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## **MOG DIGITECH HOLDINGS LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1942)**

### **DISCLOSEABLE TRANSACTION IN RELATION TO THE ACQUISITION OF THE ENTIRE EQUITY INTEREST IN HOPE TALENT LIMITED**

#### **THE ACQUISITION**

On 7 February 2023, the Purchaser, being a wholly owned subsidiary of the Company, and the Vendor entered into the Agreement, pursuant to which the Vendor had conditionally agreed to sell and assign to the Purchaser, and the Purchaser had conditionally agreed to acquire from the Vendor, the Sale Shares, representing the entire equity share capital of the Target Company, at a total cash consideration of HK\$116,930,000.

#### **IMPLICATIONS UNDER THE LISTING RULES**

As one or more applicable percentage ratios (as defined under the Listing Rules) in respect of the transactions contemplated under the Agreement exceeded 5% but all of them were less than 25%, the transactions contemplated under the Agreement constituted a discloseable transaction of the Company and were therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

Due to an inadvertent oversight, the Company has failed to promptly comply with the notification and announcement requirements under the Listing Rules regarding the transactions contemplated under the Agreement. The Company would like to stress that having failed to classify the transactions contemplated under the Agreement in accordance with the Listing Rules was unintentional since it was a genuine belief held by the then Board at the material time that only the cost, but not the fair value, of the investment in Beijing Yuntu should be taken into account when computing the asset ratio under Rule 14.07 of the Listing Rules.

Reference is made to the Announcement.

On 7 February 2023, the Purchaser, being a wholly owned subsidiary of the Company, and the Vendor entered into the Agreement. The principal terms of the Agreement are summarised below:

## **THE AGREEMENT**

Date : 7 February 2023

Parties : (i) the Purchaser; and  
(ii) the Vendor.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor is an Independent Third Party.

### **Subject matter**

Subject to the fulfillment of the conditions set out in the Agreement, the Vendor shall, as legal and beneficial owner, sell and assign to the Purchaser, and the Purchaser shall acquire from the Vendor, the Sale Shares.

### **Consideration**

The Consideration payable by the Purchaser to the Vendor (or its nominee(s)) for the sale and purchase of the Sale Shares shall be HK\$116,930,000, which shall be satisfied by way of cash consideration.

As of the date of this announcement, the Consideration had been fully settled by the Purchaser to the Vendor.

### **Basis of determination of the Consideration**

The Consideration was determined after arm's length negotiations between the Purchaser and the Vendor on normal commercial terms and with reference to a preliminary valuation of 29% equity interest in Beijing Yuntu as estimated by the Valuer using the income approach and market approach.

After entering into the Agreement, the Company engaged the Valuer to conduct a valuation (the "**Valuation**") on the fair value of the 29% equity interest in Beijing Yuntu and the relevant valuation report was finalised and received on 8 June 2023 (the "**Valuation Report**"). According to the Valuation Report, the appraised value of the 29% equity interest in Beijing Yuntu using the income approach and market approach were approximately RMB97.7 million and RMB102.7 million, respectively.

As regards the market approach, the Valuer used the selected public companies' median forward enterprise value to revenue multiples and the selected public companies' median trailing twelve-month (TTM) and forward earnings before interest and tax and depreciation and amortisation (EBITDA) multiples to estimate the enterprise value for Beijing Yuntu. The Valuer adjusted the estimated cash, debt, minority interest, and working capital deficit of Beijing Yuntu to estimate an equity value for Beijing Yuntu.

The above appraisal constitutes a profit forecast under Rule 14.61 of the Listing Rules, thus, the requirements under Rule 14.62 of the Listing Rules are applicable.

### **Assumptions of the Valuation**

Pursuant to Rule 14.62(1) of the Listing Rules, details of the principal assumptions, including commercial assumptions, upon which the Valuation has been based are as follows:

#### ***General assumptions***

- (i) title to the property or asset owned by Beijing Yuntu is assumed to be good and marketable. The property or asset is assumed to be free and clear of any liens, easements, encroachments, and other encumbrances;
- (ii) all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government, or private entity or organisation have been or can readily be obtained or renewed for any use on which the value estimate provided is based;
- (iii) full compliance with applicable federal, state, and local zoning and use, occupancy, environment, and similar laws and regulations;
- (iv) the prospective financial information have been reasonably prepared based on assumptions which reflect the best available estimates and judgments of management of Beijing Yuntu as to the future financial performance of the activities valued; and
- (v) industry trends and the market conditions for related industries will not deviate significantly from economic forecasts.

