Offeree Group is set out in Appendices II and IV to the Composite Document, respectively.

SHAREHOLDING STRUCTURE OF THE OFFEREE

As at the Latest Practicable Date, there were 2,608,546,511 Shares and no options outstanding under the Share Option Scheme.

The table below sets out the shareholding structure of the Offeree (a) as at the Latest Practicable Date; and (b) immediately following completion of the Offer (assuming there is full acceptance of the Offer and no change in the total Shares between the Latest Practicable Date and completion of the Offer):

Shareholders	As at the Latest Practicable Date		Immediately following completion of the Offer (assuming there is full acceptance of the Offer and no change in the total Shares between the Latest Practicable Date and completion of the Offer)	
	Number of Shares	Approximate shareholding % to total Shares	Number of Shares	Approximate shareholding % to total Shares
Offeror				
– Offeror	2,552,000	0.098	1,829,272,023	70.126
Offeror Concert Parties				
– Madam Hsu ^(Note 1)	317,178,162	12.159	317,178,162	12.159
– Mr Albert Tong	103,210,000	3.957	103,210,000	3.957
– Mr Charles Tong	103,210,000	3.957	103,210,000	3.957
– Tomson ^(Note 2)	255,676,326	9.801	255,676,326	9.801
Sub-total	781,826,488	29.972	2,608,546,511	100.000
Shanghai Zhangjiang Hi-Tech Park Development Co., Ltd. ^(Note 3)	779,955,407	29.900	–	–
Public Shareholders	1,046,764,616	40.128	–	–
Total number of Offer Shares ^(Note 4)	1,826,720,023	70.028	–	–
Total number of Shares	2,608,546,511	100.000	2,608,546,511	100.000

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Notes:

1. As at the Latest Practicable Date, part of these Shares were held by Brightsec, Nankeen, Nomsec No. 1 and Nomsec No. 2 as nominees for Madam Hsu.
2. As at the Latest Practicable Date, these Shares were beneficially held by Cosmos Success Development Limited which is an indirect wholly-owned subsidiary of Tomson.
3. As at the Latest Practicable Date, these Shares were beneficially held by Best Central Developments Limited, an indirect wholly-owned subsidiary of Shanghai Zhangjiang Hi-Tech Park Development Co., Ltd. Shanghai Zhangjiang Hi-Tech Park Development Co., Ltd. is a third party independent of the Offeror, the Offeror Concert Parties (including Tomson) and their respective ultimate beneficial owners (except that Shanghai Zhangjiang Hi-Tech Park Development Co., Ltd. is itself one of the substantial shareholders of the Offeree which in turn is one of the substantial shareholders of Tomson).
4. The total number of Shares as at the Latest Practicable Date (assuming that there is no change in the total Shares before completion of the Offer) minus the aggregate number of Shares held by the Offeror and the Offeror Concert Parties as at the Latest Practicable Date equals the total number of Offer Shares subject to the Offer (assuming there is no change in the total Shares before completion of the Offer).
5. All percentages in the above table are approximations.

Interests of the Offeror and the Offeror Concert Parties in the Shares

As at the Latest Practicable Date, the Offeror and the Offeror Concert Parties held 781,826,488 Shares in aggregate, representing approximately 29.972% of the total Shares.

Save as aforesaid, as at the Latest Practicable Date, none of the Offeror and the Offeror Concert Parties owned, controlled or had direction over any other Shares or held any convertible securities, warrants, options or derivatives in respect of the Shares.

Dealings in securities of the Offeree

During the Relevant Period, the Offeror had dealt for value in Shares, the particulars of which are as follows:

Date of transactions on the Stock Exchange	Name	Number of Shares purchased/(sold)	Price per Share (HK\$)	Approximate % to the total Shares
7 December 2018	Offeror	1,000,000	0.55	0.038
10 December 2018	Offeror	540,000	0.55	0.021
11 December 2018	Offeror	1,000,000	0.55	0.038
13 December 2018	Offeror	12,000	0.55	0.0005

Save for the above, during the Relevant Period, none of the Offeror, its directors and the Offeror Concert Parties had dealt for value in any Shares or convertible securities, warrants, options or derivatives in respect of the Shares.

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INFORMATION ON THE OFFEROR AND THE TONG FAMILY

The Offeror is an investment holding company incorporated in Hong Kong on 10 May 2005 with limited liability. It is legally and beneficially owned as to 66% by Madam Hsu, 17% by Mr Albert Tong and 17% by Mr Charles Tong. Each of Madam Hsu, Mr Albert Tong and Mr Charles Tong is also a director of the Offeror.

The Offeror is used by the Tong Family for the sole purpose of acquiring Shares (including the making of the Offer) and, as at the Latest Practicable Date, did not hold any assets or liabilities (other than holding 2,552,000 Shares) nor carry on any business.

Madam Hsu, aged 68, has joined the Offeree Board and the Tomson Board since January 1990 and is an executive director of both the Offeree and Tomson. She has also been appointed (a) the chairman of the executive committee of the Offeree Board since August 2005, and a director of a number of subsidiaries of the Offeree since December 2003; and (b) the managing director of Tomson since December 2001, the chairman of the executive committee of the Tomson Board since June 2005 and a director of a number of subsidiaries of Tomson since January 1990. She was elected as the chairman of the Tomson Board since December 2006. She has over 10 years' experience in film production, and in property development and investment as well as retail industry in Taiwan, and has been engaged in the property development, hospitality and leisure business in the PRC for over 20 years. She is also the Honorary Consul of the Principality of Monaco in Shanghai.

Mr Albert Tong, aged 35, has been appointed (a) an executive director of the Offeree since March 2001, a member of the executive committee of the Offeree Board since August 2005 and a director of a number of the subsidiaries of the Offeree since March 2001; and (b) an executive director of Tomson since December 2001, a member of the executive committee and remuneration committee of the Tomson Board since June 2005 and a director of a number of the subsidiaries of Tomson since March 2001. He was elected the vice-chairman of the Tomson Board since December 2006. He has actively participated in business development, corporate management, property trading and securities investment for years.

Mr Charles Tong, aged 37, has been appointed an executive director of Tomson and a member of the executive committee of the Tomson Board since October 2008, and was elected as the vice-chairman of the Tomson Board since December 2010. He has joined the Tomson Group since December 2000 and has participated in property trading and business management of the Shanghai office of the Tomson Group. He now principally engages in property development and trading business in the PRC. In addition, he was a member of the 13th Tianjin Municipal Committee of the Chinese People's Political Consultative Conference during the period from January 2013 to January 2018.

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As at the Latest Practicable Date, (a) the Tong Family was interested in, directly and indirectly, a total of 1,224,489,885 ordinary shares in Tomson, representing approximately 58.818% of the issued ordinary shares of Tomson; and (b) the Offeree was interested in 247,300,000 ordinary shares in Tomson, representing approximately 11.879% of the issued ordinary shares of Tomson.

INTENTIONS OF THE OFFEROR REGARDING THE OFFEREE GROUP

In the event that the Offer becomes unconditional in accordance with its terms, the Offeror intends that the Offeree Group will continue to operate its business in substantially its current state. Upon the close of the Offer, the Offeror will conduct a detailed review of the business operations and portfolios, shareholding and capital structures, and financial position of the Offeree Group for the purpose of formulating a sustainable business plan or strategy for the Offeree Group's long term development and deployment of its resources. Subject to the results of the review, the Offeror may deploy other business focuses and opportunities and consider whether any asset disposals, asset acquisitions, fund raising, restructuring of the business and/or business diversification measures will be appropriate in order to enhance the long-term growth potential of the Offeree, and to improve return and value to the Shareholders.

Notwithstanding the above, as at the Latest Practicable Date, no investment or business opportunity had been identified nor had the Offeror entered into any agreements, arrangements, understandings or negotiations in relation to the injection of any assets or business into the Offeree Group. It is also the current intention of the Offeror that the employment of the existing employees of the Offeree Group will continue following completion of the Offer except for changes which may occur in the ordinary course of business.

REASONS FOR AND BENEFITS OF THE OFFER

The Tong Family is optimistic about the future prospect of the Offeree Group and the making of the Offer affirms the Tong Family's confidence in and commitment to the Offeree Group. The Offer is initiated with an aim to increasing the shareholding of the Tong Family in the Offeree via the Offeror making the Offer. In the event that the Offer becomes unconditional in accordance with its terms, the Tong Family will become a controlling shareholder of the Offeree, thereby allowing it to play a leading role in directing the future development of the Offeree Group with a view to creating greater value for the Shareholders in the long term.

LETTER FROM ABLE CAPITAL

In addition, the Offeror is of the view that the trading volume of the Shares has not been satisfactory. As set out in the paragraph headed “The Offer” in this letter, during the Relevant Period, the highest closing price per Share as quoted on the Stock Exchange was HK\$0.60 on 4 June 2018, 5 June 2018 and 11 June 2018 and the lowest closing price per Share as quoted on the Stock Exchange was HK\$0.50 on 9 October 2018, 12 October 2018, 22 October 2018, 23 October 2018, 25 October 2018, 29 October 2018, 30 October 2018, 31 October 2018 and 6 November 2018. The average closing price for the 90 trading days up to and including the Last Trading Day was approximately HK\$0.533 per Share. The average daily trading volume of the Shares for the 6-month period, 12-month period and 24-month period up to and including the Last Trading Day was approximately 903,972 Shares per day, 1,651,425 Shares per day, and 2,191,295 Shares per day, representing only approximately 0.03%, 0.06% and 0.08%, respectively, of the total Shares as at the Latest Practicable Date. The chronic low trading liquidity of the Shares could make it difficult for the Shareholders to divest scalable on-market disposals without adversely affecting the price of the Shares. Therefore, the Offer provides an immediate opportunity for the Offeree Independent Shareholders to realise their investments in the Shares in return for immediate cash and redeploy the cash received from accepting the Offer into other investment opportunities.

COMPOSITION OF THE OFFEREE BOARD

It is not the Offeror’s current intention to nominate the appointment of new directors to the Offeree Board immediately following (a) the Offer becoming or being declared unconditional or (b) the completion of the Offer, but the Offeror may from time to time exercise its rights as a Shareholder under the articles of association of the Offeree (which include the right to put forward proposal in respect of the appointment of directors to the Offeree Board).

PUBLIC FLOAT

According to the Listing Rules, if, upon the close of the Offer, less than 25% of the Shares are held by the public, or if the Stock Exchange believes that a false market exists or may exist in the trading of the Shares or there are insufficient Shares in public hands to maintain an orderly market, then the Stock Exchange will consider exercising its discretion to suspend dealings in the Shares.

LETTER FROM ABLE CAPITAL

MAINTAINING THE LISTING STATUS OF THE OFFEREE

The Offeror intends to maintain the listing status of the Offeree on the Stock Exchange. If the Offeror acquires the requisite percentage of the Offer Shares to enable it to compulsorily acquire all the Shares, the Offeror does not intend to exercise its right to compulsorily acquire the remaining Shares. The Offeror will take such appropriate steps as are necessary to ensure, or procure the Offeree to take such appropriate steps as are necessary to ensure, that the Offeree maintains an adequate public float so as to comply with the applicable requirements of the Listing Rules.

In this connection, it should be noted that upon the close of the Offer, there may be insufficient public float for the Shares and therefore trading in the Shares may be suspended until a sufficient level of public float is attained, and the directors of the Offeror have jointly and severally undertaken to the Stock Exchange to, subject to the Offer becoming unconditional in accordance with its terms, use their commercial reasonable endeavours to take appropriate steps following the close of the Offer to ensure that sufficient public float exists in the Shares.

COMPULSORY ACQUISITION

The Offeror does not intend to avail itself of any powers to compulsorily acquire any outstanding Offer Shares not acquired pursuant to the Offer after the close of the Offer.

GENERAL

To ensure equality of treatment of all Offeree Independent Shareholders, those Offeree Independent Shareholders who hold the Offer Shares as nominees 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 Offer Shares whose investments are registered in nominee names to accept the Offer, it is essential that they provide instructions of their intentions with regard to the Offer to their nominees.

All documents and cheques for payment to the Offeree Independent Shareholders will be sent to them by ordinary post at their own risk to their addresses as they appear in the register of members of the Offeree or, in the case of joint Offeree Independent Shareholders, to the Offeree Independent Shareholders whose name appears first in the register of members of the Offeree, as applicable. None of the Offeror, the Offeree, Able Capital nor any of their respective directors or any other person involved in the Offer will be responsible for any loss or delay in transmission or any other liabilities that may arise as a result thereof.

LETTER FROM ABLE CAPITAL

ADDITIONAL INFORMATION

Your attention is drawn to the additional information regarding the Offer set out in the appendices to the Composite Document and the accompanying Form of Acceptance, which form part of the Composite Document. In addition, your attention is also drawn to the “Letter from the Offeree Board”, the “Letter from the Offeree Independent Board Committee” and the letter of advice and recommendation by the Offeree Independent Financial Adviser to the Offeree Independent Board Committee and the Offeree Independent Shareholders as set out in the “Letter from the Offeree Independent Financial Adviser” contained in the Composite Document.

Yours faithfully,
For and on behalf of
Able Capital Partners Limited
Ambrose Lam
Director

LETTER FROM THE OFFEREE BOARD



Tomson Group

RIVERA (HOLDINGS) LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 281)

Non-Executive Chairman:

Madam Liu Ying

Executive Directors:

Madam Hsu Feng

Mr Albert Tong

Mr Wang Fahua

Madam Fan Suxia

Registered office:

Rooms 1501-2 and 1507-12

15th Floor

Wing On Centre

111 Connaught Road Central

Hong Kong

Non-Executive Director:

Mr Sung Tze-Chun

Independent Non-Executive Directors:

Mr Zhang Hong Bin

Mr Sit Hing Kwok

Mr Hung Wai Lung Ricky

11 January 2019

To the Offeree Independent Shareholders

Dear Sir or Madam,

**VOLUNTARY CONDITIONAL GENERAL CASH OFFER
BY ABLE CAPITAL PARTNERS LIMITED
ON BEHALF OF
STEP FAMOUS INVESTMENT LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
RIVERA (HOLDINGS) LIMITED
(OTHER THAN THOSE ALREADY OWNED BY OR
TO BE ACQUIRED BY STEP FAMOUS INVESTMENT LIMITED
AND THE PARTIES ACTING IN CONCERT WITH IT)**

1. INTRODUCTION

References are made to the Offeror Announcement and the Offeree Announcement whereby it was announced that Able Capital, on behalf of the Offeror, would make a voluntary conditional general cash offer to acquire all the Offer Shares.

