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# THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

This Composite Document does not constitute an offer to sell or an invitation or solicitation of an offer to acquire, purchase or subscribe for any securities or a solicitation of any vote or approval in any jurisdiction. This Composite Document does not constitute a prospectus or a prospectus equivalent document.

If you have sold or transferred all your shares in VCREDIT Holdings Limited, you should at once hand this Composite Document and the enclosed Form of Acceptance to the purchaser or the transferee or to the licensed securities dealer or the registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee. 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 contained herein.

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.

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## WEALTHY SURPLUS LIMITED

*(incorporated in the British Virgin Islands  
with limited liability)*

**VCREDIT Holdings Limited**  
**維信金科控股有限公司**  
*(registered by way of continuation in the  
Cayman Islands with limited liability)*  
**(Stock code: 2003)**

**COMPOSITE OFFER AND RESPONSE DOCUMENT RELATING TO  
MANDATORY UNCONDITIONAL GENERAL CASH OFFER BY  
GET NICE SECURITIES LIMITED  
FOR AND ON BEHALF OF WEALTHY SURPLUS LIMITED  
TO ACQUIRE ALL THE ISSUED SHARES  
OF VCREDIT HOLDINGS LIMITED  
(OTHER THAN THOSE SHARES ALREADY OWNED OR  
AGREED TO BE ACQUIRED BY THE OFFEROR CONCERT GROUP  
(EXCLUDING THE RELEVANT PRESUMED CONCERT PARTIES))**

**Financial adviser and Offer Agent to the Offeror**



**Financial adviser to the Company**



**Independent Financial Adviser to the Independent Board Committee**

**ALTUS CAPITAL LIMITED**

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Unless the context otherwise requires, capitalised terms used in this Composite Document (including this cover page) have the same meanings as those defined in the "DEFINITIONS" section of this Composite Document. The "Letter from Get Nice Securities" containing, among other things, the details of the principal terms of the Offer is set out on pages 8 to 19 of this Composite Document. The "Letter from the Board" is set out on pages 20 to 29 of this Composite Document. The "Letter from the Independent Board Committee" containing its recommendations to the Independent Shareholders in relation to the Offer is set out on pages 30 to 31 of this Composite Document. The "Letter from the Independent Financial Adviser" containing the advice of the Independent Financial Adviser to the Independent Board Committee in relation to the Offer is set out on pages 32 to 52 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. The Form of Acceptance should be received by the Registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:00 p.m. (Hong Kong time) on Monday, 3 February 2025 or such later time and/or date as the Offeror may determine and announce in accordance with the requirements under the Takeovers Code.

Shareholders should inform themselves of and observe any applicable legal, tax or regulatory requirements set out in the "IMPORTANT NOTICES" section 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 paragraphs headed "10. OVERSEAS SHAREHOLDERS" in Appendix I "Further Terms of the Offer" to this Composite Document before taking any action. It is the responsibility of any Overseas Shareholders wishing to take any action in relation to the Offer, respectively, 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 compliance with all necessary formalities or legal requirements and the payment of any issue, transfer or other taxes payable by such Overseas Shareholders in respect of the acceptance of the Offer (as applicable) in such jurisdiction. The Overseas Shareholders are advised to seek professional advice on deciding whether to accept the Offer (as applicable). This Composite Document is issued jointly by the Offeror and the Company.

This Composite Document will remain on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<https://www.vcredit.com>) as long as the Offer remains open. In case of any inconsistency, the English language texts of this Composite Document and the enclosed Form of Acceptance shall prevail over their respective Chinese texts for the purpose of interpretation.

10 January 2025

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## EXPECTED TIMETABLE

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*The timetable set out below is indicative only and may be subject to changes. Any changes to the timetable will be jointly announced by the Offeror and the Company as and when appropriate. Unless otherwise specified, all time and date references contained in this Composite Document and the Form of Acceptance refer to Hong Kong time and dates.*

<b>Event</b>	<b>Time and Date</b>
Despatch date of this Composite Document and the Form of Acceptance and commencement date of the Offer <sup>(Note 1)</sup> .....	Friday, 10 January 2025
Latest time and date for acceptance of the Offer <sup>(Notes 2 and 3)</sup> .....	4:00 p.m. on Monday, 3 February 2025
Closing Date <sup>(Notes 2 and 3)</sup> .....	Monday, 3 February 2025
Announcement of the results of the Offer to be posted on the websites of the Stock Exchange .....	No later than 7:00 p.m. on Monday, 3 February 2025
Latest date for posting of remittances for the amounts due in respect of valid acceptances received under the Offer <sup>(Notes 3 and 4)</sup> .....	Wednesday, 12 February 2025

*Notes:*

1. The Offer, which is unconditional in all respects, is made on the date of posting of this Composite Document, and capable of acceptance on and from that date until the Closing Date. Beneficial owners of Shares who hold their Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements for causing instructions to be made to CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures. Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code. Please refer to the paragraph headed "6. RIGHT OF WITHDRAWAL" in Appendix I "Further Terms of the Offer" to this Composite Document for further information on the circumstances where acceptances may be withdrawn.
2. In accordance with the Takeovers Code, the Offer must initially be open for acceptance for at least 21 days following the date on which this Composite Document is posted. The latest time and date for acceptance of the Offer is 4:00 p.m. on Monday, 3 February 2025. The Offeror reserves the right to extend the Offer until such date as it may determine pursuant to the Takeovers Code. An announcement will be issued through the Stock Exchange's website by 7:00 p.m. on Monday, 3 February 2025 stating whether the Offer has been revised or extended or has closed for acceptance. In the event that the Offeror decides to extend the Offer, the announcement will state the next closing date of the Offer or that the Offer will remain open until further notice. In the latter case, at least 14 calendar days' notice in writing will be given, before the extended Offer is closed, to those Shareholders who have not accepted the Offer.

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## EXPECTED TIMETABLE

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3. If there is a tropical cyclone warning signal number 8 or above, or “extreme conditions” caused by super typhoon or a “black” rainstorm warning signal:
  - a. in force in Hong Kong before 12:00 noon but no longer in force after 12:00 noon on the Closing Date, the time and date of the close of the Offer will remain at 4:00 p.m. on the same Business Day; or
  - b. in force in Hong Kong between 12:00 noon and 4:00 p.m. on the Closing Date, the time and date of the close of the Offer will be postponed to 4:00 p.m. on the next Business Day which does not have either of those warnings in force at any time after 12:00 noon, or such other day as the Executive may approve.
  
4. Remittances in respect of the cash consideration (after deducting seller’s ad valorem stamp duty) payable for the Offer Shares tendered under the Offer will be despatched to the Accepting Shareholders by ordinary post at their own risk as soon as possible, but in any event no later than seven (7) Business Days after the date of receipt by the Registrar of all relevant documents required to render such acceptance complete and valid in accordance with the Takeovers Code. The latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances will not take effect if there is a tropical cyclone warning signal number 8 or above, or “extreme conditions” caused by super typhoon or a “black” rainstorm warning signal, in force in Hong Kong between 12:00 noon and 4:00 p.m. on the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances. In such cases, the latest date for posting of remittances will be rescheduled to the following Business Day which does not have either of those warnings in force in Hong Kong at any time after 12:00 noon.

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

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## IMPORTANT NOTICES

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### NOTICE TO OVERSEAS SHAREHOLDERS

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

As at the Latest Practicable Date, there was one Overseas Shareholder whose address as shown in the register of members of the Company was in the Cayman Islands. Having made reasonable enquiries, the sole director of the Offeror and the Directors are satisfied that there is no restriction under the laws or regulations of the Cayman Islands against despatching this Composite Document and the accompanying Form of Acceptance to such Overseas Shareholder, and will do so accordingly.

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

### TAXATION ADVICE

Offer Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, Offeror Concert Group, the Company, Opus Capital, Get Nice Securities and the Independent Financial Adviser and (as the case may be) their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

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## **IMPORTANT NOTICES**

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### **CAUTIONARY NOTE 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 Company (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, general, social, economic and political conditions in the countries in which the Group operates or other countries which have an impact on the Group’s business activities or investments, interest rates, the monetary and interest rate policies of the countries in which the Group operates, inflation or deflation, foreign exchange rates, the performance of the financial markets in the countries in which the Group operates and globally, changes in domestic and foreign laws, regulations and taxes, changes in competition and the pricing environments in the countries in which the 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 Company or persons 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 of the Latest Practicable Date. Subject to the requirement of applicable laws, rules and regulations, including the Takeovers Code, neither the Offeror nor the Company assumes any obligation to correct or update the forward-looking statements or opinions contained in this Composite Document.