#### ***Specific assumptions***

- (i) The forecasted revenue of Beijing Yuntu for the year ending 31 December 2023 was determined on the contract backlog with signed contract on hand with a contract value of approximately RMB170 million;
- (ii) The forecasted revenue of Beijing Yuntu for the years ending 31 December 2024 to 31 December 2027 was estimated based on an annual growth rate of 5% taking into account the expected inflation and general industry growth;

- (iii) The forecasted gross profit margin of Beijing Yuntu of approximately 46.49% was estimated based on historical performance for operating the existing construction contracts on hand;
- (iv) The terminal growth rate of 2% was adopted with reference to the long-term inflation rate in the PRC; and
- (v) A discount rate of 14% was adopted based on the weighted average cost of capital (WACC) with selected comparable companies operating in the operation identical to the Beijing Yuntu.

The Board has reviewed the above principal assumptions upon which the profit forecast has been based and is of the view that the profit forecast has been made after due and careful enquiry.

The Company has engaged Elite Partners to review the arithmetical calculation and compilation of the Valuation, which does not involve adopting accounting policies.

A letter from Elite Partners and a letter from the Board are included in the appendices to this announcement for the purposes of Rule 14.62 of the Listing Rules.

### **Expert and consent**

The following are the qualifications of the expert who has given their opinion and advice in this announcement:

<b>Name</b>	<b>Qualification</b>
Elite Partners	Certified Public Accountants

Elite Partners has given and has not withdrawn its written consent to the publication of this announcement with the inclusion of its report/letter and all references to its name (including its qualification) in the form and context in which they are included.

To the best knowledge, information and belief of the Board and having made all reasonable enquiries, Elite Partners is a third party independent of the Group and is not a connected person of the Group. As at the date of this announcement, Elite Partners does not have any shareholding, directly or indirectly, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate person(s) to subscribe for securities in any member of the Group.

As at the date of this announcement, Elite Partners does not have any direct or indirect interests in any assets which have been, since 31 December 2022 (the date to which the latest published annual results of the Group were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

## **The Board's view on the basis of the Consideration**

The Directors have discussed with the Valuer the different aspects upon which the Valuation was prepared (including the principal assumptions and commercial assumptions) and have reviewed the Valuation for which the Valuer is responsible. The Directors have confirmed that the Valuation has been made after due and careful enquiry by them. Based on this, the Directors are of the view that the Consideration is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **Conditions precedent**

The Completion shall be conditional upon fulfilment or waiver of the following conditions precedent:

- (a) the respective committee and/or board of directors of the Purchaser having passed resolutions for approving, inter alia, the execution of the Agreement and any other agreements in connection therewith, and (ii) the transactions contemplated thereunder and all matters incidental hereto;
- (b) the Vendor having obtained all other requisite consents, authorisations and approvals (or, as the case may be, the relevant waiver(s)), and completed all necessary applications, notifications, registrations and filings (if applicable) in connection with the entering into and performance of the terms of the Agreement and the transactions contemplated thereunder;
- (c) the Purchaser having completed, and to its satisfaction with the results of, the due diligence review conducted on the Target Group;
- (d) the representations, warranties, undertakings and guarantees from the Vendor on all information in whatever medium provided to the Purchaser and its authorised representatives as set out in the Agreement are true, accurate and complete in all respects, and not misleading in any respect; and
- (e) there having been no material breach by the Vendor of its obligations under the Agreement and/or any documents incidental to the transaction contemplated thereunder the Agreement, to which it is a party.

The Vendor and the Purchaser shall use (to the extent they are able) their respective best endeavours to procure the fulfilment of the conditions set out above as soon as possible but in any event not later than the Long Stop Date. If any of the conditions precedent above shall not have been fulfilled (or waived, where applicable) in all respects prior to the Long Stop Date, the Agreement shall be terminated automatically and of no further effect and all liabilities and obligations of the parties to the Agreement shall cease and determine provided that such termination shall be without prejudice to any rights or remedies of the parties to the Agreement which shall have accrued prior to such termination.

## **Completion**

As disclosed in the Announcement, all the conditions precedent to the transactions under the Agreement had been fulfilled, the Completion took place on 9 June 2023.

Immediately after the Completion, the Target Company became an indirect wholly-owned subsidiary of the Company, and the financial results and the Target Group have been consolidated into the financial statements of the Group.

## **INFORMATION ON THE COMPANY AND THE GROUP**

The Company is an investment holding company. The Company and its subsidiaries are principally engaged in (i) digital payment solutions related business; (ii) sales of optical products; and (iii) franchise and license management.

## **INFORMATION ON THE TARGET GROUP**

The Target Group comprises the Target Company and its subsidiaries.