LETTER FROM THE OFFEREE BOARD

The purpose of the Composite Document (of which this letter forms part) is to provide you with, among other things, (a) information relating to the Offeree Group, the Offeror and the Offer; (b) a letter from Able Capital containing, among other things, details of the Offer; (c) a letter from the Offeree Independent Board Committee containing its recommendation to the Offeree Independent Shareholders in relation to the Offer; and (d) a letter from the Offeree Independent Financial Adviser containing its advice and recommendation to the Offeree Independent Board Committee and the Offeree Independent Shareholders in relation to the Offer.

Unless the context otherwise requires, terms defined in the Composite Document shall have the same respective meanings when used in this letter.

2. OFFEREE INDEPENDENT BOARD COMMITTEE AND OFFEREE INDEPENDENT FINANCIAL ADVISER

Pursuant to Rule 2.8 of the Takeovers Code, members of the Offeree Independent Board Committee are all non-executive directors and independent non-executive directors of the Offeree who have no direct or indirect interest in the Offer other than as holders of the Shares (if any). Mr Sung Tze-Chun, a non-executive director of the Offeree, is not considered as independent for the purpose of giving advice or recommendation to the Offeree Independent Shareholders as he is a consultant of Tomson.

In accordance with Rules 2.1 and 2.8 of the Takeovers Code, the Offeree Independent Board Committee, comprising all non-executive directors and independent non-executive directors of the Offeree who are not directly or indirectly interested in the Offer, being Madam Liu Ying, Mr Zhang Hong Bin, Mr Sit Hing Kwok and Mr Hung Wai Lung Ricky, was established for the purpose of making a recommendation to the Offeree Independent Shareholders as to whether the Offer is, or is not, fair and reasonable and as to acceptance of the Offer.

Halcyon Capital, with the approval of the Offeree Independent Board Committee, has been appointed as the Offeree Independent Financial Adviser to advise the Offeree Independent Board Committee and the Offeree Independent Shareholders in connection with the Offer.

LETTER FROM THE OFFEREE BOARD

3. THE OFFER

As disclosed in the “Letter from Able Capital” in the Composite Document, Able Capital, on behalf of the Offeror, is making the Offer on the following basis:

For each Offer Share HK\$0.55 in cash

The Offer is extended to all Shareholders other than the Offeror and the Offeror Concert Parties (one of which is Tomson).

Further details of the Offer can be found in the “Letter from Able Capital” in and “Appendix I – Further Terms of the Offer” to the Composite Document and the accompanying Form of Acceptance, which together set out the terms and conditions of the Offer and certain related information.

4. VALUE OF THE OFFER

Your attention is drawn to the sub-paragraph headed “Value of the Offer” in the “Letter from Able Capital” in the Composite Document which sets out the value of the Offer.

5. CONDITIONS OF THE OFFER

Your attention is drawn to the paragraph headed “Conditions of the Offer” in the “Letter from Able Capital” in the Composite Document which sets out the Conditions of the Offer.

6. INTENTIONS OF THE OFFEROR REGARDING THE OFFEREE GROUP

The Offeree Board noted that the Offeror intended to continue to operate the business of the Offeree Group in substantially its current state in the event that the Offer becomes unconditional in accordance with its terms and that as at the Latest Practicable Date, the Offeror intended to continue the employment of the existing employees of the Offeree Group following completion of the Offer except for changes which may occur in the ordinary course of business.

Your attention is drawn to the paragraph headed “Intentions of the Offeror regarding the Offeree Group” in the “Letter from Able Capital” in the Composite Document which sets out the intentions of the Offeror with regard to the Offeree Group.

7. INFORMATION ON THE OFFEROR AND THE TONG FAMILY

Your attention is drawn to the paragraph headed “Information on the Offeror and the Tong Family” in the “Letter from Able Capital” in the Composite Document for information relating to the Offeror and the Tong Family.

LETTER FROM THE OFFEREE BOARD

8. INFORMATION ON THE OFFEREE GROUP

The Offeree is a company incorporated in Hong Kong with limited liability and the Shares are listed on the Main Board of the Stock Exchange. As at the Latest Practicable Date, the Offeree Group was principally engaged in property development and investment, and securities trading and investment.

Your attention is also drawn to the financial and general information of the Offeree Group set out in “Appendix II – Financial Information of the Offeree Group” and “Appendix IV – General Information of the Offeree Group”, respectively, to the Composite Document.

9. MAINTAINING THE LISTING STATUS OF THE OFFEREE

According to the “Letter from Able Capital” contained in the Composite Document, the Offeree Board noted that the Offeror intends the Offeree to remain listed on the Stock Exchange and the directors of the Offeror have jointly and severally undertaken to the Stock Exchange to, subject to the Offer becoming unconditional in accordance with its terms, use their commercial reasonable endeavours to take appropriate steps following the close of the Offer to ensure that sufficient public float exists in the Shares.

10. FURTHER INFORMATION

You are advised to read the “Letter from Able Capital” in and “Appendix I – Further Terms of the Offer” to the Composite Document and the accompanying Form of Acceptance for information relating to the Offer and the acceptance and settlement procedures of the Offer. Your attention is also drawn to the additional information contained in the appendices to the Composite Document.

11. RECOMMENDATION

The Offeree Independent Financial Adviser is of the opinion that the terms of the Offer are **not** fair and reasonable so far as the Offeree Independent Shareholders are concerned, and accordingly, it advises the Offeree Independent Shareholders and the Offeree Independent Board Committee to recommend the Offeree Independent Shareholders **not** to accept the Offer.

The Offeree Independent Board Committee, after taking into account the advice and recommendation from the Offeree Independent Financial Adviser and the principal factors and reasons as set out in the “Letter from the Offeree Independent Financial Adviser” in the Composite Document, considers that the terms of the Offer are **not** fair and reasonable so far as the Offeree Independent Shareholders are concerned and recommends the Offeree Independent Shareholders **not** to accept the Offer.

LETTER FROM THE OFFEREE BOARD

Your attention is drawn to (a) the “Letter from the Offeree Independent Board Committee” as set out on pages 30 and 31 of the Composite Document, which contains its recommendation to the Offeree Independent Shareholders in relation to the Offer; and (b) the “Letter from the Offeree Independent Financial Adviser” as set out on pages 32 to 61 of the Composite Document, which sets out its advice and recommendation to the Offeree Independent Board Committee and the Offeree Independent Shareholders in relation to the Offer and the principal factors considered by it before arriving at its recommendation. You are urged to read both letters and the other information contained in the Composite Document carefully before taking any action in respect of the Offer.

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

Yours faithfully,
For and on behalf of the board
Rivera (Holdings) Limited
Liu Ying
Non-Executive Chairman

LETTER FROM THE OFFEREE INDEPENDENT BOARD COMMITTEE



Tomson Group

RIVERA (HOLDINGS) LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 281)

11 January 2019

To the Offeree Independent Shareholders

Dear Sir or Madam,

**VOLUNTARY CONDITIONAL GENERAL CASH OFFER
BY ABLE CAPITAL PARTNERS LIMITED
ON BEHALF OF
STEP FAMOUS INVESTMENT LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
RIVERA (HOLDINGS) LIMITED
(OTHER THAN THOSE ALREADY OWNED BY OR
TO BE ACQUIRED BY STEP FAMOUS INVESTMENT LIMITED
AND THE PARTIES ACTING IN CONCERT WITH IT)**

INTRODUCTION

We refer to the Composite Document dated 11 January 2019 issued jointly by the Offeror and the Offeree of which this letter forms part. Unless the context requires otherwise, capitalised terms used in this letter shall have the same respective meanings as those defined in the Composite Document.

We have been appointed by the Offeree Board to form the Offeree Independent Board Committee to make recommendation to you as to whether, in our opinion, the terms of the Offer are fair and reasonable so far as the Offeree Independent Shareholders are concerned and as to acceptance of the Offer.

We, being the members of the Offeree Independent Board Committee, have declared that we are independent and do not have any conflict of interest in respect of the Offer and are therefore able to consider the terms of the Offer and to make recommendation to the Offeree Independent Shareholders.

LETTER FROM THE OFFEREE INDEPENDENT BOARD COMMITTEE

Halcyon Capital has been appointed, with our approval, as the Offeree Independent Financial Adviser to advise and make recommendation to us and the Offeree Independent Shareholders as to the terms and conditions of the Offer and as to acceptance of the Offer. Details of its advice and recommendation and the principal factors taken into consideration in arriving at its recommendation are set out in the “Letter from the Offeree Independent Financial Adviser” in the Composite Document.

We also wish to draw your attention to the “Letter from Able Capital”, the “Letter from the Offeree Board” and the additional information set out in the Composite Document, including the appendices to the Composite Document and the accompanying Form of Acceptance.

RECOMMENDATION

Having taken into account the advice and recommendation of the Offeree Independent Financial Adviser, in particular the factors, reasons and recommendation as set out in the “Letter from the Offeree Independent Financial Adviser”, we concur with the view of the Offeree Independent Financial Adviser and consider that the terms of the Offer are **not** fair and reasonable so far as the Offeree Independent Shareholders are concerned, and recommend the Offeree Independent Shareholders **not** to accept the Offer.

Notwithstanding our recommendation, the Offeree Independent Shareholders are strongly advised that their decision to realise or to hold their investment in the Offeree depends on their own individual circumstances, investment horizon and objectives. If in any doubt, the Offeree Independent Shareholders should consult their own professional advisers for professional advice.

Yours faithfully,

Independent Board Committee
of
Rivera (Holdings) Limited

Madam Liu Ying	Mr Zhang Hong Bin	Mr Sit Hing Kwok	Mr Hung Wai Lung
<i>Non-Executive Chairman</i>	<i>Independent Non-Executive Director</i>	<i>Independent Non-Executive Director</i>	Ricky <i>Independent Non-Executive Director</i>

LETTER FROM THE OFFEREE INDEPENDENT FINANCIAL ADVISER

The following is the full text of the letter of advice from Halcyon Capital to the Offeree Independent Board Committee and the Offeree Independent Shareholders which has been prepared for the purpose of the inclusion in this Composite Document.



11/F, 8 Wyndham Street
Central
Hong Kong

11 January 2019

*To: the Offeree Independent Board Committee and
the Offeree Independent Shareholders*

Dear Sirs,

**VOLUNTARY CONDITIONAL GENERAL CASH OFFER
BY ABLE CAPITAL PARTNERS LIMITED
ON BEHALF OF
STEP FAMOUS INVESTMENT LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
RIVERA (HOLDINGS) LIMITED
(OTHER THAN THOSE ALREADY OWNED BY OR
TO BE ACQUIRED BY STEP FAMOUS INVESTMENT LIMITED
AND THE PARTIES ACTING IN CONCERT WITH IT)**

We refer to our appointment as the independent financial adviser to advise the Offeree Independent Board Committee, in connection with the Offer, details of which are contained in the composite offer and response document to the Offeree Independent Shareholders dated 11 January 2019 (the “**Composite Document**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Composite Document unless the context otherwise requires.

On 4 December 2018, the Offeror and the Offeree separately announced that (the “**Announcements**”), on 3 December 2018 (after trading hours), Able Capital notified the Offeree Board that the Offeror firmly intended to make a voluntary conditional general cash offer through Able Capital to acquire all the Shares other than those already owned by or to be acquired by the Offeror and the Offeror Concert Parties (one of which is Tomson) in compliance with the Takeovers Code.

Pursuant to the Offeror Announcement, the Offer Price for each Offer Share to be tendered for acceptance under the Offer is HK\$0.55 in cash.

LETTER FROM THE OFFEREE INDEPENDENT FINANCIAL ADVISER

The Offeree Independent Board Committee, comprising all non-executive directors and independent non-executive directors of the Offeree who are not interested in the Offer, being Madam Liu Ying, Mr Zhang Hong Bin, Mr Sit Hing Kwok and Mr Hung Wai Lung Ricky, was formed to give advice to the Offeree Independent Shareholders on whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer. Mr Sung Tze-Chun, a non-executive director of the Offeree, is not considered as independent for the purpose of giving advice or recommendation to the Offeree Independent Shareholders as he is a consultant of Tomson. The Offeree Independent Board Committee has approved our appointment as the Offeree Independent Financial Adviser to advise the Offeree Independent Board Committee and the Offeree Independent Shareholders in this regard.

We are not associated or connected with the Offeree or the Offeror, their respective substantial shareholders or any party acting, or presumed to be acting, in concert with any of them, and accordingly, are considered eligible to give independent advice on the Offer. In the last two years from the date of our appointment, we have no relationships with or interests in the Offeree Group or the Offeror and the Offeror Concert Parties, their respective substantial shareholders or any party acting, or presumed to be acting, in concert with any of them that could reasonably be regarded as relevant to our independence. Apart from the normal professional fees payable to us in connection with our appointment, no arrangements exist whereby we had received any fees or benefits from the Offeree Group or the Offeror, their respective substantial shareholders or any party acting or presumed to be acting, in concert with any of them. We therefore consider ourselves suitable to give independent advice to the Offeree Independent Board Committee and the Offeree Independent Shareholders in respect of the Offer pursuant to Rule 2.6 of the Takeovers Code and Rule 13.84 of the Listing Rules.

BASIS OF OUR OPINION

In formulating our opinion, we have relied on the information, financial information and facts supplied to us and representations expressed by the Offeree Directors and/or the management of the Offeree Group and have assumed that all such information, financial information and facts and any representations made to us or referred to in the Announcements and the Composite Document dated 11 January 2019, for which they are fully responsible, are made after due and careful inquiry by the Offeree Directors and/or management of the Offeree Group and are true, accurate and complete as at the time they were made and as at the Latest Practicable Date and continue to be true, and the Offeree Independent Shareholders will be informed of any material change as soon as possible throughout the Offer Period. We have been advised by the Offeree Directors and/or the management of the Offeree that all relevant information has been supplied to us and that no material facts have been omitted from the information supplied and representations expressed to us. We have also relied on certain information available to the public and have assumed such information to be accurate and reliable and there are no reasons to doubt the accuracy and reliability of such public information.

LETTER FROM THE OFFEREE INDEPENDENT FINANCIAL ADVISER

The Offeree Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Composite Document (other than that relating to the Offeror and the Offeror Concert Parties) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Composite Document (other than those expressed by the Offeror Board) have been arrived at after due and careful consideration and there are no other facts not contained in the Composite Document, the omission of which would make any statement in the Composite Document misleading and the Offeree Independent Shareholders will be informed of any material change as soon as possible throughout the Offer Period.

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

We have no reason to doubt the completeness, truth or accuracy of the information and facts provided and we are not aware of any facts or circumstances which would render such information provided and representations made to us untrue, inaccurate or misleading. We have also sought and received confirmation from the Offeree Directors that no material facts have been omitted from the information supplied and opinions expressed to us.