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## DEFINITIONS

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

“Accepting Shareholder(s)”	the Shareholder(s) who accept(s) the Offer
“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Award Shares”	Shares which are subject to awards granted under the Share Award Scheme No. 1
“Board”	the board of Directors
“Business Day(s)”	a day on which the Stock Exchange is open for the transaction of business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Operational Procedures”	the operational procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirement relating to the operations and functions of CCASS, as from time to time in force
“Closing Date”	3 February 2025, being the closing date of the Offer, or any subsequent closing date as may be announced by the Offeror in accordance with the Takeovers Code
“Company”	VCREDIT Holdings Limited, a company registered by way of continuation in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2003)
“Completion Date”	11 December 2024 for Sale and Purchase Agreement A and Sale and Purchase Agreement C, and 16 December 2024 for Sale and Purchase Agreement B
“Composite Document”	this composite offer and response document dated 10 January 2025 and jointly issued by the Offeror and the Company to the Shareholders in connection with the Offer in accordance with the Takeovers Code
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company

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## DEFINITIONS

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“Executive”	the Executive Director of the Corporate Finance Division of the SFC and any of his delegates
“Facility”	a facility in the amount of up to HK\$283 million granted by Get Nice Securities, as lender, to the Offeror, as borrower, for the sole purpose of financing the payment of the consideration of the Offer Share
“Form of Acceptance”	the form of acceptance and transfer issued with this Composite Document to Shareholders for use by such persons in connection with the Offer
“Glory Global”	Glory Global International Limited, a company wholly-owned by Mr. Ma and is interested in 45,595,933 Shares as at the Latest Practicable Date
“Get Nice Securities”	Get Nice Securities Limited, a corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, being the offer agent making the Offer on behalf of the Offeror, the financial adviser to the Offeror in respect of the Offer and the Facility provider to the Offeror
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HKSCC Nominees”	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent committee of the Board, comprising all independent non-executive Directors, namely Mr. Chen Derek, Mr. Chen Penghui and Mr. Fang Yuan, established by the Company to make recommendation to the Independent Shareholders in relation to the Offer



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## DEFINITIONS

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“Independent Financial Adviser” or “Altus Capital”	Altus Capital Limited, a corporation licensed to carry out Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, being the independent financial adviser appointed by the Company for the purpose of advising the Independent Board Committee in relation to the Offer and as to acceptance of it
“Independent Shareholders”	the Shareholders other than the Offeror Concert Group
“Irrevocable Undertakings”	(a) the irrevocable deeds of undertaking dated 10 December 2024 and executed by Mr. Stephen Liu, Perfect Castle, Union Fair, Magic Mount and High Loyal Management Limited, respectively; and (b) the irrevocable deeds of undertaking dated 17 December 2024 and executed by Mr. Thomas Liu, International Treasure Limited and Vendor B, respectively, pursuant to which each of the Non-Accepting Shareholders has irrevocably undertaken to the Offeror, among others, not to accept the Offer
“Joint Announcement”	the announcement dated 20 December 2024 jointly issued by the Offeror and the Company in relation to the Sale and Purchase Agreements and the Offer
“Last Trading Day”	10 December 2024, being the last full trading day immediately prior to the suspension of trading in the Shares pending the publication of the Joint Announcement
“Latest Practicable Date”	7 January 2025, being the latest practicable date for ascertaining information prior to the despatch of this Composite Document
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Magic Mount”	Magic Mount Limited, a company incorporated in the British Virgin Islands with limited liability and owned as to 50% by Mr. Stephen Liu and his mother, Madam Kwok Lim Ying, respectively
“Mr. Hung”	HUNG Hon Man, the ultimate controlling shareholder of Get Nice Securities, being the financial adviser and Facility provider to the Offeror in respect of the Offer and the agent making the Offer on behalf of the Offeror, and presumed to be acting in concert with the Offeror pursuant to classes (5) and (9) of the definition of “acting in concert” in the Takeovers Code until the close of the Offer
“Mr. Liu’s Controlled Group”	Mr. Stephen Liu, Magic Mount, Perfect Castle and Union Fair
“Mr. Ma”	MA Ting Hung, the sole director and sole shareholder of the Offeror, the controlling shareholder of the Company, the chairman of the Company and an executive Director and a member of the Offeror Concert Group

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## DEFINITIONS

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“Mr. Stephen Liu”	LIU Sai Wang Stephen, who controls 50% of, Magic Mount, the sole shareholder of Perfect Castle and Union Fair, a substantial shareholder and the chief executive officer of the Company and an executive Director. He is also the brother of Mr. Thomas Liu
“Mr. Thomas Liu”	LIU Sai Keung Thomas, an executive Director and the brother of Mr. Stephen Liu
“Non-Accepting Shareholder(s)”	each of (a) the members of Mr. Liu’s Controlled Group; (b) Mr. Thomas Liu; (c) International Treasure Limited; (d) Vendor B; and (e) High Loyal Management Limited
“Non-Accepting Share(s)”	the Shares in respect of which the Non-Accepting Shareholders have undertaken to the Offeror not to tender to the Offer as described under the paragraph headed “Irrevocable Undertakings not to accept the Offer” in the “Letter from Get Nice Securities” in this Composite Document
“Offer”	the mandatory unconditional general cash offer made by Get Nice Securities for and on behalf of the Offeror to acquire all the issued Shares (other than those Shares already owned or agreed to be acquired by the Offeror Concert Group (excluding the Relevant Presumed Concert Parties)) in accordance with the Takeovers Code
“Offer Period”	has the meaning ascribed to it under the Takeovers Code which commences on the date of the Joint Announcement and ends on the date on which the Offer closes
“Offer Price”	the price at which the Offer will be made, being HK\$1.80 per Offer Share
“Offer Share(s)”	issued Share(s) (including Shares held by the Trustees) other than those Shares already owned or agreed to be acquired by the Offeror Concert Group (excluding the Relevant Presumed Concert Parties)
“Offer Shareholders”	Shareholder(s) other than the Offeror Concert Group (excluding the Relevant Presumed Concert Parties)
“Offeror”	Wealthy Surplus Limited, a company incorporated in the British Virgin Islands with limited liability and wholly-owned by Mr. Ma
“Offeror Concert Group”	the Offeror and parties acting, or presumed to be acting, in concert with it (including Mr. Ma, Skyworld-Best, Glory Global and the Relevant Presumed Concert Parties)

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## DEFINITIONS

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“Opus Capital”	Opus Capital Limited, a corporation licensed to conduct Type 6 (advising on corporate finance) regulated activity under the SFO, being the financial adviser to the Company in relation to the Offer
“Overseas Shareholder(s)”	Shareholder(s) whose address(es), as shown on the register of members of the Company, is (are) outside Hong Kong
“Perfect Castle”	Perfect Castle Development Limited, a company incorporated in the British Virgin Islands with limited liability and wholly-owned by Mr. Stephen Liu
“Registrar”	Tricor Investor Services Limited, the Hong Kong branch share registrar and transfer office of the Company at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, being the agent to receive the Form of Acceptance
“Relevant Presumed Concert Parties”	includes (a) Mr. Liu’s Controlled Group, (b) Mr. Thomas Liu (an executive Director and the brother of Mr. Stephen Liu); (c) International Treasure Limited (a company wholly-owned by Mr. Thomas Liu who is also the sole director); (d) Vendor B (which is managed by NM Strategic Partners, LLC, in which Mr. Yip Ka Kay, a non-executive Director, is the sole director and sole shareholder); and (e) Mr. Hung (the ultimate controlling shareholder of Get Nice Securities)
“Relevant Period”	the period from 20 June 2024, being the date falling six months preceding the date of the Joint Announcement, up to and including the Latest Practicable Date
“RMB”	Renminbi, the lawful currency of the PRC
“PRC”	the People’s Republic of China which, for the purpose of this Composite Document, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Sale and Purchase Agreements”	collectively, Sale and Purchase Agreement A, Sale and Purchase Agreement B and Sale and Purchase Agreement C
“Sale and Purchase Agreement A”	the sale and purchase agreement dated 10 December 2024 entered into between Vendor A and the Offeror in respect of the sale and purchase of Sale Shares A
“Sale and Purchase Agreement B”	the sale and purchase agreement dated 10 December 2024 entered into between Vendor B and the Offeror in respect of the sale and purchase of Sale Shares B

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## DEFINITIONS

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“Sale and Purchase Agreement C”	the sale and purchase agreement dated 10 December 2024 entered into between Vendor A and Magic Mount in respect of the sale and purchase of Sale Shares C
“Sale Shares A”	17,000,000 issued Shares, representing 3.47% of the total issued share capital of the Company as at the Latest Practicable Date, and each a “Sale Share A”
“Sale Shares B”	3,500,000 issued Shares, representing 0.72% of the total issued share capital of the Company as at the Latest Practicable Date, and each a “Sale Share B”
“Sale Shares C”	7,000,000 issued Shares, representing 1.43% of the total issued share capital of the Company as at the Latest Practicable Date, and each a “Sale Share C”
“Sale Share(s)”	collectively, Sale Shares A, Sale Shares B and Sale Shares C, and each a “Sale Share”
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Share(s)”	ordinary shares having a par value of HK\$0.10 each in the share capital of the Company
“Share Award Schemes”	collectively, Share Award Scheme No. 1 and Share Award Scheme No. 2
“Share Award Scheme No. 1”	the share award scheme of the Company adopted on 11 January 2019, the principal terms of which are set out in the announcement of the Company dated 11 January 2019
“Share Award Scheme No. 2”	the share award scheme of the Company adopted on 27 May 2021, the principal terms of which are set out in the announcement of the Company dated 27 May 2021
“Shareholder(s)”	registered holder(s) of the Share(s)
“Skyworld-Best”	Skyworld-Best Limited, a company wholly-owned by Mr. Ma and is interested in 84,719,154 Shares as at the Latest Practicable Date
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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## DEFINITIONS