### **The Target Company**

The Target Company is a company incorporated under the laws of the British Virgin Islands with limited liability and is an investment holding company holding the interest of the Hong Kong Company.

As at the date of the Agreement, the Target Company was wholly owned by the Vendor.

### **The Hong Kong Company**

The Hong Kong Company is a company incorporated in Hong Kong with limited liability and is an investment holding company holding the interest of Henan Yuntu.

As at the date of the Agreement, the Hong Kong Company was wholly owned by the Target Company.

### **Henan Yuntu**

Henan Yuntu is a company established in the PRC with limited liability and is an investment holding company holding the 29% equity interests in Beijing Yuntu.

As at the date of the Agreement, Henan Yuntu was wholly owned by the Hong Kong Company.

## Beijing Yuntu

Beijing Yuntu is a company established in the PRC with limited liability and is principally engaged in providing comprehensive solutions for smart cities in the PRC based on its cloud computing know-how and big data platforms.

Upon Completion, Beijing Yuntu is owned as to 50% by Mr. Li Ning\* (李寧), 29% by Henan Yuntu, 20% by Mr. Li Xin\* (李昕) and 1% by the Vendor.

## Financial information of the Target Group

Each of the Target Company, Hong Kong Company and Henan Yuntu is an investment holding company, each conducted no business since its incorporation. As of the date of the Agreement, save as the investment in Beijing Yuntu, the Target Company, Hong Kong Company, and Henan Yuntu did not have any major assets.

Below is the unaudited financial performance of Beijing Yuntu for the two years ended 31 December 2022 as extracted from its unaudited financial statements for the year ended 31 December 2022.

	For the years ended	
	31 December	
	2022	2021
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
Revenue	33,216	8,896
Profit before taxation	2,679	947
Profit after taxation	2,651	947

As at 31 December 2022, the unaudited combined net asset value of the Target Group was approximately RMB38,000.

## REASONS AND BENEFITS OF ENTERING INTO THE AGREEMENT

During the year 2022, the Group has been actively considering and exploring various opportunities for investment projects and broadening the scope of investment according to the market conditions with an aim to enhance the Shareholders' value.

The Group plans to invest in new businesses that show ample growth potential. The Directors noted that there is a global trend towards the introduction of Internet of Things (IoT) technologies, artificial intelligence (AI), blockchain, and many others into the field of urban management has become increasingly noticeable. The urgency of this problem also manifested itself during the COVID-19 pandemic, and many smart city components made it possible to control and contain the spread of the infection. All this testifies to the fact that in current conditions, the digitalization of cities is simply inevitable. Therefore, the number of smart cities continues to increase worldwide, and their development models are constantly improving under the influence of many innovative solutions. Given this, the Directors considered that the digital solutions market is huge with excellent potential prospects. Further to the market analysis, the Directors also noticed that China has become a global leader in innovative city initiatives, combining embedded sensors, instrumentation, CCTVs, and other monitoring technologies with big data processing and AI analysis to make managing its cities and public spaces easier. The country's leadership demonstrates enthusiasm in developing smart cities by launching a national strategy in this area and channeling public resources to promote their growth. China has nearly 800 pilot smart cities programs underway or planned, accounting for more than half of all smart cities in the world.

In January 2023, Mr. Zhou Yue (“**Mr. Zhou**”), who is the executive Director, was acquainted with the Vendor, who has developed a network in the digital sector, in a business occasion. During the conversation, the Vendor explained that it is an excellent time to make an investment in the digital industry as the cost of investment and potential rate of return are favorable for the post-COVID-19 period, whereby Mr. Zhou expressed his interest in light of the potential growth and bright prospects. Based on the results of the due diligence exercise conducted by Mr. Zhou, including but not limited to a site visit, management interview, documents review, feasibility studies, and financial assessment, Mr. Zhou considered that the business where Beijing Yuntu engaged is considered to be a high-growth business and is expected to bring promising returns to the Company.

Based on the due diligence results conducted by the Group's management, Beijing Yuntu is a company mainly engaged in the software application and procurement of hardware for smart cities organised by the PRC government authorities. In other words, Beijing Yuntu takes smart people's livelihood, urban management and services, and data centers as the main application scenarios and combines actual business capabilities in manufacturing, education, transportation, government and enterprise, internet, and other industries to lay out and superimpose core technology advantages with extensive industry project experience. Based on this, Beijing Yuntu is able to replicate related project capabilities in multiple business scenarios.