Our review and analyses were based upon, among others, the information provided by the Offeree Group including the Announcements and the Composite Document and certain published information from the public domain including trading performance of the Shares on the Stock Exchange and Bloomberg, information set out in the Composite Document and the annual reports and interim report of the Offeree for the two years ended 31 December 2017 and for the six months ended 30 June 2018 respectively. We considered that we have reviewed sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent verification of the information nor have we conducted any form of in-depth investigation into the businesses, affairs, borrowing and financial position or prospects of the Offeree, the Offeree Group, or the Offeror, their respective substantial shareholders or any party acting, or presumed to be acting, in concert with any of them, and the parties involved in the Offer.

LETTER FROM THE OFFEREE INDEPENDENT FINANCIAL ADVISER

We have not considered the tax and regulatory implications of the Offer on the Offeree Independent Shareholders, since these are particular to their individual circumstances. In particular, the Offeree Independent Shareholders who are overseas residents or 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 of the Offeree Independent Board Committee and the Offeree Independent Shareholders solely in connection with their consideration of the Offer, and except for its inclusion in the 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 TERMS OF THE OFFER

The principal terms of the Offer are summarised below:

The Offeree Board announced that, after trading hours on 3 December 2018, it has received a letter dated 3 December 2018 from Able Capital notifying the Offeree Board that the Offeror firmly intended to make a voluntary conditional general cash offer through Able Capital to acquire all the Shares other than those already owned by or to be acquired by the Offeror and the Offeror Concert Parties (one of which is Tomson) in compliance with the Takeovers Code on the basis of HK\$0.55 in cash for each Offer Share.

The Offeror also announced in the Offeror Announcement that the Offer Price will not be increased and the Offeror does not reserve the right to do so. Shareholders and potential investors of the Offeree should be aware that, following the making of such statement, the Offeror will not be allowed to increase the Offer Price save in wholly exceptional circumstances, as provided in Rule 18.3 of the Takeovers Code.

The Offer will be extended to all Shareholders other than the Offeror and the Offeror Concert Parties (one of which is Tomson).

The Offer Shares to be acquired under the Offer shall be fully paid and shall be acquired free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature and together with all rights, benefits and entitlements attaching to them as at the Closing Date or subsequently becoming attached to them, including the right to receive and retain all dividends and other distributions, if any, the record date in respect of which falls on or after the Closing Date.

LETTER FROM THE OFFEREE INDEPENDENT FINANCIAL ADVISER

The Offer is subject to satisfaction (or waiver, if applicable) of the Conditions as set out in the Composite Document and below, and accordingly, the Offer may or may not become unconditional.

Based on the Composite Document, the Offer is subject to the following Conditions:

- (i) valid acceptances of the Offer having been received (and not, where permitted, withdrawn) by 4:00 p.m. on the Closing Date (or such later time or date as the Offeror may, subject to the rules of the Takeovers Code, decide) in which, together with the Shares held, acquired or agreed to be acquired before or during the Offer, will result in the Offeror and the Offeror Concert Parties holding in aggregate more than 50% of the voting rights of the Offeree;
- (ii) the Shares remaining listed and traded on the Stock Exchange up to the Closing Date (or, if earlier, the date on which the Offer becomes unconditional) save for any trading halt(s) or temporary suspension(s) of trading in the Shares as a result of the Offer and no indication being received on or before the Closing Date (or, if earlier, the date on which the Offer becomes unconditional) from the SFC and/or the Stock Exchange to the effect that the listing of the Shares on the Stock Exchange is or is likely to be withdrawn;
- (iii) no event having occurred which would make the Offer or the acquisition of any of the Offer Shares void, unenforceable or illegal or prohibit implementation of the Offer or would impose any additional material conditions or obligations with respect to the Offer or any part thereof;
- (iv) no relevant government, governmental, quasi-government, statutory or regulatory body, court or agency in Hong Kong or any other jurisdictions having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order) that would make the Offer or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Offer or its implementation in accordance with its terms); and
- (v) since the Offeror Announcement Date, there having been no material adverse change in the business, assets, financial or trading positions or prospects or conditions (whether operational, legal or otherwise) of the Offeree Group (to an extent which is material in the context of the Offeree Group taken as a whole).

LETTER FROM THE OFFEREE INDEPENDENT FINANCIAL ADVISER

The Offeror has the right to waive, in whole or in part, all or any of the Conditions set out above (other than Condition (i)). Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror should not invoke any or all of the Conditions so as to cause the Offer to lapse unless the circumstances which give rise to the right to invoke any such Conditions are of material significance to the Offeror in the context of the Offer.

As at the Latest Practicable Date, the Offeree is not aware that any of the Conditions has been satisfied or waived by the Offeror.

In accordance with Rule 15.3 of the Takeovers Code, the Offeror must publish an announcement when the Offer becomes unconditional as to acceptances and when the Offer becomes unconditional in all respects. The Offer must also remain open for acceptance for at least fourteen (14) days after the Offer becomes unconditional in all respects. Offeree Independent Shareholders should note that the Offeror does not have any obligation to keep the Offer open for acceptance beyond the fourteen (14)-day period.

Further terms and conditions of the Offer including, among other things, its extension to the Offeree Independent Shareholders whose address(es) as stated in the register of members of the Offeree is(are) outside Hong Kong, information on taxation, the terms and conditions and the procedures for acceptance and settlement and acceptance period are set out in the “Letter from Able Capital” as set out in the Composite Document, Appendix I to the Composite Document and the Form of Acceptance.

Offeree Independent Shareholders are recommended to read carefully the Composite Document, which contains details of the terms and important information of the Offer.

LETTER FROM THE OFFEREE INDEPENDENT FINANCIAL ADVISER

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our recommendation in respect of the Offer, we have considered the following principal factors and reasons:

1. Reasons for and benefits of the Offer

As set out in the Offeror Announcement, the reasons for and benefits of the Offer are as follows:

The Tong Family is optimistic about the future prospect of the Offeree Group and the making of the Offer affirms the Tong Family's confidence in and commitment to the Offeree Group. The Offer is initiated with an aim to increasing the shareholding of the Tong Family in the Offeree via the Offeror making the Offer. In the event the Offer becomes unconditional, the Tong Family will become a controlling shareholder of the Offeree thereby allowing it to play a leading role in directing the future development of the Offeree Group with a view to creating greater value for the Shareholders in the long term.

In addition, the Offeror is of the view that the trading volume of the Shares has not been satisfactory. The average daily trading volume of the Shares for the 6-month period, 12-month period and 24-month period up to and including the Last Trading Day was approximately 903,972 Shares per day, 1,651,425 Shares per day, and 2,191,295 Shares per day, representing only approximately 0.03%, 0.06% and 0.08%, respectively, of the total number of Shares as at the date of the Announcements. The chronic low trading liquidity of the Shares could make it difficult for the Shareholders to divest scalable on-market disposals without adversely affecting the price of the Shares.

Therefore, the Offeror considers that the Offer provides an immediate opportunity for the Offeree Independent Shareholders to realise their investments in the Shares in return for immediate cash and redeploy the cash received from accepting the Offer into other investment opportunities.

2. Background and information of the Offeree Group

The Offeree is an investment holding company incorporated in Hong Kong on 4 May 1964. The Offeree was listed on the Main Board of the Stock Exchange in January 1973 and the Offeree Group is primarily engaged in securities trading and investment as well as property development and investment.

LETTER FROM THE OFFEREE INDEPENDENT FINANCIAL ADVISER

Pursuant to the interim report of the Offeree, contribution from securities trading and investment to the Offeree Group was mainly derived from dividend receipts as well as profit on sale of and unrealized gain on changes in fair value of trading securities investments. As at 30 June 2018 investments held by the Offeree Group included a long term investment of 11.87% interest in Tomson and other trading securities investments including real estate investment trusts, equity securities in conglomerates, telecommunications and financial institution (i.e. banks). The Offeree Group also through a non-wholly owned subsidiary in Shanghai, the PRC invested in various unlisted start-up partnerships and companies held as long term equity investments.

The Offeree Group also engages in property development and investments in Macau and Shanghai, including the holding of three hundred-plus car parking spaces in its residential development in Zhangjiang Hi-Tech Park, Pudong New Area, Shanghai (“**Zhangjiang Park**”) through a non-wholly owned subsidiary. Proceeds have been generated from the sales and leasing of such car parking spaces. The Offeree Group also holds a 37% interest in a property development company, Shanghai Zhangjiang Micro-electronics Port Co. Ltd. (“**SZMP**”) in the PRC which principally engages in the residential, office and commercial property development and investment in Shanghai. Apart from holding car parking spaces for sale and/or leasing purposes, SZMP as at 30 June 2018, held (i) 7 blocks of office buildings in Zhangjiang Micro-electronics Port situated in Zhangjiang Park; (ii) residential gross floor area of approximately 65,400 square meters in Zhangjiang Tomson Garden in Zhangjiang Park; (iii) gross floor area of approximately 26,300 square meters of ZJ Legend, a commercial centre in Zhangjiang Park; and (iv) a commercial-cum-office building in Fengxian District, Shanghai for leasing purpose. In addition, as at 30 June 2018, SZMP held a land bank with a site area of approximately 15,000 square meters for development of phase 2 of ZJ Legend.

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3. Analysis of financial information of the Offeree Group

(i) Financial performance

Set out below is the summary of consolidated statements of profit or loss of the Offeree Group for each of the three years ended 31 December 2015 (“FY2015”), 31 December 2016 (“FY2016”) and 31 December 2017 (“FY2017”) and for the six months ended 30 June 2017 (“6 months 2017”) and 30 June 2018 (“6 months 2018”) which are extracted from the interim/annual reports of the Offeree Group:

	For the year ended			For the six months ended	
	31 December			30 June	
	2015	2016	2017	2017	2018
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Gross proceeds from operations	<u>401,178</u>	<u>633,532</u>	<u>140,097</u>	<u>105,744</u>	<u>148,390</u>
Revenue	1,955	3,681	2,269	1,122	34,949
Cost of sales	<u>(581)</u>	<u>(1,046)</u>	<u>(398)</u>	<u>(283)</u>	<u>(1,937)</u>
Gross profit	1,374	2,635	1,871	839	33,012
Dividends from available-for-sale investments	19,118	38,220	86,000	86,000	-
Dividend from equity instruments at fair value through other comprehensive income	-	-	-	-	95,245
Other income	20,909	12,802	8,980	4,001	7,001
Exchange gain/(loss)	(14,305)	(10,571)	1,645	712	(318)
Net gain in held-for-trading investment	13,278	101,220	7,388	-	-
Gain on financial assets at fair value through profit or loss	-	-	-	4,518	6,341
Share of results of an associate	141,306	187,883	177,992	187,796	22,205
Selling and administrative expenses	<u>(12,553)</u>	<u>(12,166)</u>	<u>(12,298)</u>	<u>(6,007)</u>	<u>(6,034)</u>
Profit before tax	169,127	320,023	271,578	277,859	157,452
Taxation	<u>5,463</u>	<u>(14,173)</u>	<u>9,743</u>	<u>(9,887)</u>	<u>(4,527)</u>
Profit for the year/period	<u>174,590</u>	<u>305,850</u>	<u>281,321</u>	<u>267,972</u>	<u>152,925</u>
Profit for the year/period attributable to owners of the Offeree	<u>174,126</u>	<u>305,586</u>	<u>281,142</u>	<u>267,917</u>	<u>152,824</u>

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FY2016 vs FY2015

In FY2016 the Offeree Group's gross proceeds from operations (comprising of (i) gross proceeds from disposal of held-for-trading investments; (ii) dividends income from available-for-sale investments; and (iii) dividends income from held-for-trading investments) increased by 57.9% from HK\$401.2 million in FY2015 to HK\$633.5 million in FY2016. The increase in the Offeree Group's gross proceeds from operations was mainly attributable to the increase in sales proceeds from disposal of held-for-trading investments as well as the increase in dividend income from available-for-sale investments and held-for-trading investments. The consolidated profit of the Offeree Group in FY2016 was mainly derived from a share of the results of an associate of the Offeree Group. This associate is engaged in property development and investment in Shanghai and the Offeree Group shared from such associate a profit of HK\$187.9 million in FY2016 representing an increase of 33.0% from HK\$141.3 million in FY2015.

Apart from the results of the Offeree Group's principal activities, the Offeree Group also received an interest income of HK\$12.7 million in FY2016. Due to the impact of depreciation of Renminbi deposit, the Offeree Group also recorded an exchange loss of HK\$10.6 million in FY2016 for its translation to Hong Kong dollars.

As a result of the above, the Offeree Group's profit for the year attributable to owners of the Offeree in FY2016 increased by 75.5%.

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FY2017 vs FY2016

In FY2017 the Offeree Group's gross proceeds from operations decreased by 77.9% from HK\$633.5 million in FY2016 to HK\$140.1 million in FY2017. The decrease in the Offeree Group's gross proceeds from operations was mainly attributable to the decrease in sales proceeds from disposal of held-for-trading investments from HK\$573.6 million to HK\$49.0 million. The consolidated profit of the Offeree Group in FY2017 continued to be mainly derived from a share of the results of an associate of the Offeree Group. This associate is engaged in property development and investment in Shanghai and the Offeree Group shared from such associate a profit of HK\$178.0 million in FY2017 representing a decrease of 5.3% from HK\$187.9 million in FY2016.

Furthermore, the Offeree Group also reported an increase in profit in its securities trading and investment business in Hong Kong due to the receipt of a dividend income of HK\$86 million in FY2017 as compared to HK\$38.2 million in FY2016 from its long-term securities investments while offset by decrease in net gain in the Offeree Group's trading securities investments from HK\$101.2 million in FY2016 to HK\$7.4 million in FY2017.

As the management of the Offeree Group adjusted the weighting of the cash balance in Renminbi in Hong Kong in the second-half of 2016, the Offeree Group recorded an exchange gain of HK\$1.6 million in FY2017 as compared to an exchange loss of HK\$10.6 million in FY2016.

As a result of the above, the Offeree Group's profit for the year attributable to owners of the Offeree in FY2017 decreased by 8.0% from HK\$305.6 million in FY2016 to HK\$281.1 million in FY2017.

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6 months 2018 vs 6 months 2017

During the 6 months 2018, the Offeree Group reported a profit attributable to owners of the Offeree of HK\$152.8 million representing a decrease of approximately 43.0% from HK\$267.9 million during the 6 months 2017.