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“Subordination Agreements”	collectively, the subordination agreements dated 10 December 2024, entered into between Mr. Ma and each of the Offeror, Skyworld-Best, and Glory Global on the one hand, and Get Nice Securities as lender to the Facility on the other hand, incorporating an assignment in favour of Get Nice Securities of previous shareholder loans made by Mr. Ma to each of the Offeror, Skyworld-Best, and Glory Global, respectively, as security for the principal amount of the Facility outstanding
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers published by the SFC, as amended, supplemented or otherwise modified from time to time
“Trustees”	the independent trustees of the trusts established to administer the Share Award Scheme No. 1, namely (1) Tricor Trust (Hong Kong) Limited, and (2) Teeroy Limited, and “Trustee” means any one of them. As at the Latest Practicable Date, no trust has been established and no trustee has been appointed in respect of the Share Award Scheme No. 2
“Union Fair”	Union Fair International Limited, a company incorporated in the British Virgin Islands with limited liability and wholly-owned by Mr. Stephen Liu
“Vendor A”	Yu Shu Investment VCC – Rain Tree Asia Equity Fund, which is managed by its general partner, Rain Tree Partners Pte. Ltd., an exempt private company incorporated in Singapore and the shareholders of which are Lin Gengwei, Shi Feng, Wu Wenfei and Sun Wen, all of whom are independent of the Company and the Offeror Concert Group
“Vendor B”	NM Strategic Focus Fund L.P., which is managed by NM Strategic Partners, LLC, in which Mr. Yip Ka Kay, a non-executive Director, is the sole director and sole shareholder
“Vendors”	collectively Vendor A and Vendor B
“%”	per cent.

\* *For the purpose of this Composite Document, all amounts denominated in RMB have been translated (for information only) into HK\$ using the exchange rate of RMB1.00: HK\$1.0724. Such translation shall not be construed as a representation that amounts of RMB was or may have been converted at such rate.*

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## LETTER FROM GET NICE SECURITIES

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**Get Nice Securities Limited**

G/F-3/F, Cosco Tower  
Grand Millennium Plaza  
183 Queen's Road Central  
Hong Kong

10 January 2025

*To the Offer Shareholders*

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL GENERAL CASH OFFER BY  
GET NICE SECURITIES LIMITED  
FOR AND ON BEHALF OF WEALTHY SURPLUS LIMITED  
TO ACQUIRE ALL THE ISSUED SHARES  
OF VCREDIT HOLDINGS LIMITED  
(OTHER THAN THOSE SHARES ALREADY OWNED OR  
AGREED TO BE ACQUIRED BY THE OFFEROR CONCERT GROUP  
(EXCLUDING THE RELEVANT PRESUMED CONCERT PARTIES))**

**1. INTRODUCTION**

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

As disclosed in the Joint Announcement, the Board was informed by the Offeror that the Offeror has acquired an aggregate of 20,500,000 Shares, representing approximately 4.19% of the total issued share capital of the Company in the following manner:

- (a) on 10 December 2024 (after trading hours of the Stock Exchange), the Offeror and Vendor A entered into Sale and Purchase Agreement A, pursuant to which Vendor A agreed to sell, and the Offeror agreed to purchase, 17,000,000 Shares at a consideration of HK\$30,600,000 (i.e. HK\$1.80 per Share), representing approximately 3.47% of the total issued share capital of the Company as at the Latest Practicable Date; and
- (b) on 10 December 2024 (after trading hours of the Stock Exchange), the Offeror and Vendor B entered into Sale and Purchase Agreement B, pursuant to which Vendor B agreed to sell, and the Offeror agreed to purchase, 3,500,000 Shares at a consideration of HK\$6,300,000 (i.e. HK\$1.80 per Share), representing approximately 0.72% of the total issued share capital of the Company as at the Latest Practicable Date.

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## LETTER FROM GET NICE SECURITIES

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Completion of Sale and Purchase Agreement A took place on 11 December 2024 and completion of Sale and Purchase Agreement B took place on 16 December 2024.

The Offeror is a company wholly-owned and controlled by Mr. Ma. Immediately before completion of Sale and Purchase Agreement A and Sale and Purchase Agreement B, the Offeror Concert Group (excluding the Relevant Presumed Concert Parties) beneficially owned an aggregate of 195,049,097 Shares, representing approximately 39.85% of the total issued share capital of the Company. Immediately following completion of Sale and Purchase Agreement A and Sale and Purchase Agreement B, the Offeror Concert Group (excluding the Relevant Presumed Concert Parties) owned an aggregate of 215,549,097 Shares, representing approximately 44.04% of the total issued share capital of the Company.

As the Offeror Concert Group's (excluding the Relevant Presumed Concert Parties) aggregate shareholding in the Company increased from approximately 39.85% to 44.04%, pursuant to Rule 26.1 of the Takeovers Code, the Offeror is obliged to make a mandatory general cash offer for all the issued Shares (other than those Shares already owned or agreed to be acquired by the Offeror Concert Group (excluding the Relevant Presumed Concert Parties)).

The Board was also informed by Mr. Stephen Liu that on 10 December 2024, Magic Mount, a company owned as to 50% by him and 50% by his mother, Madam Kwok Lim Ying, entered into Sale and Purchase Agreement C with Vendor A. Pursuant to Sale and Purchase Agreement C, Vendor A agreed to sell, and Magic Mount agreed to purchase, 7,000,000 Shares at a consideration of HK\$12,600,000 (i.e. HK\$1.80 per Share), representing approximately 1.43% of the total issued share capital of the Company.

Completion of Sale and Purchase Agreement C took place on 11 December 2024, whereupon Mr. Liu's Controlled Group (being Mr. Stephen Liu, Magic Mount and other entities controlled by Mr. Stephen Liu) owned an aggregate of 46,942,173 Shares, representing an increase from approximately 8.16% to approximately 9.59% of the total issued share capital of the Company as at the Latest Practicable Date.

This letter forms part of the Composite Document and sets out, among others, details of the Offer, information on the Offeror and the Offeror's intention in relation to the Group. Further details on the terms and procedures for acceptance and settlement of the Offer are set out in Appendix I to the Composite Document and the accompanying Form of Acceptance.

Shareholders are strongly advised to carefully consider the information contained in the "Letter from the Board", the "Letter from the Independent Board Committee", the "Letter from the Independent Financial Adviser" in, and the appendices to, the Composite Document and the Form of Acceptance, and to consult their own professional advisers if in doubt before reaching a decision as to whether or not to accept the Offer.

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## LETTER FROM GET NICE SECURITIES

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### 2. THE OFFER

Get Nice Securities, for and on behalf of the Offeror, hereby makes the Offer in compliance with the Takeovers Code on the following basis:

#### The Offer

**For each Offer Share ..... HK\$1.80 in cash**

The Offer Price of HK\$1.80 per Offer Share is the same as the purchase price per Sale Share A and Sale Share B under Sale and Purchase Agreement A and Sale and Purchase Agreement B, respectively. It is also the same purchase price per Sale Share C under Sale and Purchase Agreement C.

The Offer is unconditional in all respects. The Offer will be extended to all Shares in issue other than those Shares already owned or agreed to be acquired by the Offeror Concert Group (excluding the Relevant Presumed Concert Parties). The Offer Shares to be acquired under the Offer shall be fully paid and free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights and interests of any nature and together with all rights attaching thereto, including but not limited to all rights to any dividend and other distribution, if any, recommended, declared, made or paid by reference to a record date on or after the date on which the Offer is made, that is, the date of despatch of the Composite Document.

The Offeror intends to fund the consideration payable under the Offer in full by the Facility.

As disclosed in the section headed “Letter from the Board – 2. THE OFFER” in the Composite Document, the Company confirms that as at the Latest Practicable Date, the Company does not have any dividend or distribution recommended, declared or made but unpaid and the Company does not intend to declare any dividend or make other distribution during the Offer Period.