After understanding the business of Beijing Yuntu, the Directors believe that the Acquisition represents a valuable opportunity to extend the business footprints in the smart cities' digitalization areas, which further enables the Group to increase its investment income. Having considered the above reasons, the Directors consider the Acquisition is in line with the overall business direction of the Group and also concluded that the Acquisition is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

As one or more applicable percentage ratios (as defined under the Listing Rules) in respect of the transactions contemplated under the Agreement exceeded 5% but all of them were less than 25%, the transactions contemplated under the Agreement constituted a discloseable transaction of the Company and were therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

Due to an inadvertent oversight, the Company has failed to promptly comply with the notification and announcement requirements under the Listing Rules regarding the transactions contemplated under the Agreement. The Company would like to stress that having failed to classify the transactions contemplated under the Agreement in accordance with the Listing Rules was unintentional since it was a genuine belief held by the then Board at the material time that only the cost, but not the fair value, of the investment in Beijing Yuntu should be taken into account when computing the asset ratio under Rule 14.07 of the Listing Rules.

## **ACTIONS AND MEASURES TO BE TAKEN**

The following actions and measures will be taken by the Company to prevent any re-occurrence of incident arising the transactions contemplated under the Agreement in the future:

- (a) on an ongoing basis, the Company will work more closely with its legal adviser on compliance issues and shall, as and when appropriate and necessary, seek advice from other professional advisers on whether a proposed transaction will trigger any disclosure or other compliance requirement under the Listing Rules before entering into such proposed transaction;
- (b) the Company will consult the Stock Exchange before entering into any proposed transaction(s) at an early stage in accordance with the Listing Rules, in case of any doubt as to the application of the requirements in Chapter 14 of the Listing Rules;
- (c) the Company will conduct an internal training session to explain the relevant Listing Rules' requirements and the reporting procedures for notifiable transactions under the Listing Rules, and to emphasise the importance of identifying such transactions prior to execution; and
- (d) The Board has assessed the company's policy regarding internal controls for timely notification of transactions. The policy includes reporting transactions that may be potential notifiable transactions for assessment by the management or Board to determine disclosure obligations under the Listing Rules before entering into any of those transactions.

## DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Announcement”	the announcement issued by the Company dated 9 June 2023 in relation to the completion of the Acquisition
“Acquisition”	the sale and purchase of the Sale Shares by the Vendor to the Purchaser in accordance with the terms of the Agreement
“Agreement”	the conditional sale and purchase agreement dated 7 February 2023 entered into between the Purchaser and the Vendor in relation to the Acquisition
“Beijing Yuntu”	Beijing Yuntu Digital Technology Company Limited* (北京雲圖數智科技有限公司), being a company established in the PRC with limited liability
“Board”	board of Directors
“Business Day(s)”	a day (other than a Saturday, Sunday and public holiday) on which licensed banks in Hong Kong are open for business throughout their normal business hours
“Company”	MOG Digitech Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on main board of the Stock Exchange (Stock code: 1942)
“Completion”	Completion of the Acquisition in accordance with the Agreement
“Completion Date”	the date on which the Completion occurs in accordance with the Agreement
“Condition(s) Precedent”	condition(s) precedent to Completion as set out in the Agreement
“connected person(s)”	has the meaning as ascribed to it under the Listing Rules
“Consideration”	the consideration for the Acquisition
“Director(s)”	director(s) of the Company
“Elite Partners”	Elite Partners CPA Limited, Certified Public Accountants
“Group”	the Company and its subsidiaries

“Henan Yuntu”	Henan Yuntu Kexing Information Company Limited* (河南雲圖科興信息有限公司), being a company established in the PRC with limited liability
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Hong Kong Company”	Hope Talent Group (HK) Limited, being a company incorporated in Hong Kong with limited liability
“Independent Third Party(ies)”	person(s) or entity(ies) who is/are third party(ies) independent of, and not connected with the Company and any of its respective connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	6 August 2023, or such later date as agreed by the parties to the Agreement
“PRC”	the People’s Republic of China, which for the purpose of this announcement shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	MOG (BVI) Limited, being the wholly owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Sales Share(s)”	50,000 issued ordinary shares of the Target Company, representing the total issued share capital of the Target Company
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Hope Talent Limited, being a company incorporated under the laws of the British Virgin Islands with limited liability
“Target Group”	collectively the Target Company, the Hong Kong Company and Henan Yuntu

“Valuer”	STEAM Valuation Advisory Limited, an independent professional valuer
“Vendor”	Mr. Wu Bin* (伍斌)
“%”	per cent

By Order of the Board  
**MOG Digitech Holdings Limited**  
**Zhou Yue**  
*Executive Director*