The decrease in the results during the 6 months 2018 was principally attributable to a reduction in the share of the profit of SZMP, an associate of the Offeree Group which is engaged in property development and investment in Shanghai, from HK\$187.8 million during the 6 months 2017 to HK\$22.2 million during the 6 months 2018. Fundamentally, for companies principally engaged in property development and investment, they could recognize revenue from property sale and leasing. Revenue and profit contribution will be substantially affected by the availability of properties and the actual sales or leases of such properties. During the 6 months 2017, the associate of the Offeree Group, SZMP derived its revenue mainly from sales of its residential development project in Fengxian District of Shanghai upon completion of construction and delivery of properties sold. The said residential development project was sold out and all sale proceeds were recognized in 2017 while in the 6 months 2018 a lesser amount of proceeds were recognized from sales of car parking spaces and revenue of SZMP were derived mainly from property leasing, thus in the 6 months 2018, share of profit of the associate of the Offeree Group decreased substantially. The property projects currently held by SZMP are mainly for leasing purpose, hence rental instead of sale proceeds will be the principal source of revenue of such associate. While such decrease in the results of the Offeree Group during the 6 months 2018 was offset by (i) the increase in dividend income from its long-term equity investments from HK\$86 million during 6 months 2017 to HK\$95.2 million during 6 months 2018; (ii) the increase in net gain in the Offeree Group's trading securities investment from HK\$4.5 million during 6 months 2017 to HK\$6.3 million during 6 months 2018; and (iii) the increase in gross profit during 6 months 2018 from HK\$0.8 million during 6 months 2017 to HK\$33.0 million during 6 months 2018 owing to completion of sale of miscellaneous properties held for sale in Macau.

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(ii) Financial position

Set out below is the summary of consolidated statements of financial position of the Offeree Group as at 31 December 2017 and as at 30 June 2018, which are extracted from the interim report for the 6 months 2018 of the Offeree Group:

	As at 31 December 2017 HK\$'000	As at 30 June 2018 HK\$'000
Interest in an associate	975,284	984,905
Equity instruments at fair value through other comprehensive income	–	743,279
Available-for-sale investments	776,956	–
Other non-current assets	<u>50,447</u>	<u>49,927</u>
Total non-current assets	<u>1,802,687</u>	<u>1,778,111</u>
Cash and bank balances	1,218,731	1,136,959
Financial assets at fair value through profit or loss	57,287	74,895
Other current assets	<u>42,388</u>	<u>38,819</u>
Total current assets	<u>1,318,406</u>	<u>1,250,673</u>
Non-current liability	(32,084)	(33,194)
Current Liabilities	<u>(130,602)</u>	<u>(131,680)</u>
Net assets	<u><u>2,958,407</u></u>	<u><u>2,863,910</u></u>

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Assets

According to the interim report of the Offeree Group, major assets of the Offeree Group comprised of investment in securities and cash and bank balances. The Offeree Group as at 30 June 2018 held investment in listed securities amounted to HK\$794.5 million (including listed equity investment and financial assets in real estate investment trusts, conglomerates and telecommunications). Together with the Offeree Group's cash and bank balances amounted to HK\$1,137.0 million, the Offeree Group's liquid and marketable assets as at 30 June 2018 in aggregate amounted to HK\$1,931.5 million.

Taking into consideration the number of issued shares of the Offeree as at 30 June 2018 of 2,608,546,511 Shares and the Offeree Group's cash and bank balances as at 30 June 2018, the Offeree Group's cash per Share amounted to approximately HK\$0.44 while taking into account the Offeree Group's liquid and marketable assets in aggregate amounted to HK\$1,931.5 million, the Offeree Group's liquid and marketable assets per Share amounted to approximately HK\$0.74.

Liabilities

As at 30 June 2018, total liabilities of the Offeree Group amounted to HK\$164.9 million which mainly included tax payable amounted to HK\$115.3 million and deferred tax liabilities amounted to HK\$33.2 million. The Offeree Group had no interest bearing borrowings.

Net assets

Consolidated net assets value of the Offeree Group attributable to owners of the Offeree decreased from HK\$2,947.2 million as at 31 December 2017 to HK\$2,854.0 million as at 30 June 2018 which was mainly contributed by the recognition of fair value loss on equity instruments at fair value through other comprehensive income amounted to HK\$114.0 million and the payment of dividend amounted to HK\$117.4 million.

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4. Future prospects of the Offeree Group

According to the interim report of the Offeree Group, the Offeree Group intended to continue to carry out securities trading and investment as well as property development and investment as its principal operating activities.

In view of the uncertainty in global and Hong Kong financial markets, the management of the Offeree Group will closely monitor market conditions and will remain cautious in managing the Offeree Group's securities trading and investment portfolio so as to maximize its return to the Shareholders. The Offeree Group would also aim at seeking out appropriate opportunities to expand its investment portfolio and will also focus on investment in high-yield listed securities for stable recurrent income and long-term capital appreciation.

For property development and investment, the Offeree Group will continue to target residential properties for the middle-class and commercial-cum-office-properties in the PRC. It is expected that the results of SZMP, an associate of the Offeree Group, will continue to be one of the principal sources of profit to the Offeree Group. In contrast to FY2017, most of the properties held for sale had been sold as such major revenue source of SZMP would be generated from rental of properties in the future. As the revenue of SZMP will be predominantly from rental income in the coming years, it is expected that the share of the results from such associate will decrease as compared with the results for FY2017. In terms of the Offeree Group's Macau property investment, taking into consideration the "Urban redevelopment programme of the Northern District of Taipa Area" announced in 2013 by the Macau government, the Offeree Group will continue to explore and evaluate various feasibility plans for the Offeree Group's investment property to realize its development potential.

Market overview of the Offeree Group's operation

As the securities trading and investment segment (including the Offeree Group's long-term equity investments) accounted for over 90% and 75% of the Offeree Group's results as disclosed in the segment information of the 2017 annual report and 2018 interim report of the Offeree Group respectively, the Offeree Group's financial results would be affected by the Offeree Group's securities trading and investment performance (including the performance of the Offeree Group's long-term equity investments) in addition to the Offeree Group's share of results of SZMP.

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As all the trading securities and over 90% of long-term equity investments held by the Offeree Group are listed on the Stock Exchange, the Offeree Group's performance would in general be affected by the stock market condition in Hong Kong. According to the Stock Exchange's website, from 1 January 2018 and up to the Latest Practicable Date, Hang Seng Index traded between 24,585.3 and 33,154.1 and closed at 25,875.45 on the Latest Practicable Date represents a decrease of 15.2% as compared to 1 January 2018 of 30,515.31 and a difference between highest and lowest point of 25.8%. Given the performance of the Hong Kong Stock market had been volatile in 2018, the return on the Offeree Group's investment in the listed securities in Hong Kong may fluctuate from time-to-time.

5. Intentions of the Offeror

As stated in the "Letter from Able Capital" in the Composite Document, in the event that the Offer becomes unconditional in accordance with its terms, the Offeror intends that the Offeree Group will continue to operate its business in substantially its current state. Upon the close of the Offer, the Offeror will conduct a detailed review of the business operations and portfolios, shareholding and capital structures, and financial position of the Offeree Group for the purpose of formulating a sustainable business plan or strategy for the Offeree Group's long term development and deployment of its resources. Subject to the results of the review, the Offeror may deploy other business focuses and opportunities and consider whether any asset disposals, asset acquisitions, fund raising, restructuring of the business and/or business diversification measures will be appropriate in order to enhance the long-term growth potential of the Offeree, and to improve return and value to the Shareholders. Notwithstanding the above, as at the Latest Practicable Date, no investment or business opportunity had been identified nor had the Offeror entered into any agreements, arrangements, understandings or negotiations in relation to the injection of any assets or business into the Offeree Group. It is also the current intention of the Offeror that the employment of the existing employees of the Offeree Group will continue following completion of the Offer except for changes which may occur in the ordinary course of business.

Furthermore, as stated in the "Letter from Able Capital" in the Composite Document, the Offeror intends to maintain the listing status of the Offeree on the Stock Exchange. If the Offeror acquires the requisite percentage of the Offer Shares to enable it to compulsorily acquire all the Shares, the Offeror does not intend to exercise its right to compulsorily acquire the remaining Shares. The Offeror will take such steps as are necessary to ensure, or procure the Offeree to take such steps as are necessary to ensure, that the Offeree maintains an adequate public float so as to comply with the applicable requirements of the Listing Rules.

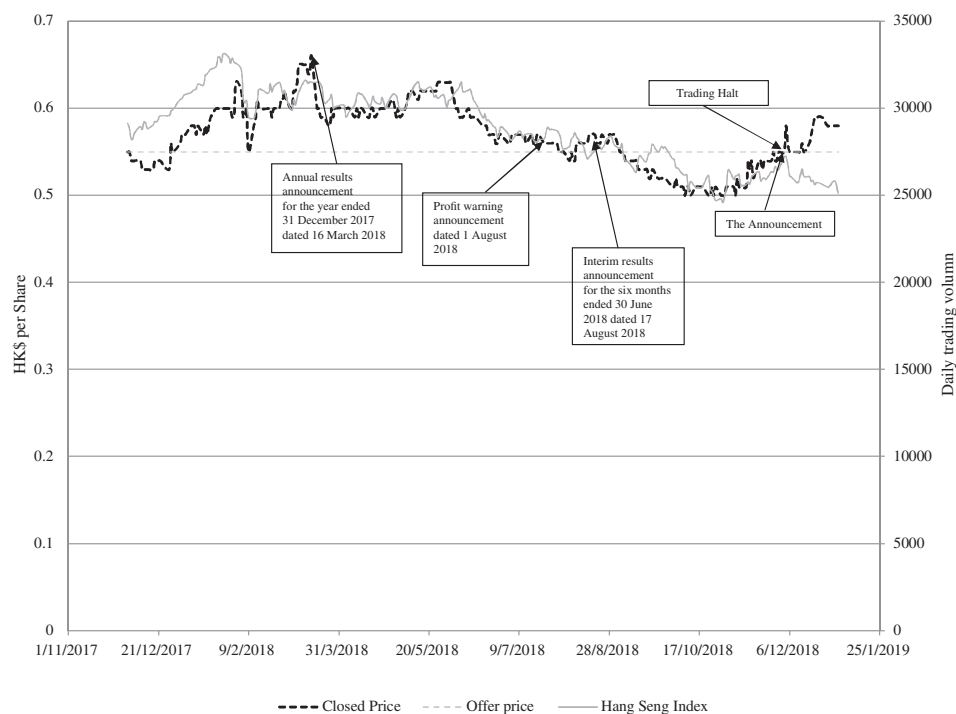
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In view of the Offeror's intention to continue to maintain the listing status of the Offeree on the Stock Exchange, should the Offeree Independent Shareholders decide not to accept the Offer, Shares held by the Offeree Independent Shareholders will continue to be eligible for trading on the Stock Exchange.

6. Analysis of the price performance and trading liquidity of the Shares

(i) Historical Share price performance

The following chart shows the closing prices of Shares as quoted on the Stock Exchange from 4 December 2017 (being the date which is 12 months prior to the Last Trading Day) up to and including 3 December 2018 (the "Pre-Announcement Period") and from the afternoon trading session of 4 December 2018 (being the trading session which the resumption of trading of Shares upon the publication of the Offeror Announcement during noon time on 4 December 2018) up to and including the Latest Practicable Date (the "Post-Announcement Period") relative to the movement of the Hang Seng Index ("HSI"):



Source: the website of the Stock Exchange

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As illustrated in the above, during the Pre-Announcement Period, Shares closed in the range between lowest of HK\$0.50 (on 9 October 2018, 12 October 2018, between 22 October 2018 and 23 October 2018, between 29 October 2018 and 31 October 2018 and 6 November 2018 resulting from general share price fluctuation) and highest of HK\$0.66 (on 16 March 2018 resulting from general share price fluctuation) per Share, with an average and a median of both approximately HK\$0.57 per Share.

The price of Shares was closed at HK\$0.55 per Share on 9 February 2018 and subsequently increased to HK\$0.66 per Share on 16 March 2018 and after market close, the Offeree issued the annual results announcement of the Offeree Group for the year ended 31 December 2017. The Offeree Group reported a slight decrease of approximately 8.0% in the profit of the Offeree Group for the year 2017 as compared with that for the corresponding period in 2016. Then, the closing price of the stock decreased to HK\$0.60 per Share on 19 March 2018 (the first full trading day following the annual results announcement of the Offeree Group for the year ended 31 December 2017). The closing price of Shares remained relatively stable between April 2018 to May 2018, then followed a general downward trend since May 2018 which was in line with the general market condition (as evidenced from the performance of Hang Seng Index as illustrated in the chart above).

We noted that during the Pre-Announcement Period, the Offeree published a profit warning announcement after the market close on 1 August 2018 in view of the expected decrease of approximately 45% in its profit for the period attributable to the owners of the Offeree for the six months ended 30 June 2018 as compared with that of HK\$267.9 million for the corresponding period in 2017.

After the market closed on 17 August 2018, the Offeree issued the interim results announcement of the Offeree Group for the six months ended 30 June 2018, the Offeree Group recorded a decrease in profit attributable to owners of the Offeree by 42.96% as compared to the corresponding period in FY2017. Following the announcement, closing price of the Shares followed a general downward trend till the end of October 2018.

Since then, the price of Shares recorded a general upward trend before the publication of the Offeror Announcement.

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Shares had been suspended from trading between 9:00 a.m. and 12:00 noon on 4 December 2018 pending for release of the Offeror Announcement. Trading of Shares resumed at 1:00 p.m. on 4 December 2018 after the publication of the Offeror Announcement.

During the Post-Announcement Period, the closing price of Shares ranged from the lowest of HK\$0.55 per Share recorded between 6 December to 10 December and on 14 December 2018 to the highest of HK\$0.59 per Share recorded on 20, 21 and 24 December 2018 and on the Latest Practicable Date. The Offer Price is within the range of the closing prices of Shares during the Pre-Announcement Period and the Post-Announcement Period (the “**Review Period**”). From the Offeree Independent Shareholders’ perspective, the Offer Price represents a similar value as compared to the recent Share prices as illustrated in subsequent analysis.

Comparisons of value

The Offer Price of HK\$0.55 represents:

- (i) represents a discount of approximately 6.78% to the closing price of HK\$0.59 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) the closing price of HK\$0.55 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a premium of approximately 0.73% over the average closing price of approximately HK\$0.546 per Share based on the daily closing prices as quoted on the Stock Exchange for the last 5 trading days immediately prior to and including the Last Trading Day;
- (iv) a premium of approximately 1.48% over the average closing price of approximately HK\$0.542 per Share based on the daily closing prices as quoted on the Stock Exchange for the last 10 trading days immediately prior to and including the Last Trading Day;
- (v) a premium of approximately 5.16% over the average closing price of approximately HK\$0.523 per Share based on the daily closing prices as quoted on the Stock Exchange for the last 30 trading days immediately prior to and including the Last Trading Day;

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- (vi) a premium of approximately 3.19% over the average closing price of approximately HK\$0.533 per Share based on the daily closing prices as quoted on the Stock Exchange for the last 90 trading days immediately prior to and including the Last Trading Day;
- (vii) a discount of approximately 2.48% to the average closing price of approximately HK\$0.564 per Share based on the daily closing prices as quoted on the Stock Exchange for the last 180 trading days up to and including the Last Trading Day; and
- (viii) a discount of approximately 49.54% to the unaudited consolidated net asset value per Share of approximately HK\$1.09 as at 30 June 2018 (which was calculated by dividing the sum of the unaudited consolidated net asset value of the Offeree Group attributable to owners of the Offeree as at 30 June 2018 (being the date to which the latest unaudited consolidated financial statements of the Offeree were made up) of approximately HK\$2,854,015,000 by 2,608,546,511 Shares as at 30 June 2018).