#### Share Award Schemes

The Company has adopted two share award schemes. Under the terms of Share Award Scheme No. 1, the Trustees of such scheme may acquire Shares and hold the same pending the grant of awards in respect of such Shares to eligible participants and the vesting of such awards. As at the Latest Practicable Date, the relevant Trustee holds 680,300 Shares under Share Award Scheme No. 1, of which (a) awards have been granted in respect of 400,000 Shares (none of which are granted to the Offeror Concert Group) but which have not yet vested under the relevant terms of grant; and (b) 280,300 Shares have not been granted.



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## LETTER FROM GET NICE SECURITIES

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Under the rules of Share Award Scheme No. 1:

- (i) the vesting of the 400,000 outstanding but unvested Award Shares will not be accelerated by the Offer and will continue to vest in accordance with the original vesting schedules as determined in accordance with the rules of Share Award Scheme No. 1. The Offeror will extend the Offer to these 400,000 outstanding but unvested Award Shares at the terms as set out in the Composite Document. Settlement of the consideration in respect of acceptances of the Offer for these outstanding but unvested Award Shares will be made to the Trustee (on behalf of the relevant grantee(s) who accept the Offer) in the same manner as to Offer Shareholders as set out under the sections headed “Payment” and “Hong Kong stamp duty” in this letter. The Trustee shall arrange payment of the relevant consideration to the relevant grantee(s) who accept the Offer in respect of their outstanding but unvested Award Shares when the said Award Shares vest in accordance with the original vesting schedules and the terms of grant under the Share Award Scheme No. 1; and
- (ii) as for the 280,300 Shares held by the relevant Trustee that have not been granted, given the relevant Trustee holds the relevant Shares for the purposes of the Share Award Scheme No. 1, the Company does not intend to give any instruction to the relevant Trustee to accept the Offer.

As at the Latest Practicable Date, the Trustees in respect of Share Award Scheme No. 1 are (1) Tricor Trust (Hong Kong) Limited; and (2) Teeroy Limited, both third parties independent of the Company.

Under the terms of Share Award Scheme No. 2, the trustee of the scheme may acquire Shares and hold the same pending the grant of awards in respect of such Shares to eligible participants and the vesting of such awards. As at the Latest Practicable Date, no trustee has been appointed and no award shares have been granted under Share Award Scheme No. 2. The Company has no intention to grant any new Award Shares or any award shares under Share Award Scheme No. 2 during the Offer Period.

### **Value of the Offer**

As at the Latest Practicable Date, there are 489,459,789 Shares in issue. On the basis of the Offer Price at HK\$1.80 per Offer Share, the total issued share capital of the Company is valued at HK\$881,027,620.20.

Assuming there is no change in the issued share capital of the Company from the Latest Practicable Date and up to the close of the Offer and excluding the 215,549,097 Shares held by the Offeror Concert Group (excluding the Relevant Presumed Concert Parties) immediately after completion of the Sale and Purchase Agreements, the number of Shares subject to the Offer, including the 129,186,242 Shares held by the Non-Accepting Shareholders, is 273,910,692. Based on the Offer Price of HK\$1.80 per Offer Share, the total value of the Offer will be HK\$493,039,245.60.

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## LETTER FROM GET NICE SECURITIES

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Assuming there is no change in the issued share capital of the Company from the Latest Practicable Date and up to the close of the Offer and excluding the 215,549,097 Shares held by the Offeror Concert Group (excluding the Relevant Presumed Concert Parties) immediately after completion of the Sale and Purchase Agreements and the 129,186,242 Shares held by the Non-Accepting Shareholders, the number of Shares subject to the Offer is 144,724,450. Based on the Offer Price of HK\$1.80 per Offer Share, the total consideration of the Offer would be HK\$260,504,010.

### Offer Price

The Offer Price of HK\$1.80 per Offer Share represents:

- (i) a discount of approximately 32.08% to the closing price of HK\$2.65 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 9.09% to the closing price of HK\$1.98 per Share as quoted on the Stock Exchange on 10 December 2024, being the Last Trading Day;
- (iii) a discount of approximately 8.16% to the average closing price of approximately HK\$1.960 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a discount of approximately 7.50% to the average closing price of approximately HK\$1.946 per Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a discount of approximately 8.91% to the average closing price of approximately HK\$1.976 per Share as quoted on the Stock Exchange for the last thirty (30) consecutive trading days immediately prior to and including the Last Trading Day;
- (vi) a discount of approximately 80.65% to the unaudited net asset value per Share of approximately RMB8.67 (equivalent to approximately HK\$9.30) as at 30 June 2024, calculated based on the Group's unaudited consolidated net asset value as at 30 June 2024 of RMB4,243,228,000 (equivalent to approximately HK\$4,550,437,707) divided by a total of 489,459,789 issued Shares as the Latest Practicable Date; and
- (vii) a discount of approximately 80.28% to the audited net asset value per Share of approximately RMB8.52 (equivalent to approximately HK\$9.13) as at 31 December 2023, calculated based on the Group's audited consolidated net asset value as at 31 December 2023 of RMB4,168,590,000 (equivalent to approximately HK\$4,470,395,916) divided by a total of 489,459,789 issued Shares as at the Latest Practicable Date.

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## LETTER FROM GET NICE SECURITIES

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### **Highest and lowest Share prices**

During the six-month period immediately preceding the date of the Joint Announcement and including the Last Trading Day, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$2.76 on 7 October 2024 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$1.86 on 26 November 2024.

### **Confirmation of financial resources available to the Offeror**

The maximum amount of cash payable by the Offeror in respect of full acceptances of the Offer is HK\$260,504,010, assuming there is no change in the issued share capital of the Company from the Latest Practicable Date up to the close of the Offer.

The Offeror intends to fund the consideration payable under the Offer in full by the Facility, which is secured by share charges over (i) the aggregate of 176,922,097 Shares held by the Offeror, Skyworld-Best and Glory Global immediately before completion of Sale and Purchase Agreement A and Sale and Purchase Agreement B; (ii) the Sale Shares A and the Sale Shares B held by the Offeror following completion of Sale and Purchase Agreement A and Sale and Purchase Agreement B; and (iii) such additional Shares which the Offeror may acquire pursuant to the Offer, in favour of Get Nice Securities. The Offeror confirms that the payment of interest on, repayment of or security for any liability (contingent or otherwise) in relation to the Facility will not depend to any significant extent on the business of the Group.

Get Nice Securities, the financial adviser to the Offeror in respect of the Offer, is satisfied that sufficient financial resources are available to the Offeror to satisfy the amount of funds required for full acceptance of the Offer.

### **Effects of accepting the Offer**

Provided that valid acceptance forms and the relevant certificate(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) are complete and in good order and have been received by the branch share registrar of the Company in Hong Kong, the Offer Shareholders will sell their tendered Shares to the Offeror free from all encumbrances and together with all rights attaching to them, including, without limitation, the rights to receive in full all dividends and other distributions, if any, recommended, declared, made or paid by reference to a record date on or after the date on which the Offer is made, that is, the date of despatch of the Composite Document.

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## LETTER FROM GET NICE SECURITIES

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### **Payment**

Settlement of the consideration in respect of acceptances of the Offer will be made as soon as possible but in any event no later than seven (7) Business Days after the date of receipt of duly completed and valid acceptances in respect of the Offer. Relevant documents evidencing title must be received by or on behalf of the Offeror to render such acceptance of the Offer complete and valid.

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

### **Hong Kong stamp duty**

Seller's Hong Kong ad valorem stamp duty arising in connection with acceptances of the Offer will be payable by the relevant Offer Shareholders at a rate of 0.1% of (i) the market value of the Offer Shares; or (ii) the consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, and the amount of such duty will be deducted from the cash amount payable by the Offeror to the relevant Offer Shareholders accepting the Offer. The Offeror will arrange for payment of seller's Hong Kong ad valorem stamp duty on behalf of the relevant Offer Shareholders accepting the Offer and pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Offer and the transfers of the relevant Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

### **Taxation advice**

Offer Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror Concert Group, the Company, Opus Capital, Get Nice Securities and the Independent Financial Adviser and (as the case may be) their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

### **Overseas Shareholders**

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

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## LETTER FROM GET NICE SECURITIES

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As at the Latest Practicable Date, there was one Overseas Shareholder whose address as shown in the register of members of the Company was in the Cayman Islands. Having made reasonable enquiries, the sole director of the Offeror and the Directors are satisfied that there is no restriction under the laws or regulations of the Cayman Islands against despatching this Composite Document and the accompanying Form of Acceptance to such Overseas Shareholder, and will do so accordingly.

### Irrevocable Undertakings not to accept the Offer

According to the information provided to the Offeror, the Non-Accepting Shareholders are beneficially interested in 129,186,242 Non-Accepting Shares in aggregate, representing approximately 26.39% of the total issued share capital of the Company as at the Latest Practicable Date. Each Non-Accepting Shareholder has irrevocably undertaken to the Offeror not to accept the Offer in respect of its respective Non-Accepting Shares and, until the close of the Offer Period, not to sell, transfer, charge, pledge or otherwise dispose of any of its respective Non-Accepting Shares or any interests in its respective Non-Accepting Shares.