Hong Kong, 13 October 2023

*As at the date of this announcement, the Company has three executive Directors, namely Mr. Deng Zhihua (Chairman), Ms. Tang Tsz Yuet and Mr. Zhou Yue, and three independent non-executive Directors, namely Mr. Yau Tung Shing, Ms. Jiao Jie and Mr. Gao Hongxiang*

*\* English name of such entity or individual is the transliteration of its/his Chinese name for reference only*

## **APPENDIX 1 – LETTER FROM ELITE PARTNERS**

13 October 2023

The Board of Directors  
MOG Digitech Holdings Limited  
Room 1910, 19th Floor,  
C C Wu Building,  
302 – 308 Hennessy Road,  
Wanchai, Hong Kong

Dear Sirs,

**MOG Digitech Holdings Limited (the “Company”)**  
**and its subsidiaries (collectively referred to herein as the “Group”)**

### **Comfort letter on profit forecast**

We have been engaged to report on the arithmetical calculations of the discounted future cash flows used in the valuation report dated 8 June 2023 (“**Forecast**”) prepared by STEAM Valuation Advisory Limited in respect of the appraisal of the fair value of 29% equity interests in Beijing Yuntu Digital Technology Company Limited\* (北京雲圖數智科技有限公司) (“**Beijing Yuntu**”) as at 31 March 2023 (the “**Valuation**”).

The Valuation is based upon discounted future cash flow and is regarded by the directors of the Company (the “**Directors**”) as a profit forecast under paragraph 14.61 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

### **Directors’ Responsibility for the Discounted Future Cash Flows**

The Directors are solely responsible for the preparation of the Forecast in accordance with the bases and assumptions determined by the Directors and as set out in the Valuation. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation of the Forecast for the Valuation and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

### **Our Independence and Quality Control**

We have complied with the independence and other ethical requirements of the “Code of Ethics for Professional Accountants” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Management 1 “Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements” issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Reporting Accountant’s Responsibility**

Our responsibility is to report, as required by paragraph 14.62(2) of the Listing Rules, on the arithmetical calculations of the Forecast used in the Valuation.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” issued by the HKICPA. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain reasonable assurance on whether the discount future cash flows, so far as the calculations are concerned, has been properly compiled in accordance with the bases and assumptions as set out in the Forecast. We have re-performed the arithmetical calculations and compared the compilation of the Forecast with the bases and assumptions.

We are not reporting on the appropriateness and validity of the bases and assumptions on which the Forecast are based and our work does not constitute any valuation of the Target Group or an expression of an audit or review opinion on the Valuation.

The Forecast do not involve the adoption of accounting policies. The Forecast depend on future events and on a number of assumptions which cannot be confirmed and verified in the same way as past results and not all of which may remain valid throughout the period. Our work has been undertaken for the purpose of reporting solely to you under paragraph 14.62(2) of the Listing Rules and for no other purpose. We accept no responsibility to any other person in respect of, arising out of or in connection with our work.

### **Opinion**

Based on the foregoing, in our opinion, the Forecast, so far as the arithmetical calculations are concerned, have been properly compiled in all material respects in accordance with the bases and assumptions made by the Directors as set out in the Valuation.

Yours faithfully,

**Elite Partners CPA Limited**  
*Certified Public Accountants*  
Hong Kong

## APPENDIX II – LETTER FROM THE BOARD

13 October 2023

The Listing Division  
Hong Kong Exchanges and Clearing Limited  
12/F, Two Exchange Square,  
8 Connaught Place, Central,  
Hong Kong

Dear Sir or Madam,

We refer to the announcement of MOG Digitech Holdings Limited (the “**Company**”) dated 13 October 2023 in relation to the acquisition of the entire equity interests in Hope Talent Limited under the agreement entered into between MOG (BVI) Limited and Mr. Wu Bin dated 7 February 2023 (the “**Announcement**”). Unless the context otherwise requires, terms defined in the Announcement shall have the same meanings when used herein.

We have reviewed and discussed the Valuation, which forms one of the basis for determining the Consideration. We note that the methodology applied in deriving the Valuation is regarded as a profit forecast under Rule 14.61 of the Listing Rules. Pursuant to Rule 14.62 of the Listing Rules, we have engaged Elite Partners, acting as the Company’s auditors, to examine the arithmetical accuracy of the calculation of the Valuation in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) “**Assurance Engagements Other Than Audits or Reviews of Historical Financial Information**” issued by the Hong Kong Institute of Certified Public Accountants.

On the basis of the above, we confirm that the Valuation has been made after due and careful enquiry.

For and on behalf of the Board  
**MOG Digitech Holdings Limited**

**Zhou Yue**  
*Executive Director*