The Offer Price represents a discount of approximately 49.54% to the unaudited consolidated net asset value per Share as at 30 June 2018. In absolute term, the discount between the Offer Price and the unaudited consolidated net asset value per Share as at 30 June 2018 is HK\$0.54. Based on the total number of Shares outstanding as at the Latest Practicable Date of 2,608,546,511 Shares, this discount is approximately HK\$1.41 billion.

Given that the Offeree Group is principally engaged in securities trading and investment business, the assets of which the Offeree Group held were considered to be easily marked to market while the Offer Price represented a significant discount to the unaudited consolidated net asset value per Share as at 30 June 2018, the Offer Price is considered not acceptable.

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(ii) Trading liquidity

Set out in the table below are the average daily trading volumes, the comparison of such trading volumes to the total issued shares of the Offeree and the comparison of such trading volumes to the public float of the Offeree during the Review Period:

	Total trading volume of Shares	Average daily trading volume of Shares <i>(Note 1)</i> (approximately)	Percentage of average daily trading volume to total Shares <i>(Note 2)</i> (approximately)	Percentage of average daily trading volume to total number of Shares held by public Shareholders <i>(Note 3)</i> (approximately)
Pre-Announcement Period				
2017				
December	13,554,000	753,000	0.03%	0.07%
2018				
January	39,080,000	1,776,364	0.07%	0.17%
February	80,569,000	4,476,056	0.17%	0.43%
March	89,266,000	4,250,762	0.16%	0.41%
April	21,305,000	1,121,316	0.04%	0.11%
May	43,066,000	2,050,762	0.08%	0.20%
June	52,216,000	2,610,800	0.10%	0.25%
July	12,961,345	617,207	0.02%	0.06%
August	25,002,000	1,087,043	0.04%	0.10%
September	11,461,808	603,253	0.02%	0.06%
October	9,599,345	457,112	0.02%	0.04%
November	7,752,000	352,364	0.01%	0.03%
December (up to and including the Last Trading Day)	418,000	418,000	0.02%	0.04%
Minimum	418,000	352,364	0.01%	0.03%
Maximum	89,266,000	4,476,056	0.17%	0.43%
Post-Announcement Period				
4 December 2018	15,762,000	15,762,000	0.60%	1.50%
5 December 2018 to 31 December 2018	26,890,798	1,581,812	0.06%	0.15%
2 January 2019 to the Latest Practicable Date	2,418,000	483,600	0.02%	0.05%
Latest Practicable Date	156,000	156,000	0.01%	0.01%

Source the website of the Stock Exchange

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Notes:

1. The calculation is based on the total trading volume for the month/period divided by the number of trading days during the month/period which excludes any trading day on which trading of Shares on the Stock Exchange was suspended for the trading day.
2. The calculation is based on the average daily trading volume of Shares divided by the total issued shares of the Offeree at the end of each month/period or as at the Latest Practicable Date, as applicable.
3. The total number of Shares held by the public Shareholders is calculated based on the number of total Shares excluding those held by the Offeror and Offeror Concert Parties as at the end of each month/period.

The average daily trading volume of Shares in each month/period during the Pre-Announcement Period ranged from approximately 352,364 Shares to approximately 4,476,056 Shares, representing approximately 0.01% and approximately 0.17% respectively of the total number of Shares as at the respective end of month/period and approximately 0.03% and 0.43% respectively of the total number of Shares held by public Shareholders as at the end of each month/period.

Trading volume of Shares increased to 15,762,000 Shares on 4 December 2018, the second half of the trading day following the publication of the Offeror Announcement. Trading volume of Shares decreased thereafter, with an average daily trading volume of approximately 1,581,812 and 483,600 Shares, representing approximately 0.06% and 0.02% of the total number of Shares as at the end of each month/period respectively and approximately 0.15% and 0.05% of the total number of Shares held by the public Shareholders as at the end of each month/period respectively. The trading volume of Shares on the Latest Practicable Date amounted to 156,000 Shares, representing merely approximately 0.01% of the total number of Shares as at the Latest Practicable Date and merely approximately 0.01% of the total number of Shares held by the public Shareholders as at the Latest Practicable Date.

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As illustrated in the data set out in the table above, the overall liquidity of Shares during the Review Period was generally low. There has been a slight surge in trading volume since the release of the Offeror Announcement, which we considered to be mainly attributable to the Offeree Independent Shareholders'/investors' immediate reaction to the Offer. Offeree Independent Shareholders who wish to realise their investments in Shares through disposal in the market, especially those with large block of Shares, should note that there may not be sufficient trading volume to absorb the amount of Shares intended to be sold without exerting significant downward pressure on the price of Shares given the relatively thin historical trading volume of Shares. Accordingly, the market trading price of Shares may not necessarily reflect the proceeds that the Offeree Independent Shareholders can receive by the disposal of their Shares in the open market. The improvement in trading volume subsequent to the Offeror Announcement is unlikely to remain sustainable if the Offer lapses.

We consider the Offer provides the Offeree Independent Shareholders, especially those holding a large block of Shares, a cash exit to realise their holdings at the Offer Price if they so wish, and if they are unable to realize their investment on market at a price higher than the Offer Price, as accepting the Offer will not create a downside pressure on the trading price of Shares as comparing to on market disposal.

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7. Comparable company analysis

Analysis on comparable companies analysis had been focused on P/E multiples, as we believe P/E multiples are preferable multiples to assess the fairness and reasonableness of the Offer Price because they are commonly adopted in the market and easily comprehensible, and they reflect the fundamental view that a company's value is mainly attributable to what it generates for its shareholders, i.e., earnings. On the other hand, P/B multiple is one of the most commonly used benchmark in valuing capital-intensive business or businesses with plenty of assets on the books. As the Offeree's principle business of securities trading and investment is capital-intensive, we also focused on the P/B multiples for our analysis. We have identified certain comparable companies (the "Comparable Companies") exhaustively on Bloomberg based on the criteria that (i) the company is listed on the Main Board of the Stock Exchange; (ii) it is engaged in securities trading and investment business ("Similar Business"), which is similar with the Offeree Group's principal business; (iii) over 70% of the net income of the company was generated from the Similar Business in their most recent financial year as more than 90% and 75% of the results as disclosed in the segment information of the 2017 annual report and the 2018 interim report of the Offeree Group respectively were generated from securities trading and investment business (including the Offeree Group's long-term equity investments); and (iv) its market capitalization is between HK\$0.75 billion and HK\$2.25 billion (based on closing share prices as at the Latest Practicable Date) after considering the market capitalization of the Offeree of approximately HK\$1.5 billion as at the Latest Practicable Date. We consider the selection criteria will enable us to recognise the Comparable Companies with similar business nature and size as comparable to the Offeree.

Company	Stock Code	Closing share price as at the Latest Practicable Date (HK\$)	Market Capitalization (based on closing share prices as at the Latest Practicable Date) (HK\$' million)	Price/earnings multiples α	Price/book value multiples β
OCI International Holdings Limited	329	1.45	1,536.6	36.1	4.0
China Financial International Investments Limited	721	0.19	2,084.6	NA*	1.4
Multifield International Holdings Limited	898	0.365	1,525.8	1.8	0.2
		Average	1,715.7	19.0	1.9
			Median	1,536.6	19.0
			Minimum	1,525.8	1.8
			Maximum	2,084.6	36.1
The Offer		0.55	1,434.7	5.1	0.5

Source: The website of the Stock Exchange and Bloomberg

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Note:

- * Loss making in the latest reporting period.
- α Price/earnings multiples were calculated by using the market capital based on the closing price on the Latest Practicable Date divided by the profit attributable to equity owners as stated in the latest published audited accounts.
- β Price/book value multiples were calculated by using the market capital based on the closing price on the Latest Practicable Date divided by the net asset value as stated in the latest audited accounts.

The Offer Price of HK\$0.55 implies a P/E ratio which is approximately 5.1 by taking into consideration the net profit of the Offeree Group for FY2017 and a P/B ratio which is approximately 0.5 by taking into consideration the unaudited consolidated net asset value of the Offeree Group for the six months ended 30 June 2018. Such P/E ratio and P/B ratio are lower than both average and median of the P/E ratio and the P/B ratio of the Comparable Companies.

8. Takeover precedents

We have also identified the public takeover precedents available in the market in the past two years so as to ensure relevant precedents were taken into account when considering the merits of the terms of the Offer. We have sought to identify takeover precedents (the “**Takeover Precedents**”) exhaustively on Bloomberg and the website of the Stock Exchange based on the criteria that (i) the offeree company was listed on the Main Board of the Stock Exchange; (ii) cash consideration only; (iii) voluntary general offer only; and (iv) the takeover proposal was first announced during the period from 1 January 2017 up to the Latest Practicable Date;

Date of initial announcement	Company (Stock Code)	Premium over/(discount to) the average closing share price		Premium over/(discount to) the net asset value per share*
		On the last trading day	For the 5 trading days prior to the last trading day	
26 September 2018	Spring Real Estate Investment Trust (1426)	61.7%	55.0%	(19.8%)
10 August 2018	Future Bright Mining Holdings Limited (2212)	(7.1%)	(7.0%)	430.0% [#]
5 April 2018	Hong Kong Red Star Macalline Universal Home Furnishings Limited (5278)	17.6%	22.6%	(15.4%)
10 January 2018	Teamway International Group Holdings Limited (1239)	0%	2.9%	57.7%

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Date of initial announcement	Company (Stock Code)	Premium over/(discount to) the average closing share price		Premium over/(discount to) the net asset value per share*
		On the last trading day	For the 5 trading days prior to the last trading day	
22 September 2017	Nine Express Limited (9)	5.9%	2.8%	(34.2%)
10 July 2017	PacRay International Holdings Limited (1010)	5.9%	9.6%	295.6%#
7 July 2017	Oriental Overseas (International) Limited (316)	37.8%	41.1%	40.0%
6 June 2017	New World Department Store China Limited (825)	50.4%	51.3%	(41.1%)
12 April 2017	Leyou Technologies Holdings Limited (1089)	(1.8%)	(1.5%)	300.0%#
11 April 2017	Ceneric (Holdings) Limited (542)	6.0%	24.8%	111.9%
13 February 2017	Enterprise Development Holdings Limited (1808)	6.4%	5.3%	(6.5%)
13 January 2017	Golden Meditech Holdings Limited (801)	12.6%	13.6%	(10.4%)
All Takeover Precedents	Average	16.3%	18.4%	92.3%
	Median	6.2%	11.6%	16.7%
	Maximum discount	(7.1%)	(7.0%)	(41.1%)
	Maximum premium	61.7%	55.5%	430.0%
After taking out outliers for net asset value per share			Average	9.1%
			Median	(10.4%)
			Maximum discount	(41.1%)
			Maximum premium	111.9%
4 December 2018	The Offer	0%	0.7%	(49.5%)

Source: the website of the Stock Exchange

* Calculations were based on the net asset value as stated in the latest published financial statements.

Outliers in terms of net asset value per share analysis.

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As set out in the table above, the averages of the premium over average closing share price for the Takeover Precedents in respect of (i) the respective last trading days prior to the respective announcements; (ii) 5 trading days prior to the respective last trading days; and (iii) the net asset value per share were approximately 16.3%, 18.4% and 92.3% respectively, while the medians of the premia over the average closing share price for the Takeover Precedents over/to the respective last trading days prior to (i) the respective announcements; (ii) 5 trading days prior to the respective last trading days; and (iii) the net asset value per share were approximately 6.2%, 11.6% and 16.7%, respectively.

The premium/discount represented by the Offer Price over/to the closing price of Shares on (i) the Last Trading Date; (ii) the average closing price of Shares for the 5 trading days immediately prior to the Last Trading Date; and (iii) the unaudited consolidated net asset value per Share as at 30 June 2018 were all lower than the medians and averages of the premium/discount of the Takeover Precedents (even after taking out the outliers as shown in the table above). In general, we consider the premium/discount represented by the Offer Price to be not in line with those of the Takeover Precedents.

9. Other possible offer or increase in Offer Price

Rule 31.1 of the Takeovers Code restricts any offeror nor person who, in the original offer or subsequently, is acting in concert with it, to make another offer for the offeree company or acquire any voting rights of the offeree company if such acquisition would lead to a mandatory general offer within 12 months from the date on which the preceding offer is withdrawn or lapses, except with the consent of the Executive. As a result of such restriction, if the Offer fails, neither the Offeror nor the Offeror Concert Parties may propose another offer within the next 12 months.

Furthermore, the Offeror had made a no price increase statement and did not reserve the right to increase the Offer Price and hence no increase on the Offer Price of HK\$0.55 per Offer Share will be permitted under the Takeovers Code.

10. Maintaining the listing status of the Offeree

The Offeror intends to maintain the listing status of the Offeree on the Stock Exchange. If the Offeror acquires the requisite percentage of the Offer Shares to enable it to compulsorily acquire all the Shares, the Offeror does not intend to exercise its right to compulsorily acquire the remaining Shares. The Offeror will take such steps as are necessary to ensure, or procure the Offeree to take such steps as are necessary to ensure, that the Offeree maintains an adequate public float so as to comply with the applicable requirements of the Listing Rules.

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In this connection, it should be noted that upon the close of the Offer, there may be chances that there will be insufficient public float for the Shares and therefore trading in the Shares may be suspended until a sufficient level of public float is attained, and the Offeror has undertaken to the Stock Exchange to, subject to the Offer becoming unconditional in accordance with its terms, use its commercial reasonable endeavours to take appropriate steps following the close of the Offer to ensure that sufficient public float exists in the Shares.