Name of Non-Accepting Shareholders	Number of Non-Accepting Shares	Approximate shareholding percentage (%)
Mr. Stephen Liu	1,200,000	0.24
Perfect Castle	7,523,810	1.54
Union Fair	4,124,505	0.84
Magic Mount	34,093,858	6.97
Mr. Thomas Liu	600,000	0.12
International Treasure Limited	6,828,585	1.40
Vendor B	4,074,714	0.83
High Loyal Management Limited <sup>(Note)</sup>	70,740,770	14.45
<b>Total:</b>	<b>129,186,242</b>	<b>26.39</b>

*Note:*

High Loyal Management Limited borrowed 20,000,000 Shares under securities lending agreements from Perfect Castle with an obligation to return the Shares on 1 December 2025, during which High Loyal Management Limited is the legal and beneficial owner of the said 20,000,000 Shares.

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## LETTER FROM GET NICE SECURITIES

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In the event that the Offer, under the circumstances permitted under the Takeovers Code, is withdrawn or lapses, the unconditional irrevocable undertakings provided by the Non-Accepting Shareholders to the Offeror in respect of the above and in respect of the following matters shall cease to bind them:

- (i) not to sell, transfer, charge, pledge, grant any option over, or otherwise dispose of or create any encumbrances in respect of any of its respective Non-Accepting Shares or any interests in its respective Non-Accepting Shares during the Offer Period in respect of the Offer;
- (ii) not to enter into any agreement in respect of voting or other rights attaching to any of its respective Non-Accepting Shares (including entering into any swap agreement or other arrangement for the transfer to another party of all or part of the economic consequences of, or rights incidental to, ownership of its respective Non-Accepting Shares or interests in its respective Non-Accepting Shares);
- (iii) not to accept or give any undertaking (whether conditional or not) to accept or agree to any offer, scheme of arrangement, acquisition, merger made or proposed to be made by any person in respect of any of its respective Non-Accepting Shares or to do any act which would or might prejudice the success of the Offer;
- (iv) not to acquire shares or interests in any relevant securities of the Company or exercise any rights (including options) to acquire shares in or interests in any relevant securities of the Company without the Offeror's prior consent; and
- (v) not to participate in or reach any discussions, negotiations, agreements or arrangements or take up any obligations (or permit the aforementioned circumstances to occur) in relation to its respective Non-Accepting Shares or the actions referred to in (i), (ii), (iii) or (iv) above; or enable any person (other than the Offeror and any other person authorised by it) to obtain any information in relation to the foregoing.

### **Procedures for acceptance and settlement**

Details of the procedures for acceptance and settlement relating to the Offer are set out in Appendix I "Further Terms of the Offer" to the Composite Document and the accompanying Form of Acceptance.

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## LETTER FROM GET NICE SECURITIES

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### 3. INFORMATION OF THE OFFEROR

The Offeror is a company incorporated in the British Virgin Islands with limited liability and is wholly-owned by Mr. Ma. The Offeror is principally engaged in investment holding.

Mr. Ma, aged 61, received his Bachelor of Arts degree majoring in Economics from the University of Southern California in December 1985. Mr. Ma is a member of the China Overseas Friendship Association and a member of The Hong Kong Independent Non-Executive Directors Association. He was appointed as a Director in September 2007. He is an executive Director and the Chairman of the Company and the chairman of the nomination committee of the Company. Mr. Ma was re-designated from a non-executive Director to an executive Director in March 2022. He is also a director of several subsidiaries of the Company. Mr. Ma is responsible for the overall strategic planning and business direction of the Group, as well as management of the Company. Mr. Ma has over 28 years of experience in banking and finance, and the natural resources industry. Mr. Ma served as an executive director of CITIC Resources Holdings Limited (Stock Code: 1205) (“CRH”), a company listed on the Stock Exchange, from August 2000 to August 2007 and as a non-executive director of CRH from August 2007 to June 2009 and from September 2015 to June 2018, as chief executive officer of CRH from August 2000 to September 2005 and as vice chairman of CRH from August 2000 to August 2007. He was also an independent non-executive director of Universe Entertainment and Culture Group Company Limited (formerly known as Universe International Holdings Limited) (Stock Code: 1046), a company listed on the Stock Exchange, from September 2004 to November 2008.

Mr. Ma controls 100% of each of the Offeror, Skyworld-Best and Glory Global. Mr. Ma is the sole director of the Offeror and Glory Global, and is one of the two directors of Skyworld-Best.

### 4. INFORMATION OF THE GROUP

Details of the information on the Group are set out in the “Letter from the Board” in the Composite Document. Financial and general information of the Group are set out in Appendix II “Financial Information of the Group” and Appendix III “General Information of the Group” to the Composite Document, respectively.

### 5. INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

It is the intention of the Offeror to continue with the Group’s existing principal business following the close of the Offer. The Offeror does not intend to introduce any major changes to, or cease or dispose of, the existing business and operation of the Group following the close of the Offer. Furthermore, the Offeror has no intention to (i) discontinue the employment of any employees of the Group; or (ii) dispose of or re-deploy the fixed assets of the Company other than those in its ordinary and usual course of business. The Offeror will continue to ensure good corporate governance, monitor and review the Group’s business and operations from time to time, and may take steps that it deems necessary or appropriate to optimise the value of the Group.

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## LETTER FROM GET NICE SECURITIES

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### 6. NO CHANGE OF BOARD COMPOSITION

It is intended that there will be no change to the Board composition following the close of the Offer.

### 7. PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

The Offeror does not intend to avail itself of any powers of compulsory acquisition of any Shares outstanding after the close of the Offer. The Offeror will, together with the Company, use reasonable endeavours to maintain the listing status of the Shares on the Stock Exchange and procure that not less than 25% of the entire issued share capital of the Company be held by the public in compliance with the Listing Rules. The sole director of the Offeror has undertaken to the Stock Exchange to take appropriate steps following the close of the Offer to ensure that sufficient public float exists in the issued Shares.

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares (excluding treasury shares), are held by the public, or if the Stock Exchange believes that:

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

it will consider exercising its discretion to suspend dealings in the Shares. Therefore, it should be noted that upon close of the Offer, there may be insufficient public float of the Shares and the trading in the Shares may be suspended until sufficient public float exists for the Shares.

### 8. GENERAL

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

All documents and remittances in respect of cash consideration payable for the Offer Shares tendered under the Offer will be sent to the Accepting Shareholders by ordinary post at such Shareholder's own risk. These documents and remittances will be sent to them at their respective addresses as they appear in the register of members of the Company, or in the case of joint Shareholders, to the Shareholder whose name appears first in the said register of members, unless otherwise specified in the accompanying Form of Acceptance completed, returned and received by the Registrar. None of the Offeror Concert Group, the Company, Opus Capital, Altus Capital, the Registrar or any of their respective ultimate beneficial owners, directors, officers, agents, advisers or associates or any other person involved in the Offer will be responsible for any loss in postage or delay in transmission of such documents and remittances or any other liabilities that may arise as a result thereof.



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## LETTER FROM GET NICE SECURITIES

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### 9. WARNING

Shareholders and potential investors of the Company should exercise caution when dealing in the Shares, and if they are in any doubt about their position or as to the action they should take, they should consult their stockbroker, bank manager, solicitor or other professional advisers.

### 10. ADDITIONAL INFORMATION

Your attention is drawn to the additional information relating to 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, you are reminded to carefully consider the information contained in the “Letter from the Board”, the “Letter from the Independent Board Committee” and the “Letter from the Independent Financial Adviser” set out in the Composite Document and to consult your professional advisers as you see fit, before deciding whether or not to accept the Offer.

Yours faithfully,  
for and on behalf of  
**Get Nice Securities Limited**  
**Larry Ng**  
*Director*

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LETTER FROM THE BOARD

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**VCREDIT Holdings Limited**  
**維信金科控股有限公司**

*(registered by way of continuation in the Cayman Islands with limited liability)*

**(Stock Code: 2003)**

*Executive Directors*

Mr. Ma Ting Hung (*Chairman*)

Mr. Liu Sai Wang Stephen (*Chief Executive Officer*)

Mr. Liu Sai Keung Thomas (*Chief Operating Officer*)

Ms. Xue Lan

*Non-executive Director*

Mr. Yip Ka Kay

*Independent Non-executive Directors*

Mr. Chen Derek

Mr. Chen Penghui

Mr. Fang Yuan

*Registered Office*

Harneys Fiduciary (Cayman) Limited

4th Floor, Harbour Place

103 South Church Street

P.O. Box 10240

Grand Cayman KY1-1002

Cayman Islands

*Head Office and*

*Principal Place of Business*

Suite 1918, 19/F

Two Pacific Place

88 Queensway

Hong Kong

10 January 2025

*To the Offer Shareholders*

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL GENERAL CASH OFFER BY  
GET NICE SECURITIES LIMITED  
FOR AND ON BEHALF OF WEALTHY SURPLUS LIMITED  
TO ACQUIRE ALL THE ISSUED SHARES  
OF VCREDIT HOLDINGS LIMITED  
(OTHER THAN THOSE SHARES ALREADY OWNED OR  
AGREED TO BE ACQUIRED BY THE OFFEROR CONCERT GROUP  
(EXCLUDING THE RELEVANT PRESUMED CONCERT PARTIES))**

**1. INTRODUCTION**

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

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## LETTER FROM THE BOARD

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As disclosed in the Joint Announcement, the Board was informed by the Offeror that the Offeror has acquired an aggregate of 20,500,000 Shares, representing approximately 4.19% of the total issued share capital of the Company in the following manner:

- (a) on 10 December 2024 (after trading hours of the Stock Exchange), the Offeror and Vendor A entered into Sale and Purchase Agreement A, pursuant to which Vendor A agreed to sell, and the Offeror agreed to purchase, 17,000,000 Shares at a consideration of HK\$30,600,000 (i.e. HK\$1.80 per Share), representing approximately 3.47% of the total issued share capital of the Company as at the Latest Practicable Date; and
- (b) on 10 December 2024 (after trading hours of the Stock Exchange), the Offeror and Vendor B entered into Sale and Purchase Agreement B, pursuant to which Vendor B agreed to sell, and the Offeror agreed to purchase, 3,500,000 Shares at a consideration of HK\$6,300,000 (i.e. HK\$1.80 per Share), representing approximately 0.72% of the total issued share capital of the Company as at the Latest Practicable Date.

Completion of Sale and Purchase Agreement A took place on 11 December 2024 and completion of Sale and Purchase Agreement B took place on 16 December 2024.

The Offeror is a company wholly-owned and controlled by Mr. Ma. Immediately before completion of Sale and Purchase Agreement A and Sale and Purchase Agreement B, the Offeror Concert Group (excluding the Relevant Presumed Concert Parties) beneficially owned an aggregate of 195,049,097 Shares, representing approximately 39.85% of the total issued share capital of the Company. Immediately following completion of Sale and Purchase Agreement A and Sale and Purchase Agreement B, the Offeror Concert Group (excluding the Relevant Presumed Concert Parties) owned an aggregate of 215,549,097 Shares, representing approximately 44.04% of the total issued share capital of the Company.

The Board was also informed by Mr. Stephen Liu that on 10 December 2024, Magic Mount, a company owned as to 50% by him and 50% by his mother, Madam Kwok Lim Ying, entered into Sale and Purchase Agreement C with Vendor A. Pursuant to Sale and Purchase Agreement C, Vendor A agreed to sell, and Magic Mount agreed to purchase, 7,000,000 Shares at a consideration of HK\$12,600,000 (i.e. HK\$1.80 per Share), representing approximately 1.43% of the total issued share capital of the Company.

Completion of Sale and Purchase Agreement C took place on 11 December 2024, whereupon Mr. Liu's Controlled Group (being Mr. Stephen Liu, Magic Mount and other entities controlled by Mr. Stephen Liu) owned an aggregate of 46,942,173 Shares, representing an increase from approximately 8.16% to approximately 9.59% of the total issued share capital of the Company as at the Latest Practicable Date.

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## LETTER FROM THE BOARD

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As a result of completion of Sale and Purchase Agreement A and Sale and Purchase Agreement B, the Offeror Concert Group's (excluding the Relevant Presumed Concert Parties) aggregate shareholding in the Company increased from approximately 39.85% to 44.04%. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is obliged to make a mandatory general cash offer for all the issued Shares (other than those Shares already owned or agreed to be acquired by the Offeror Concert Group (excluding the Relevant Presumed Concert Parties)).

As the Relevant Presumed Concert Parties have become members of Offeror Concert Group upon completion of the Sale and Purchase Agreements and in respect of the Offer, and the Offeror Concert Group owns in aggregate approximately 60.63% of the total issued share capital of the Company, the Offer will be made on an unconditional basis.

### 2. THE OFFER

As disclosed in the "Letter from Get Nice Securities" in the Composite Document, Get Nice Securities, for and on behalf of the Offeror, hereby makes the Offer in compliance with the Takeovers Code on the following basis:

**For each Offer Share ..... HK\$1.80 in cash**

The Offer Price of HK\$1.80 per Offer Share is the same as the purchase price per Sale Share A and Sale Share B under Sale and Purchase Agreement A and Sale and Purchase Agreement B, respectively. It is also the same purchase price per Sale Share C under Sale and Purchase Agreement C.

The Offer is unconditional in all respects. The Offer will be extended to all Shares in issue other than those Shares already owned or agreed to be acquired by the Offeror Concert Group (excluding the Relevant Presumed Concert Parties). The Offer Shares to be acquired under the Offer shall be fully paid and free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights and interests of any nature and together with all rights attaching thereto, including but not limited to all rights to any dividend and other distributions, if any, recommended, declared, made or paid by reference to a record date on or after the date on which the Offer is made, that is, the date of despatch of the Composite Document.

The Offeror intends to fund the consideration payable under the Offer in full by the Facility.

The Company confirms that as at the Latest Practicable Date, it does not have any dividend or distribution recommended, declared or made but unpaid and it does not intend to declare any dividend or make other distribution during the Offer Period.

Further details of the terms of the Offer and the procedures for acceptance and settlement are set out in the "Letter from Get Nice Securities" in the Composite Document, Appendix I "Further Terms of the Offer" to the Composite Document and the accompanying Form of Acceptance.

Offer Shareholders are reminded to read the recommendations of the Independent Board Committee and the advice of the Independent Financial Adviser in respect of the Offer which are included in the "Letter from the Independent Board Committee" and the "Letter from the Independent Financial Adviser" as contained in the Composite Document.

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## LETTER FROM THE BOARD

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### 3. INFORMATION ON THE GROUP

The Company is registered by way of continuation in the Cayman Islands with limited liability and the Shares are listed on the Main Board of the Stock Exchange. The principal activity of the Company is investment holding. The principal activities of the Group are the provision of consumer finance services in the PRC and Hong Kong.

Set out below is a summary of the unaudited consolidated financial information of the Group for the six months ended 30 June 2024, as extracted from the Company's interim report for the six months ended 30 June 2024 and the audited consolidated financial information of the Group for each of the two financial years ended 31 December 2023 and 2022, as extracted from the Company's annual report for the year ended 31 December 2023:

	<b>For the six months ended 30 June 2024</b>	<b>For the year ended 31 December</b>	
	<b>RMB'000</b>	<b>2023</b>	<b>2022</b>
	<i>(unaudited)</i>	<i>(audited)</i>	<i>(audited)</i>
Total income	1,738,357	3,569,488	3,119,281
Profit for the period/year	120,343	453,911	532,471

	<b>As at 30 June 2024</b>	<b>As at 31 December</b>	
	<b>RMB'000</b>	<b>2023</b>	<b>2022</b>
	<i>(unaudited)</i>	<i>(audited)</i>	<i>(audited)</i>
Total assets	11,741,462	11,934,463	10,103,436
Total liabilities	7,498,234	7,765,873	6,277,695
Net asset	4,243,228	4,168,590	3,825,741

Further details of the Group are set out in Appendix II "Financial Information of the Group" and Appendix III "General Information of the Group" to the Composite Document.

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## LETTER FROM THE BOARD

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### 4. SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets out the shareholding structure of the Company (i) immediately before completion of the Sale and Purchase Agreements; and (ii) immediately after completion of the Sale and Purchase Agreements and as at the Latest Practicable Date:

	Immediately before completion of the Sale and Purchase Agreements		Immediately after completion of the Sale and Purchase Agreements and as at the Latest Practicable Date	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
Mr. Ma	18,127,000	3.70	18,127,000	3.70
Offeror <sup>(Note 1)</sup>	46,607,010	9.52	67,107,010	13.71
Skyworld-Best <sup>(Note 1)</sup>	84,719,154	17.31	84,719,154	17.31
Glory Global <sup>(Note 1)</sup>	45,595,933	9.32	45,595,933	9.32
<b>Sub-total for Offeror Concert Group (excluding the Relevant Presumed Concert Parties)</b>	<b>195,049,097</b>	<b>39.85</b>	<b>215,549,097</b>	<b>44.04</b>
Mr. Stephen Liu <sup>(Note 2)</sup>	1,200,000	0.24	1,200,000	0.24
Perfect Castle <sup>(Note 2)</sup>	7,523,810	1.54	7,523,810	1.54
Union Fair <sup>(Note 2)</sup>	4,124,505	0.84	4,124,505	0.84
Magic Mount <sup>(Note 2)</sup>	27,093,858	5.54	34,093,858	6.97
<b>Sub-total for Mr. Liu's Controlled Group</b>	<b>39,942,173</b>	<b>8.16</b>	<b>46,942,173</b>	<b>9.59</b>
Mr. Thomas Liu <sup>(Note 3)</sup>	600,000	0.12	600,000	0.12
International Treasure Limited <sup>(Note 3)</sup>	6,828,585	1.40	6,828,585	1.40
Mr. Hung <sup>(Note 4)</sup>	22,768,173	4.65	22,768,173	4.65
Vendor B <sup>(Note 5)</sup>	7,574,714	1.55	4,074,714	0.83
<b>Total for Offeror Concert Group</b>	<b>272,762,742</b>	<b>55.73</b>	<b>296,762,742</b>	<b>60.63</b>
Mr. Fang Yuan <sup>(Note 6)</sup>	103,200	0.02	103,200	0.02