OPINION AND RECOMMENDATION

Having considered the above principal factors and reasons including but not limited to:

- a) The Offer Price of HK\$0.55 per Share, despite represented a slight premium to the historical average trading price in last 5, 10, 30 and 60 trading days immediately prior to and including the Last Trading Day, the Offer Price is lower than the Share price as at the Latest Practicable Date;
- b) The Offer Price represented a discount of approximately 49.5% to the unaudited consolidated net asset value per Share. In absolute term, the discount between the Offer Price and the unaudited consolidated net asset value per Share as at 30 June 2018 is HK\$ 0.54. Based on the total number of Shares outstanding as at the Latest Practicable Date of 2,608,546,511 Shares, the discount is approximately HK\$1.41 billion. Given that the Offeree Group is principally engaged in securities trading and investment business, over 60% of the Offeree Group's assets are comprised of cash and bank balances and listed equity securities which were considered to be easily marketable. In view of such, the Offer Price, representing a significant discount to the unaudited consolidated net asset value per Share taking into account the market value of the Offeree Group's investment as at 30 June 2018, is considered not acceptable;
- c) By taking into account the Offeree Group's liquid and marketable assets which in aggregate amounted to HK\$1,931.5 million as at 30 June 2018, the Offeree Group's liquid and marketable assets per Shares was amounted to HK\$0.74, which is much higher than the Offer Price;
- d) The Offer Price represents a P/E and P/B multiples which is lower than the average P/E and P/B multiples of Comparable Companies;

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- e) The premium/discount represented by the Offer Price over/to the closing price of Shares on (i) the Last Trading Date; (ii) the average closing price of Shares for the 5 trading days immediately prior to the Last Trading Date; and (iii) the unaudited consolidated net asset value per Share as at 30 June 2018 were all lower than the medians and averages of the premium/discount of the Takeover Precedents; and
- f) The Offeror does not reserve the rights to increase the Offer Price, we are of the opinion that HK\$0.55 per Offer Share under the Offer is the only offer the Offeree Independent Shareholders will have, at least in the short-run, to cash in their investments in the Offeree for the Offeree Independent Shareholders who are unable to sell their investment at a market price higher than the Offer Price and if the Offer lapsed, Shareholders should not expect another offer by the Offeror within the next 12 months;

we are of the opinion that given, (i) the market price as at the Latest Practicable Date is higher than the Offer Price; (ii) the Offer Price represents a P/E and P/B multiples which is lower than the average P/E and P/B multiples of Comparable Companies; (iii) the Offer Price represented a discount of approximately 49.54% to the unaudited consolidated net asset value per Share; (iv) the premium/discount represented by the Offer Price over/to the closing price of Shares on the Last Trading Date, the average closing price of Shares for the 5 trading days immediately prior to the Last Trading Date and the unaudited consolidated net asset value per Share as at 30 June 2018 were all lower than the medians and averages of the premium/discount of the Takeover Precedents; and (v) the Offer Price is lower than the Offeree Group's liquid and marketable assets per Share as illustrated earlier, the terms of the Offer are **not** fair and reasonable so far as the Offeree Independent Shareholders are concerned and we would advise the Offeree Independent Shareholders and the Offeree Independent Board Committee to recommend the Offeree Independent Shareholders **not** to accept the Offer.

Offeree Independent Shareholders who prefer to dispose of their investment in the Offeree should after carefully monitoring the market price and trading volume of the Shares in order to take advantage of the current level of Share price and trading volume to sell all or part of their Shares in market if the market price is above the Offer Price, or they may consider to accept the Offer, if they are unable to sell their Shares at a market price higher than the Offer Price.

As the trading volume of the Shares were thinly traded during the Pre-Announcement Period, Offeree Independent Shareholders who hold a large block of the Shares and wish to sell their investments but the trading volume of the Shares may not be able to support such Offeree Independent Shareholders to dispose of their Shares without creating a significant downside pressure on the trading price of the Shares and allow them to sell at a market price higher than the Offer Price should also consider accepting the Offer.

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Offeree Independent Shareholders who prefer to keep their investments in the Offeree are minded to review the financial results and trading condition of the Offeree. The performance of the Hong Kong stock market had been volatile in 2018 and HSI had recorded a decrease up to a maximum of approximately 3.1% since commencement of trading in 2019 up to the Latest Practicable Date as compared to the HSI closing on 31 December 2018, so the return on the Offeree Group's investment in the listed securities in Hong Kong may fluctuate from time-to-time. The Offeree Group's share of results of its associate engaged in property development and investment in Shanghai, one of the major sources of contribution to the profit of the Offeree Group, had been declining in FY2017 as well as during the 6 months 2018 as compared to the corresponding period in prior year. Furthermore most of the properties held for sale of the associate had been sold and major revenue source of such associate would be generated from rental of properties.

In making this recommendation, we also note that Offeree Independent Shareholders are at liberty to accept the Offer according to their own personal preference, investment horizon and objectives and they should consult their own professional advisers for advice specific to their own circumstances. In addition, as the Offer may lapse according to the terms and conditions set out in the Composite Document, Offeree Independent Shareholders may also consider whether and what actions they wish to take after considering the market price of the Shares subsequent to the Offer is declared unconditional but prior to the end of the Offer Period. After the end of the Offer Period, the Offer will no longer be open for acceptances.

Given, the Offer may lapse according to the terms and conditions as set out in the Composite Document, the Offeree Independent Shareholders are advised to exercise extreme caution when dealing in the Shares and closely monitor the market price and trading volume which may not be sustainable.

Yours faithfully,

For and on behalf of

HALCYON CAPITAL LIMITED

Derek Chan

Terry Chu

Chairman

Managing Director

Mr. Derek Chan is a person licensed under the SFO to carry out type 6 (advising on corporate finance) regulated activities under the SFO and regarded as a responsible officer of Halcyon Capital and has over 25 years of experience in corporate finance industry.

Mr. Terry Chu is a person licensed under the SFO to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO and regarded as a responsible officer of Halcyon Capital and has over 18 years of experience in corporate finance industry.

1. PROCEDURES FOR ACCEPTANCE

To accept the Offer, you should duly 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 Offer Shares is/are in your name, and you wish to accept the Offer in respect of your Offer Shares (whether in full or in part), you must deliver 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 Offer Shares for which you intend to accept the Offer, by post or by hand, to the Registrar, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, marked "Rivera (Holdings) Limited – Offer" on the envelope so as to reach the Registrar as soon as possible but in any event by no later than 4:00 p.m. on the Closing Date or such later time(s) and/or date(s) as the Offeror may determine and announce in accordance with the Takeovers Code.

- (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 Offer 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 Offer Shares (whether in full or in part), 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 Offer Shares for which you intend to accept the Offer with the nominee company, or other nominee, and with instructions authorising it to accept the Offer on your behalf and requesting it to deliver the Form of Acceptance duly completed and signed 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 your Offer Shares to the Registrar on or before the deadline as set out in the above paragraph (a); or

- (ii) arrange for the Offer Shares to be registered in your name by the Offeree through the Registrar, and deliver 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 Offer Shares for which you intend to accept the Offer to the Registrar on or before the deadline as set out in the above paragraph (a); or
 - (iii) if your Offer 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 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 and on or before the deadline set by them; or
 - (iv) if your Offer Shares have been lodged with your investor participant's account maintained with CCASS, give your instruction via the CCASS Phone System or the CCASS Internet System on or before the deadline set by HKSCC Nominees Limited.
- (c) If you have lodged a transfer of any of your Offer Shares for registration in your name, and you wish to accept the Offer in respect of those Offer Shares, you should nevertheless duly complete and sign the Form of Acceptance and deliver it to the Registrar together with the transfer receipt(s), if any, duly signed by yourself and/or other document(s) of title. Such action will constitute an irrevocable authority to the Offeror and/or Able Capital and/or their respective agent(s) to collect from the Offeree 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.

- (d) 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 Offer Shares is/are not readily available and/or is/are lost, as the case may be, and you wish to accept the Offer in respect of any of your Offer Shares, the Form of Acceptance should nevertheless be duly completed and delivered 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 Offer 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 Offer Shares should be forwarded to the Registrar as soon as possible thereafter. If you have lost 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) in respect of your Offer Shares, you should also write to the Registrar for a form of letter of indemnity which, when completed and signed in accordance with the instructions given, should be provided to the Registrar. The Offeror has absolute discretion to decide whether any Offer Shares in respect of which the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title is/are not readily available and/or is/are lost will be taken up by the Offeror.
- (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 on or before the latest time for acceptance of the Offer and the Registrar has recorded that the acceptance and any relevant documents required by Note 1 to Rule 30.2 of the Takeovers Code 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 Offer Shares for which you intend to accept the Offer and, if that/those 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) is/are not in your name, such other document(s) (e.g., a duly stamped transfer of the relevant Share(s) in blank or in favour of the acceptor executed by the registered holder) in order to establish your right to become the registered holder of the relevant Offer Shares;
or

- (ii) from a registered Offeree 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 Offer 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 Offeree Independent Shareholder, appropriate documentary evidence of authority (e.g., grant of probate or certified copy of a power of attorney) to the satisfaction of the Registrar must be produced.
- (g) Seller's ad valorem stamp duty payable by the Offeree Independent Shareholders who accept the Offer and calculated at a rate of 0.1% of the market value of the Offer Shares (as determined by the Collector of Stamp Revenue under the Stamp Duty Ordinance) or consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is the higher (rounded up to the nearest of HK\$1.00), will be deducted from the amount payable by the Offeror to the relevant Offeree Independent Shareholders on acceptance of the Offer. The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the Offeree Independent Shareholders who accept the Offer and will 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.
- (h) If the Offer is invalid, withdrawn or lapses, the Offeror shall, as soon as possible but in any event within ten (10) days thereof, return by ordinary post at your own risk 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 the Offer Shares tendered for acceptance together with the duly cancelled Form of Acceptance to the relevant Offeree Independent Shareholder(s).
- (i) 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) in respect of your Offer Shares tendered for acceptance will be given.

2. SETTLEMENT UNDER THE OFFER

- (a) Subject to the Offer becoming or being declared unconditional in all respects and provided that a duly completed Form of Acceptance and 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 relevant Offer Shares as required by Note 1 to Rule 30.2 of the Takeovers Code are complete and in good order in all respects and have been received by the Registrar before the close of the Offer, a cheque for the amount due to each of the Offeree Independent Shareholders who accepts the Offer less seller's ad valorem stamp duty in respect of the Offer Shares tendered by him/her under the Offer will be despatched to such Offeree Independent Shareholder by ordinary post at his/her own risk as soon as possible but in any event within seven (7) Business Days following the later of (i) the date on which the Offer becomes or is declared unconditional in all respects; and (ii) the date of receipt of a duly completed Form of Acceptance together with all of the relevant document(s) by the Registrar to render such acceptance under the Offer valid.
- (b) Settlement of the consideration to which any Offeree Independent Shareholder is entitled to under the Offer will be implemented in full in accordance with its terms (save in respect of the payment of the 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 Offeree Independent Shareholder.
- (c) No fraction of a cent will be payable and the amount of cash consideration payable to an Offeree Independent Shareholder who accepts the Offer (if applicable) will be rounded up to the nearest cent.
- (d) Cheque(s) not presented for payment within six months from the date of issue of the relevant cheque(s) will not be honoured and be of no further effect, and in such circumstances chequeholder(s) should contact the Offeror for payment.

3. ACCEPTANCE PERIOD AND REVISIONS

- (a) Unless the Offer is revised or extended with the consent of the Executive in accordance with the Takeovers Code, to be valid, the Form of Acceptance must be received by the Registrar, in accordance with the instructions printed thereon and in this Composite Document by 4:00 p.m. on the Closing Date.
- (b) If the Offer is revised or extended, the Offeror will issue an announcement in relation to any revision or extension of the Offer, which announcement will state either the next Closing Date or, if the Offer has become or been declared unconditional as to acceptances, include a statement that the Offer will remain open until further notice. In the latter case, at least fourteen (14) days' notice in writing must be given, before the Offer is closed, to those Offeree Independent Shareholders who have not accepted the Offer. If, in the course of the Offer, the Offeror revises the terms of the Offer, all the Offeree Independent Shareholders, whether or not they have already accepted the Offer, will be entitled to accept the revised Offer under the revised terms. Any revised offers must be kept open for at least fourteen (14) days following the date on which the revised offer document is posted or, if longer and to the extent required by applicable U.S. regulations, at least ten (10) U.S. Business Days following the date on which the revised offer document is posted, and shall not close earlier than Monday, 11 February 2019. In any case where the Offer is revised, and the consideration offered under the revised Offer does not represent on such date a reduction in the value of the Offer in its original or any previously revised form(s), the benefit of such revised Offer will be made available as set out herein to acceptors of the Offer in its original or any previously revised form(s) (hereinafter called "previous acceptor(s)"). The execution by, or on behalf of, a previous acceptor of any Form of Acceptance shall be deemed to constitute acceptance of the Offer as so revised.
- (c) The Offeror may introduce new conditions to be attached to any revision to the terms of the Offer, or any subsequent revision thereof, but only to the extent necessary to implement the revised Offer and subject to the consent of the Executive.
- (d) If the Closing Date is extended, any reference in this Composite Document and in the accompanying Form of Acceptance to the Closing Date shall, except where the context otherwise requires, be deemed to refer to the subsequent Closing Date.
- (e) There is no obligation on the Offeror to extend the Offer if the Conditions are not satisfied by the first Closing Date (being Monday, 11 February 2019).

4. NOMINEE REGISTRATION

To ensure equality of treatment of all the Offeree Independent Shareholders, those Offeree Independent Shareholders who hold Offer Shares as nominee on behalf of more than one beneficial owner should, as far as practicable, treat the holding of each beneficial owner separately. It is essential for the beneficial owners of the Offer Shares whose investments are registered in the names of nominees to provide instructions to their nominees of their intentions with regard to the Offer. 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 it has indicated in the Form of Acceptance is the aggregate number of Offer Shares for which such nominee has received authorisations from the beneficial owners to accept the Offer on their behalf.

5. ANNOUNCEMENTS

- (a) An announcement will be made when the Offer becomes or is declared unconditional as to acceptances and when the Offer becomes or is declared unconditional in all respects.
- (b) By 6:00 p.m. on the Closing Date (or such later time(s) and/or date(s) 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, expiry or unconditionality of the Offer. The Offeror must publish an announcement in accordance with the Listing Rules on the Stock Exchange's website by 7:00 p.m. on the Closing Date stating the results of the Offer and whether the Offer has been revised, extended, expired or have become or been declared unconditional (whether as to acceptances or in all respects). The announcement will state the following:
 - (i) the total number of Offer Shares for which acceptances of the Offer has been received;
 - (ii) the total number of Shares held, controlled or directed by the Offeror and the Offeror Concert Parties before the Offer Period;
 - (iii) the total number of Shares acquired or agreed to be acquired during the Offer Period by the Offeror and the Offeror Concert Parties; and
 - (iv) details of any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Offeree which the Offeror and any of the Offeror Concert Parties have borrowed or lent, save for any borrowed Shares which have been either on-lent or sold.

- (c) The announcement will specify the percentages of the relevant classes of issued shares, and the percentages of voting rights, represented by these numbers of Offer Shares.
- (d) In computing the total number of Offer Shares represented by acceptances, only valid acceptances that are complete, in good order and fulfil the conditions set out in this Appendix I, and which have been received by the Registrar by 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.
- (e) As required under the Takeovers Code, all announcements in relation to the Offer will be made in accordance with the requirements of the Takeovers Code and the Listing Rules.
- (f) If any of the Offeror, the Offeror Concert Parties or their respective advisers makes any statement during the Offer Period about the level of acceptances or the number or percentage of accepting Offeree Independent Shareholders, the Offeror must make an immediate announcement in compliance with Note 2 to Rule 19 of the Takeovers Code.

6. RIGHT OF WITHDRAWAL

- (a) The Offer is conditional upon the fulfilment of the Conditions set out in the “Letter from Able Capital” in this Composite Document. Acceptances of the Offer tendered by the Offeree Independent Shareholders shall be irrevocable and cannot be withdrawn, except in the circumstances set out in this paragraph and the paragraph below. Rule 17 of the Takeovers Code provides that an acceptor of the Offer shall be entitled to withdraw his/her acceptance after twenty-one (21) days from the first Closing Date (such first Closing Date being Monday, 11 February 2019) if the Offer has not by then become unconditional as to acceptances and up to the earlier of such time as the Offer becomes or is declared unconditional as to acceptances at 4:00 p.m. on the 60th day from the date of despatch of this Composite Document (being Tuesday, 12 March 2019 (or the date beyond which the Offeror has stated that the Offer will not be extended, if applicable)).
- (b) Under Rule 19.2 of the Takeovers Code, if the Offeror is unable to comply with the requirements set out in the paragraph headed “Announcements” above, the Executive may require that the holders of Offer Shares who have tendered acceptances to the Offer be granted a right of withdrawal on terms that are acceptable to the Executive until the requirements set out in that paragraph are met.

7. HONG KONG STAMP DUTY

Seller's ad valorem stamp duty at a rate of 0.1% of the market value of the Offer Shares (as determined by the Collector of Stamp Revenue under the Stamp Duty Ordinance) or consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher (rounded up to the nearest HK\$1.00), will be deducted from the amount payable to the relevant Offeree Independent Shareholder on acceptance of the Offer. The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of accepting Offeree Independent Shareholders in connection with the acceptance of such Offer Shares and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance.

8. GENERAL

- (a) All communications, notices, Form of Acceptance, the relevant share certificate(s), transfer receipt(s), document(s) of title and/or documentary evidence of authority (and/or any satisfactory indemnity or indemnities required in respect thereof) if delivered by or sent to or from the Offeree Independent Shareholders or their designated agents by post, shall be posted at their own risk, and none of the Offeror, the Offeree, Able Capital and any of their respective directors, the Registrar and other parties involved in the Offer and any of their respective agents accepts any liability for any loss or delay in postage or any other liabilities that may arise as a result thereof.
- (b) The provisions set out in the accompanying Form of Acceptance form part of the terms and conditions of the Offer.
- (c) The accidental omission to despatch this Composite Document and/or Form of Acceptance or any of them to any person to whom the Offer is made will not invalidate the Offer in any way.
- (d) The Offer is, and all acceptances will be, governed by and construed in accordance with the laws of Hong Kong. Execution of a Form of Acceptance by or on behalf of any person will constitute the agreement of such person that the courts of Hong Kong shall have exclusive jurisdiction to settle any dispute which may arise in connection with the Offer.
- (e) Due execution of the Form of Acceptance will constitute an authority to the Offeror, Able Capital or such person or persons as the Offeror may direct to complete, amend and execute any document on behalf of the person or persons accepting the Offer and to do any other act that may be necessary or expedient for the purposes of vesting in the Offeror, or such person or persons as it may direct, the Offer Shares in respect of which such person or persons has/have accepted the Offer.

- (f) Subject to the Offer becoming or being declared unconditional in all respects, acceptance of the Offer by any person will be deemed to constitute a representation and warranty by such person or persons to:
- (i) the Offeror, the Offeree and Able Capital, that the Offer Shares sold by such person or persons to the Offeror are free from Encumbrances and are sold together with all rights, benefits and entitlements attached to them as at the Closing Date or subsequently becoming attached to them, including the right to receive and retain in full all dividends and other distributions, if any, the record date in respect of which falls on or after the Closing Date; and
 - (ii) the Offeror, the Offeree and their respective advisers, including Able Capital, the financial adviser to the Offeror in respect of the Offer, that if such Offeree Independent Shareholder accepting the Offer is a citizen, resident or national of a jurisdiction outside Hong Kong, he/she has observed and is permitted under all applicable laws and regulations to which such overseas Offeree Independent Shareholder is subject to receive and accept the Offer and any revision thereof, and that he/she has obtained all requisite governmental, exchange control or other consents and made all registrations or filings required in compliance with all necessary formalities and regulatory or legal requirements, and has paid all issue, transfer or other taxes or other required payments payable by him/her in connection with such acceptance, surrender and/or cancellation in any jurisdiction, and that he/she has not taken or omitted to take any action which will or may result in the Offeror, the Offeree or their respective advisers, including Able Capital, the financial adviser to the Offeror, or any other person acting in breach of the legal or regulatory requirements of any jurisdiction in connection with the Offer or his/her acceptance thereof and such acceptance, surrender and/or cancellation shall be valid and binding in accordance with all applicable laws and regulations.
- (g) Under the terms of the Offer, the Offer Shares will be acquired with all rights, benefits and entitlements attached thereto as at the Closing Date or which subsequently become attached thereto, including the right to receive and retain in full all dividends and other distributions, if any, the record date in respect of which falls on or after the Closing Date and free from all Encumbrances.
- (h) Reference to the Offer in this Composite Document and in the accompanying Form of Acceptance shall include any extension and/or revision thereof.

- (i) In making their decisions with regard to the Offer, the Offeree Independent Shareholders should rely on their own examination of the Offeror, the Offeree Group and the terms of the Offer, including the merits and risks involved. The contents of this Composite Document, including any general advice or recommendation contained herein, together with the accompanying Form of Acceptance shall not be construed as any legal or business advice on the part of the Offeree, the Offeror and/or Able Capital. The Offeree Independent Shareholders should consult their own professional advisers for professional advice.

- (j) The English texts of this Composite Document and the accompanying Form of Acceptance shall prevail over their respective Chinese texts for the purpose of interpretation.

1. SUMMARY OF FINANCIAL INFORMATION OF THE OFFEREE GROUP

The following is a summary of (a) the audited consolidated financial results of the Offeree Group for each of three years ended 31 December 2017 as extracted from the respective audited consolidated financial statements of the Offeree Group as set forth in the published annual reports for the three years ended 31 December 2017; and (b) the unaudited consolidated financial results of the Offeree Group for the six months ended 30 June 2018 as extracted from the published interim report of the Offeree for the six months ended 30 June 2018.

	Six months	Year ended 31 December		
	ended 30 June	2017	2016	2015
	2018	2017	2016	2015
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Audited)	(Audited)	(Audited)
Gross proceeds from operations	148,390	140,097	633,532	401,178
Revenue	34,949	2,269	3,681	1,955
Profit before taxation	157,452	271,578	320,023	169,127
Taxation	(4,527)	9,743	(14,173)	5,463
Profit for the period/year	152,925	281,321	305,850	174,590
Profit for the period/year attributable to:				
Owners of the company	152,824	281,142	305,586	174,126
Non-controlling interests	101	179	264	464
Total comprehensive income (expense) attributable to:				
Owners of the company	24,196	511,017	386,684	101,005
Non-controlling interests	(1,308)	965	(443)	(321)
Earnings per Share (HK cents) – Basic	5.86	10.78	11.71	6.68
Dividend per Share (HK cents)	Nil	4.5	5.0	2.0
Total dividend paid for the period/year	Nil	117,385	130,427	52,171

There were no exceptional items because of size, nature or incidence recorded in the consolidated financial statements of the Offeree Group for each of the three years ended 31 December 2017 and the six months ended 30 June 2018. The auditors of the Offeree did not issue any qualified opinion on the consolidated financial statements of the Offeree Group for any of the three years ended 31 December 2017.

2. INFORMATION INCORPORATED BY REFERENCE

The financial information of the Offeree (including significant accounting policies of the Offeree) for the six months ended 30 June 2018 and the year ended 31 December 2017 has been published in the reports as follows:

- (a) the condensed consolidated financial statements of the Offeree for the six months ended 30 June 2018 (including all accompanying notes) are disclosed in the interim report of the Offeree for the six months ended 30 June 2018 published on the website of the Offeree (http://www.rivera.com.hk/file/financial_report/eng/E_00281_IR_2018.pdf), from pages 29 to 55; and
- (b) the consolidated financial statements of the Offeree for the year ended 31 December 2017 (including all accompanying notes) are disclosed in the annual report of the Offeree for the year ended 31 December 2017 published on the website of the Offeree (http://www.rivera.com.hk/file/financial_report/eng/E_AR_2017.pdf), from pages 60 to 126.

The interim report for the six months ended 30 June 2018 and the annual report for the year ended 31 December 2017 of the Offeree have been published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Offeree (http://www.rivera.com.hk/financial_report_en.asp).

References to the “Company” and the “Group” in the interim report for the six months ended 30 June 2018 and the annual report for the year ended 31 December 2017 of the Offeree shall mean the Offeree and the Offeree Group, respectively.

3. INDEBTEDNESS, CONTINGENCIES AND COMMITMENTS

As at the close of business on 31 October 2018, being the latest practicable date for the purpose of this indebtedness statement prior to the publication of this Composite Document, apart from normal trade and accounts payable in the ordinary course of business, the Offeree Group did not have any debt securities issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, debentures, mortgages, charges or loans or hire purchase commitments, guarantees or other material contingent liabilities.

4. MATERIAL CHANGE

The Offeree Directors confirm that save for the following matters, as at the Latest Practicable Date, there were no material changes in the financial or trading position or outlook of the Offeree Group since 31 December 2017, the date to which the latest published audited consolidated financial statements of the Offeree Group were made up:

- (a) as disclosed in the Offeree's interim results announcement for the six months ended 30 June 2018 published on 17 August 2018 and interim report for the six months ended 30 June 2018 published on 20 September 2018, despite the Offeree Group recorded an increase in revenue and gross profit, the Offeree Group reported a profit attributable to owners of the Offeree of HK\$152.8 million, representing a decrease of approximately 43.0% from HK\$267.9 million for the six months ended 30 June 2017, and a decrease of total equity by approximately 3.2% as compared to 31 December 2017. The decrease in profit was mainly attributable to the significant drop in the Offeree Group's share of profit of an associate. The associate mainly derived its revenue for the first half of 2018 from property leasing in Shanghai. In contrast, for the corresponding period in 2017, the associate had recognised a considerable amount of sale proceeds from its residential development project in Shanghai upon completion and delivery to the buyers. The decrease in total equity was mainly attributable to the payment of final dividend for the year ended 31 December 2017 amounted to approximately HK\$117.4 million in June 2018;
- (b) the value of the interest in an associate of the Offeree Group decreased by 24.1% as of 31 October 2018 as compared to the value as of 31 December 2017, such decrease was due to the payment of dividend amounted to approximately HK\$221.8 million in July 2018; and
- (c) as at the Latest Practicable Date, with reference to the closing price of the Offeree Group's listed equity investment and financial assets, the value of the Offeree Group's listed equity investment and financial assets decreased by 15.7% as compared to the value as at 31 December 2017.

1. RESPONSIBILITY STATEMENT

The issue of this Composite Document has been approved by the directors of the Offeror, who jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than that relating to the Offeree Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than those expressed by the Offeree Group or the Offeree Board) 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 IN THE OFFEREE'S SECURITIES

For the purpose of paragraphs 2 and 4 in this Appendix III to this Composite Document, "interested" has the same meaning as ascribed to that term in Part XV of the SFO.

As at the Latest Practicable Date, save as disclosed in the paragraph headed "Shareholding Structure of the Offeree" in "Letter from Able Capital" in this Composite Document:

- (a) the Offeror did not own any Shares or convertible securities, warrants, options or derivatives in respect of the Shares;
- (b) no director of the Offeror was interested in any Shares or convertible securities, warrants, options or derivatives in respect of the Shares; and
- (c) no Offeror Concert Party owned or controlled any Shares or convertible securities, warrants, options or derivatives in respect of the Shares.

3. MARKET PRICES

The table below shows the closing price of the Shares quoted on the Stock Exchange on (a) the last trading day in each of the calendar months during the Relevant Period; (b) the immediate Business Day before (i) the date of commencement of the Offer Period and (ii) the Offeror Announcement Date (also being the Last Trading Day); and (c) the Latest Practicable Date.

Date	Closing price per Share (HK\$)
29 June 2018	0.57
31 July 2018	0.55
31 August 2018	0.57
28 September 2018	0.52
31 October 2018	0.50
30 November 2018	0.55
3 December 2018 (being the immediate Business Day before (a) the date of commencement of the Offer Period and (b) the Offeror Announcement Date, and the Last Trading Day)	0.55
31 December 2018	0.58
8 January 2019 (being the Latest Practicable Date)	0.59

During the Relevant Period, the highest closing price per Share as quoted on the Stock Exchange was HK\$0.60 on 4 June 2018, 5 June 2018 and 11 June 2018 and the lowest closing price per Share as quoted on the Stock Exchange was HK\$0.50 on 9 October 2018, 12 October 2018, 22 October 2018, 23 October 2018, 25 October 2018, 29 October 2018, 30 October 2018, 31 October 2018 and 6 November 2018.

4. DEALINGS IN THE OFFEREE'S SECURITIES

During the Relevant Period, the Offeror had dealt for value in Shares, the particulars of which are as follows:

Date of transactions on the Stock Exchange	Name	Number of Shares purchased/(sold)	Price per Share (HK\$)	Approximate % to the total Shares
7 December 2018	Offeror	1,000,000	0.55	0.038
10 December 2018	Offeror	540,000	0.55	0.021
11 December 2018	Offeror	1,000,000	0.55	0.038
13 December 2018	Offeror	12,000	0.55	0.0005

Save for the above, during the Relevant Period, none of the Offeror, its directors and the Offeror Concert Parties had dealt for value in any Shares or convertible securities, warrants, options or derivatives in respect of the Shares.