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## LETTER FROM THE BOARD

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	<b>Immediately before completion of the Sale and Purchase Agreements</b>		<b>Immediately after completion of the Sale and Purchase Agreements and as at the Latest Practicable Date</b>	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
<b><i>Substantial Shareholder</i></b>				
High Loyal Management Limited <sup>(Note 7)</sup>	70,740,770	14.45	70,740,770	14.45
<b><i>Public Shareholders</i></b>				
Trustees <sup>(Note 8)</sup>	680,300	0.14	680,300	0.14
Vendor A <sup>(Note 9)</sup>	26,141,398	5.34	2,141,398	0.44
other public Shareholders	<u>119,031,379</u>	<u>24.32</u>	<u>119,031,379</u>	<u>24.32</u>
<b>Total for Public Shareholders</b>	<b><u>145,853,077</u></b>	<b><u>29.80</u></b>	<b><u>121,853,077</u></b>	<b><u>24.90</u></b>
<b>Grand Total</b>	<b><u><u>489,459,789</u></u></b>	<b><u><u>100.00</u></u></b>	<b><u><u>489,459,789</u></u></b>	<b><u><u>100.00</u></u></b>

*Notes:*

- Mr. Ma controls 100% of each of the Offeror, Skyworld-Best and Glory Global.
- Mr. Stephen Liu is an executive Director and therefore presumed to be acting in concert with the Offeror pursuant to class (6) of the definition of “acting in concert” in the Takeovers Code. Mr. Stephen Liu controls 100% of each of Perfect Castle and Union Fair, and Mr. Stephen Liu and his mother, Madam Kwok Lim Ying, each control 50% of Magic Mount. Perfect Castle has an interest in 27,523,810 Shares, of which, 20,000,000 Shares have been lent under securities lending agreements to High Loyal Management Limited.
- Mr. Thomas Liu is an executive Director and the brother of Mr. Stephen Liu and therefore presumed to be acting in concert with the Offeror pursuant to class (6) of the definition of “acting in concert” in the Takeovers Code. Mr. Thomas Liu controls 100% of, and is the sole director of, International Treasure Limited which has an interest in 6,828,585 Shares.
- Mr. Hung is presumed to be acting in concert with the Offeror pursuant to classes (5) and (9) of the definition of “acting in concert” in the Takeovers Code. Mr. Hung, who is the ultimate controlling shareholder of Get Nice Securities, being the financial adviser and Facility provider to the Offeror in respect of the Offer and the agent making the Offer on behalf of the Offeror, is presumed to be acting in concert with the Offeror until the close of the Offer. As at the Latest Practicable Date, Mr. Hung has an interest in 22,768,173 Shares.
- Vendor B is managed by NM Strategic Partners, LLC, in which Mr. Yip Ka Kay (a non-executive Director) is the sole director and sole shareholder, and therefore presumed to be acting in concert with the Offeror pursuant to class (6) of the definition of “acting in concert” in the Takeovers Code. Vendor B has irrevocably undertaken to the Offeror not to accept the Offer in respect of its Non-Accepting Shares. For details, please refer to the section headed “Irrevocable Undertakings not to accept the Offer” in the “Letter from Get Nice Securities” of the Composite Document.
- Mr. Fang Yuan is an independent non-executive Director. Mr. Fang Yuan is independent of and not a party acting in concert with the Offeror.

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## LETTER FROM THE BOARD

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7. Mr. Kwok Peter Viem and Mrs. Kwok Chang Shiu Feng each control 50% of High Loyal Management Limited. High Loyal Management Limited has borrowed 20,000,000 Shares (with an obligation to return the Shares on 1 December 2025) under securities lending agreements from Perfect Castle, during which High Loyal Management Limited is the legal and beneficial owner of the said Shares. The 20,000,000 borrowed Shares are subject to the Offer and High Loyal Management Limited has irrevocably undertaken to the Offeror not to accept the Offer in respect of its Non-Accepting Shares. Each of Mr. Kwok Peter Viem and Mrs. Kwok Chang Shiu Feng does not have any role in the Company and does not have any relationship with the Offeror and the Company other than as a shareholder of the Company. Accordingly, each of Mr. Kwok Peter Viem and Mrs. Kwok Chang Shiu Feng is not a party acting in concert with the Offeror.
8. As at the Latest Practicable Date, a Trustee of the Share Award Scheme No. 1 held 680,300 Shares for Share Award Scheme No. 1. of which (a) awards have been granted in respect of 400,000 Shares (none of which are granted to the Offeror Concert Group) but which have not yet vested under the relevant terms of grant; and (b) 280,300 Shares have not been granted.
9. As at the Latest Practicable Date, Vendor A has not indicated whether it will accept the Offer.

As at the Latest Practicable Date, the Company has in aggregate 489,459,789 Shares in issue. The Company does not have any outstanding options, derivatives, warrants or securities which are convertible or exchangeable into Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares, as at the Latest Practicable Date.

### Share Award Schemes

The Company has adopted two share award schemes. Under the terms of Share Award Scheme No. 1, the Trustees of such scheme may acquire Shares and hold the same pending the grant of awards in respect of such Shares to eligible participants and the vesting of such awards. As at the Latest Practicable Date, the relevant Trustee holds 680,300 Shares under Share Award Scheme No. 1, of which (a) awards have been granted in respect of 400,000 Shares (none of which are granted to the Offeror Concert Group) but which have not yet vested under the relevant terms of grant; and (b) 280,300 Shares have not been granted.

Under the rules of Share Award Scheme No. 1:

- (i) the vesting of the 400,000 outstanding but unvested Award Shares will not be accelerated by the Offer and will continue to vest in accordance with the original vesting schedules as determined in accordance with the rules of Share Award Scheme No. 1. The Offeror will extend the Offer to these 400,000 outstanding but unvested Award Shares at the terms as set out in the Composite Document. Settlement of the consideration in respect of acceptances of the Offer for these outstanding but unvested Award Shares will be made to the Trustee (on behalf of the relevant grantee(s) who accept the Offer) in the same manner as to Offer Shareholders as set out under the sections headed “Payment” and “Hong Kong stamp duty” in the “Letter from Get Nice Securities” in the Composite Document. The Trustee shall arrange payment of the relevant consideration to the relevant grantee(s) who accept the Offer in respect of their outstanding but unvested Award Shares when the said Award Shares vest in accordance with the original vesting schedules and the terms of grant under the Share Award Scheme No. 1; and



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## LETTER FROM THE BOARD

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- (ii) as for the 280,300 Shares held by the relevant Trustee that have not been granted, given the relevant Trustee holds the relevant Shares for the purposes of the Share Award Scheme No. 1, the Company does not intend to give any instruction to the relevant Trustee to accept the Offer.

As at the Latest Practicable Date, the Trustees in respect of Share Award Scheme No. 1 are (1) Tricor Trust (Hong Kong) Limited; and (2) Teeroy Limited, both third parties independent of the Company.

Under the terms of Share Award Scheme No. 2, the trustee of the scheme may acquire Shares and hold the same pending the grant of awards in respect of such Shares to eligible participants and the vesting of such awards. As at the Latest Practicable Date, no trustee has been appointed and no award shares have been granted under Share Award Scheme No. 2. The Company has no intention to grant any new Award Shares or any award shares under Share Award Scheme No. 2 during the Offer Period.

### **5. INFORMATION OF THE OFFEROR**

Your attention is drawn to the “Letter from Get Nice Securities” in the Composite Document for the information on the Offeror and its intention in relation to the Group.

### **6. INTENTION OF THE OFFEROR IN RELATION TO THE GROUP AND NO CHANGE OF BOARD COMPOSITION**

As set out in the section headed “Letter from Get Nice Securities – 5. INTENTION OF THE OFFEROR IN RELATION TO THE GROUP and 6. NO CHANGE OF BOARD COMPOSITION”, it is the intention of the Offeror to continue with the Group’s existing principal business following the close of the Offer. The Offeror does not intend to introduce any major changes to, or cease or dispose of, the existing business and operation of the Group following the close of the Offer. Furthermore, the Offeror has no intention to (i) discontinue the employment of any employees of the Group; or (ii) dispose of or re-deploy the fixed assets of the Company other than those in its ordinary and usual course of business. The Offeror will continue to ensure good corporate governance, monitor and review the Group’s business and operations from time to time, and may take steps that it deems necessary or appropriate to optimise the value of the Group.