5. ARRANGEMENTS IN CONNECTION WITH THE OFFER

As at the Latest Practicable Date:

- (a) none of the existing Offeree Directors had been given any benefit as compensation for loss of office or otherwise in connection with the Offer;
- (b) save as the shareholding and/or directorship of Madam Hsu, Mr Albert Tong and Mr Charles Tong in the Offeree and the Offeror, no agreement, arrangement or understanding (including any compensation arrangement) existed between the Offeror or any Offeror Concert Parties and any directors of the Offeree or recent directors of the Offeree, Shareholders or recent Shareholders having any connection with or was dependent upon the outcome of the Offer;
- (c) no arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code had been entered into between the Offeror or any Offeror Concert Parties and any other person;
- (d) no person who owned or controlled Shares or convertible securities, warrants, options or derivatives in respect of Shares had irrevocably committed themselves to the Offeror to accept or reject the Offer;
- (e) there were no Shares or convertible securities, warrants, options or derivatives in respect of Shares which the Offeror or any Offeror Concert Parties had borrowed or lent, save for borrowed securities (if any) which have been either on-lent or sold;

- (f) save as disclosed in the paragraph headed “Conditions of the Offer” in the “Letter from Able Capital” in this Composite Document, there was no agreement or arrangement to which the Offeror or any of the Offeror Concert Parties was a party which related to the circumstances in which it might or might not invoke or seek to invoke a pre-condition or a condition to the Offer;
- (g) save for the security granted over the Offer Shares to be acquired under the Offer in favour of Fubon Bank (which, subject to the Charge (as defined below), had no interest in any Shares as beneficial owner) as security for the Facility pursuant to the terms of a charge over assets entered into by the Offeror dated 21 November 2018 (the “**Charge**”), whereby such security may be enforced without notice, whether prior thereto or thereafter, when, among others, (i) the Offeror defaults in payment or fails to comply with the terms of the Charge (including any restriction on further grant of security, encumbrance or third party right over the secured Offer Shares without the prior written consent of Fubon Bank), (ii) there is any winding-up proceedings or related proceedings instituted against the Offeror, (iii) any attachment, seizure or execution is made against any property of the Offeror, (iv) any statutory demand is issued on the Offeror, or (v) the Offeror is in the opinion of Fubon Bank unable to pay its debts, and which shall be discharged at the request of the Offeror upon repayment of all monies due and performance of all obligations and liabilities under the Charge in accordance with its terms, the Offeror had no intention to transfer, charge or pledge any Shares to be acquired pursuant to the Offer to any other persons and had no agreement, arrangement or understanding with any third party to do so; and
- (h) none of the Offeree Independent Shareholders had received or will receive any other consideration and benefits in whatsoever form from the Offeror and the Offeror Concert Parties.

6. MISCELLANEOUS

- (a) The Offeror is a company incorporated in Hong Kong with limited liability, which, as at the Latest Practicable Date, was legally and beneficially owned as to 66% by Madam Hsu, 17% by Mr Albert Tong and 17% by Mr Charles Tong. The address of the registered office of the Offeror is Rooms 1507-12, 15th Floor, Wing On Centre, 111 Connaught Road Central, Hong Kong.
- (b) As at the Latest Practicable Date, the Offeror Board comprised three directors, namely Madam Hsu, Mr Albert Tong and Mr Charles Tong.

- (c) Tomson is a company incorporated in the Cayman Islands with limited liability. The address of the registered office of Tomson is P.O. Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands and the principal place of business of Tomson in Hong Kong is Rooms 1501-2 and 1507-12, 15th Floor, Wing On Centre, 111 Connaught Road Central, Hong Kong. As at the Latest Practicable Date, Tomson was ultimately controlled by the Tong Family.
- (d) As at the Latest Practicable Date, the Tomson Board comprised four executive directors, Madam Hsu, Mr Albert Tong, Mr Charles Tong and Mr Yeung Kam Hoi, and three independent non-executive directors, Mr Cheung Siu Ping Oscar, Mr Lee Chan Fai and Mr Sean S J Wang.
- (e) Brightsec is a company incorporated in Hong Kong with limited liability. The registered office address of Brightsec is 2nd Floor, Surson Commercial Building, 140-142 Austin Road, Tsimshatsui, Kowloon. As at the Latest Practicable Date, Brightsec was legally and beneficially owned by Wayman Corporation Limited, and its directors were Ms Luk Pui Ki, Paulina and Wayman Corporation Limited. The sole director and shareholder of Wayman Corporation Limited was Ms Luk Pui Ki, Paulina as at the Latest Practicable Date.
- (f) Nankeen is a company incorporated in Hong Kong with limited liability. The registered office address of Nankeen is 2nd Floor, Surson Commercial Building, 140-142 Austin Road, Tsimshatsui, Kowloon. As at the Latest Practicable Date, Nankeen was legally and beneficially owned by Wayman Corporation Limited, and its directors were Ms Luk Pui Ki, Paulina and Wayman Corporation Limited. The sole director and shareholder of Wayman Corporation Limited was Ms Luk Pui Ki, Paulina as at the Latest Practicable Date.
- (g) Nomsec No. 1 is a company incorporated in Hong Kong with limited liability. The registered office address of Nomsec No. 1 is 2nd Floor, Surson Commercial Building, 140-142 Austin Road, Tsimshatsui, Kowloon. As at the Latest Practicable Date, Nomsec No. 1 was legally and beneficially owned by Wayman Corporation Limited, and its directors were Ms Luk Pui Ki, Paulina and Wayman Corporation Limited. The sole director and shareholder of Wayman Corporation Limited was Ms Luk Pui Ki, Paulina as at the Latest Practicable Date.

- (h) Nomsec No. 2 is a company incorporated in Hong Kong with limited liability. The registered office address of Nomsec No. 2 is 2nd Floor, Surson Commercial Building, 140-142 Austin Road, Tsimshatsui, Kowloon. As at the Latest Practicable Date, Nomsec No. 2 was legally and beneficially owned by Wayman Corporation Limited, and its directors were Ms Luk Pui Ki, Paulina and Wayman Corporation Limited. The sole director and shareholder of Wayman Corporation Limited was Ms Luk Pui Ki, Paulina as at the Latest Practicable Date.

- (i) The registered office of Able Capital is Unit 2201, 22nd Floor, COSCO Tower, 183 Queen's Road Central, Hong Kong.

1. RESPONSIBILITY STATEMENT

All the Offeree 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 the Offeror Concert Parties), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than opinions expressed by the Offeror Board) 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

As at the Latest Practicable Date, the Offeree had 2,608,546,511 Shares with carrying value of HK\$442.24 million. Up to the Latest Practicable Date, no Share has been issued by the Offeree since 31 December 2017, being the date to which the latest published audited financial statements of the Offeree were made up.

All Shares rank *pari passu* in all respects regarding rights to capital, dividends and voting.

Other than the Shares, the Offeree had no other outstanding shares, options (whether or not under the Share Option Scheme), warrants, derivative or other securities that are convertible or exchangeable into Shares or other types of equity interest in issue as at the Latest Practicable Date.

APPENDIX IV GENERAL INFORMATION OF THE OFFEREE GROUP

3. DISCLOSURE OF INTEREST AND DEALINGS IN SECURITIES

For the purpose of paragraph 3 in this Appendix IV to this Composite Document, “interested” has the same meaning as ascribed to that term in Part XV of the SFO.

- (a) As at the Latest Practicable Date, the interests and short positions of the Offeree Directors and the chief executive of the Offeree in the Shares, underlying Shares and debentures of the Offeree or its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Offeree and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken, or are deemed to have taken, under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be recorded in the register required to be kept by the Offeree; or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “**Model Code**”), to be notified to the Offeree and the Stock Exchange were as follows:

Name of Offeree Director	Long position/ short position	Capacity	Number of Shares held	Approximate percentage of shareholding <i>(Note 1)</i>
Madam Hsu <i>(Note 2)</i>	Long position	Beneficial owner	317,178,162	12.159%
		Interest in a controlled corporation	1,829,272,023	70.126%
			<u>2,146,450,185</u>	<u>82.285%</u>
Mr Albert Tong	Long position	Beneficial owner	103,210,000	3.957%

Notes:

1. The percentage of shareholding in the Offeree is calculated by reference to the number of Shares as at the Latest Practicable Date (i.e., 2,608,546,511 Shares) and rounded to 3 decimal places.
2. Out of those 2,146,450,185 Shares, Madam Hsu was beneficially interested in 317,178,162 Shares and, by virtue of Madam Hsu’s beneficial interest in 66% of the issued shares of the Offeror, Madam Hsu was deemed to be interested in 1,829,272,023 Shares under the SFO. As at the Latest Practicable Date, the Offeror held 2,552,000 Shares and had an interest in the Offer Shares of 1,826,720,023 Shares.

Save as disclosed above, as at the Latest Practicable Date, none of the Offeree Directors and chief executive of the Offeree and their respective associates had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Offeree or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Offeree and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Offeree Directors and chief executive of the Offeree are taken or deemed to have under such provisions of the SFO), or were required to be recorded in the register required to be kept by the Offeree pursuant to section 352 of the SFO, or which will be required, pursuant to the Model Code, to be notified to the Offeree and the Stock Exchange, or required to be disclosed under the Takeovers Code.

- (b) As at the Latest Practicable Date, other than Madam Hsu (being a director of the Offeror and a legal and beneficial owner of the Offeror owning as to 66% of the equity interest in the Offeror) and Mr Albert Tong (being a director of the Offeror and a legal and beneficial owner of the Offeror owning as to 17% of the equity interest in the Offeror), neither the Offeree nor any Offeree Director had any interest in the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Offeror.
- (c) As at the Latest Practicable Date:
 - (i) save as disclosed in sub-paragraph (a) above, none of the Offeree Directors had any interest in the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Offeree;
 - (ii) none of the subsidiaries of the Offeree, pension funds of the Offeree or of any member of the Offeree Group or a person who is presumed to be acting in concert with the Offeree by virtue of class (5) of the definition of “acting in concert” under the Takeovers Code or an associate of the Offeree by virtue of class (2) of the definition of “associate” under the Takeovers Code but excluding any exempt principal trader and exempt fund managers had owned or controlled any of the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Offeree or had dealt in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Offeree during the Relevant Period;

- (iii) no person had any arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Offeree or with any person who is presumed to be acting in concert with the Offeree by virtue of classes (1), (2), (3) and (5) of the definition of “acting in concert” under the Takeovers Code with the Offeree or who is an associate of the Offeree by virtue of classes (2), (3) and (4) of the definition of “associate” under the Takeovers Code, and none of such persons had dealt in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Offeree during the Relevant Period;
- (iv) no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Offeree were managed on a discretionary basis by fund managers (other than exempt fund managers) connected with the Offeree, and none of them had dealt in any relevant securities in the Offeree during the Relevant Period;
- (v) none of the Offeree Directors (other than Madam Hsu and Mr Albert Tong, who are members of the Offeror Concert Parties) held any beneficial shareholdings in the Offeree which would otherwise entitle them to accept or reject the Offer;
- (vi) neither the Offeree nor any of the Offeree Directors had borrowed or lent any of the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Offeree, save for any borrowed Shares which had been either on-lent or sold;
- (vii) except as disclosed in the paragraph headed “4. Dealings in the Offeree’s securities” in “Appendix III – General Information of the Offeror” to this Composite Document, during the Relevant Period, none of the Offeree Directors had dealt for value in the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Offeree; and
- (viii) save for (a) the acquisition of 1 share of the Offeror at HK\$1.00 and the subscription for 65 new shares of the Offeror at an aggregate of HK\$65.00 by Madam Hsu on 24 September 2018; and (b) the subscription for 17 new shares of the Offeror at an aggregate of HK\$17.00 by Mr Albert Tong on 24 September 2018, none of the Offeree nor any Offeree Director had dealt for value in the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Offeror.

4. ARRANGEMENTS AFFECTING OFFEREE DIRECTORS

As at the Latest Practicable Date:

- (a) no benefit (other than statutory compensation) was or would be given to any Offeree Director as compensation for loss of office or otherwise in connection with the Offer;
- (b) there was no agreement or arrangement existed between any Offeree Director and any other person which was conditional or dependent upon the outcome of the Offer or otherwise connected with the Offer (other than the personal guarantee and charge over assets made by each of Madam Hsu and Mr Albert Tong in respect of the Facility provided under the Facility Letters); and
- (c) there was no material contract entered into by the Offeror in which any Offeree Director (other than the Facility Letters (together with the ancillary documents) as disclosed in the sub-paragraph headed “Financial resources available to the Offeror” in the “Letter from Able Capital” in this Composite Document in which Madam Hsu and Mr Albert Tong is interested in their respective capacity as a legal and beneficial owner of the Offeror) had a material personal interest.

5. SERVICE CONTRACTS WITH OFFEREE DIRECTORS

As at the Latest Practicable Date, none of the Offeree Directors had entered into any service contracts with the Offeree or any of its subsidiaries or associated companies which (a) (including both continuous and fixed term contracts) have been entered into or amended within 6 months prior to the commencement of the Offer Period; (b) are continuous contracts with a notice period of 12 months or more; or (c) are fixed term contracts with more than 12 months to run irrespective of the notice period.

6. MATERIAL CONTRACTS

As at the Latest Practicable Date, no 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 Offeree Group) had been entered into by any member of the Offeree Group within the two years prior to the commencement of the Offer Period and ending on the Latest Practicable Date which are or may be material.

7. LITIGATION

As at the Latest Practicable Date, none of the members of the Offeree Group was engaged in any litigation or arbitration of material importance and, so far as the Offeree Directors are aware, no litigation or claims of material importance was pending or threatened by or against any members of the Offeree Group.

8. QUALIFICATIONS OF EXPERTS

The following are the qualifications of each of the experts who have been named in this Composite Document or who have given their opinion or advice, which is contained in this Composite Document:

Name	Qualification
Able Capital	a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Halcyon Capital	a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

9. CONSENTS

Each of the experts named in the paragraph headed “Qualifications of Experts” above has given and has not withdrawn its written consents to the issue of this Composite Document with the inclusion therein of the opinions, reports, advice, recommendations, and/or letters and/or the references to its name and/or opinions, reports, advice, recommendations, and/or letters in the form and context in which they respectively appear.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at (a) the office of the Offeree located at Room 1507, 15th Floor, Wing On Centre, 111 Connaught Road Central, Hong Kong from 9:30 a.m. to 5:30 p.m., Monday to Friday (except Hong Kong public holidays), unless (i) a tropical cyclone warning signal number 8 or above is hoisted or is announced to be hoisted; or (ii) a black rainstorm warning is issued or is announced to be issued; (b) on the website of the Offeree at <http://www.rivera.com.hk>; and (c) the website of the SFC at <http://www.sfc.hk> from 11 January 2019 until the earlier of: (a) the Closing Date; and (b) the date on which the Offer is withdrawn or lapse:

- (i) the articles of association of the Offeree;
- (ii) the annual reports of the Offeree for the two years ended 31 December 2017 and the interim report of the Offeree for the six months ended 30 June 2018;
- (iii) the articles of association of the Offeror;
- (iv) the “Letter from Able Capital”, the text of which is set out on pages 9 to 24 of this Composite Document;
- (v) the “Letter from the Offeree Board”, the text of which is set out on pages 25 to 29 of this Composite Document;
- (vi) the “Letter from the Offeree Independent Board Committee”, the text of which is set out on pages 30 and 31 of this Composite Document;
- (vii) the “Letter from the Offeree Independent Financial Adviser”, the text of which is set out on pages 32 to 61 of this Composite Document;
- (viii) the written consents referred to in the paragraph headed “Consents” in this Appendix IV to this Composite Document; and
- (ix) the Facility Letters.