It is intended that there will be no change to the Board composition following the close of the Offer.

The Board is aware of the intention of the Offeror in respect of the Group and is willing to render reasonable cooperation to the Offeror which is in the best interests of the Company and the Shareholders as a whole.

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## LETTER FROM THE BOARD

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### 7. PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

As set out in the section headed “Letter from Get Nice Securities – 7. PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY”, the Offeror intends the Company to remain listed on the Stock Exchange and does not intend to avail itself of any power of compulsory acquisition of any Shares.

**The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares (excluding treasury shares), are held by the public, or if the Stock Exchange believes that:**

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

**it will consider exercising its discretion to suspend dealings in the Shares. Therefore, it should be noted that upon close of the Offer, there may be insufficient public float of the Shares and the trading in the Shares may be suspended until sufficient public float exists for the Shares.**

The sole director of the Offeror has undertaken to the Stock Exchange to take appropriate steps following the close of the Offer to ensure that sufficient public float exists in the issued Shares.

### 8. INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, which comprises all the independent non-executive Directors, namely Mr. Chen Derek, Mr. Chen Penghui and Mr. Fang Yuan, has been established to make a recommendation to the Independent Shareholders in relation to the Offer as to whether the Offer is fair and reasonable and as to the acceptance of the Offer pursuant to Rule 2.1 of the Takeovers Code.

Mr. Yip Ka Kay, a non-executive Director, is deemed to have an interest in Sale and Purchase Agreement B and Sale Shares B as he is the sole director and the sole shareholder of NM Strategic Partners, LLC which manages Vendor B, which has an interest in Sale Shares B and is a member of the Offeror Concert Group. He is therefore not considered independent to be a member of the Independent Board Committee and has declared his interest to the Board accordingly.

Altus Capital has been appointed as the Independent Financial Adviser pursuant to Rule 2.1 of the Takeovers Code to advise the Independent Board Committee in connection with the Offer and, in particular, as to whether the Offer is fair and reasonable and as to the acceptance of the Offer. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee.

For the opinions and advice of the Independent Financial Adviser, please refer to the “Letter from the Independent Financial Adviser” as contained in the Composite Document.

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## LETTER FROM THE BOARD

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### 9. RECOMMENDATION

Your attention is drawn to (i) the “Letter from the Independent Board Committee” as set out on pages 30 to 31 of the Composite Document which contains the recommendation of the Independent Board Committee to the Offer Shareholders as to whether the Offer is, or is not, fair and reasonable and as to their acceptance of the Offer; and (ii) the “Letter from the Independent Financial Adviser” as set out on pages 32 to 52 of the Composite Document which contains the advice of the Independent Financial Adviser to the Independent Board Committee in connection with the Offer and the principal factors considered by it in arriving at its advice. The Offer Shareholders are encouraged to read these letters carefully before taking any action in respect of the Offer.

### 10. ADDITIONAL INFORMATION

Your attention is drawn to the additional information contained in the appendices to the Composite Document. Further details on the terms and the procedures for acceptance and settlement of the Offer are set out in Appendix I “Further Terms of the Offer” to the Composite Document and the accompanying Form of Acceptance. You are also recommended to read carefully the Form of Acceptance for further details in respect of the procedures for acceptance and settlement of the Offer.

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

By order of the Board of  
**VCREDIT Holdings Limited**  
**Chan Wing Man**  
*Company Secretary*



**VCREDIT Holdings Limited**

**維信金科控股有限公司**

*(registered by way of continuation in the Cayman Islands with limited liability)*

**(Stock Code: 2003)**

10 January 2025

*To the Independent Shareholders*

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL GENERAL CASH OFFER BY  
GET NICE SECURITIES LIMITED  
FOR AND ON BEHALF OF WEALTHY SURPLUS LIMITED  
TO ACQUIRE ALL THE ISSUED SHARES  
OF VCREDIT HOLDINGS LIMITED  
(OTHER THAN THOSE SHARES ALREADY OWNED OR  
AGREED TO BE ACQUIRED BY THE OFFEROR CONCERT GROUP  
(EXCLUDING THE RELEVANT PRESUMED CONCERT PARTIES))**

**INTRODUCTION**

We refer to the Composite Document dated 10 January 2025 jointly issued by the Company and the Offeror, of which this letter forms part. Unless the context otherwise requires, terms used in this letter shall have the same meanings as defined in the Composite Document.

We have been appointed to form the Independent Board Committee to consider the terms of the Offer and to advise you (i.e. the Independent Shareholders) as to, in our opinion, whether or not the terms of the Offer are fair and reasonable and to make recommendation in respect of acceptance of the Offer.

Altus Capital has been appointed as the Independent Financial Adviser with our approval to make recommendation to us in respect of the terms of Offer and, in particular, whether the terms of the Offer are fair and reasonable and to make recommendation in respect of the acceptance of the Offer. Details of its advice and recommendation, together with the principal factors and reasons which it has considered before arriving at such recommendation, are set out in the “Letter from the Independent Financial Adviser” on pages 32 to 52 of the Composite Document.

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

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## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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### RECOMMENDATION

Having taken into account the Offer and the independent advice from the Independent Financial Adviser, as well as the principal factors and reasons considered in arriving at its recommendation, we concur with the view of the Independent Financial Adviser and consider that the Offer is not fair and not reasonable so far as the Independent Shareholders are concerned and is not in the interests of the Independent Shareholders as a whole. As such, we recommend the Independent Shareholders not to accept the Offer.

Notwithstanding our recommendation, the Independent Shareholders are strongly advised that the decision to accept the Offer or to hold your investment in the Shares is subject to individual circumstances and investment objectives. If in doubt, the Independent Shareholders should consult your own professional advisers for professional advice. Furthermore, the Independent Shareholders who wish to accept the Offer are recommended to read carefully the terms and procedures for acceptance of the Offer as detailed in the Composite Document and the accompanying Form of Acceptance.

Yours faithfully,  
for and on behalf of the  
Independent Board Committee of VCREDIT Holdings Limited

**Mr. Chen Derek**  
*Independent non-executive  
Director*

**Mr. Chen Penghui**  
*Independent non-executive  
Director*

**Mr. Fang Yuan**  
*Independent non-executive  
Director*

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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*Set out below is the text of a letter received from Altus Capital Limited, the Independent Financial Adviser to the Independent Board Committee in respect of the Offer for the purpose of inclusion in the Composite Document.*

# ALTUS.

**Altus Capital Limited**

21 Wing Wo Street  
Central  
Hong Kong

10 January 2025

*To the Independent Board Committee*

**VCREDIT Holdings Limited**

Suite 1918, 19/F  
Two Pacific Place  
88 Queensway,  
Hong Kong

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL GENERAL CASH OFFER BY  
GET NICE SECURITIES LIMITED  
FOR AND ON BEHALF OF WEALTHY SURPLUS LIMITED  
TO ACQUIRE ALL THE ISSUED SHARES  
OF VCREDIT HOLDINGS LIMITED  
(OTHER THAN THOSE SHARES ALREADY OWNED OR  
AGREED TO BE ACQUIRED BY THE OFFEROR CONCERT GROUP  
(EXCLUDING THE RELEVANT PRESUMED CONCERT PARTIES))**

**INTRODUCTION**

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Offer, details of which are set out in the “Letter from the Board” contained in the composite document of the Company dated 10 January 2025 (the “**Composite Document**”), of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Composite Document unless the context requires otherwise.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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The Board was informed by the Offeror that the Offeror has acquired an aggregate of 20,500,000 Shares, representing approximately 4.19% of the total issued share capital of the Company in the following manner:

- (a) on 10 December 2024 (after trading hours of the Stock Exchange), the Offeror and Vendor A entered into Sale and Purchase Agreement A, pursuant to which Vendor A agreed to sell, and the Offeror agreed to purchase, 17,000,000 Shares at a consideration of HK\$30,600,000 (i.e. HK\$1.80 per Share), representing approximately 3.47% of the total issued share capital of the Company as at the Latest Practicable Date; and
- (b) on 10 December 2024 (after trading hours of the Stock Exchange), the Offeror and Vendor B entered into Sale and Purchase Agreement B, pursuant to which Vendor B agreed to sell, and the Offeror agreed to purchase, 3,500,000 Shares at a consideration of HK\$6,300,000 (i.e. HK\$1.80 per Share), representing approximately 0.72% of the total issued share capital of the Company as at the Latest Practicable Date.

Completion of Sale and Purchase Agreement A took place on 11 December 2024 and completion of Sale and Purchase Agreement B took place on 16 December 2024.

The Offeror is a company wholly-owned and controlled by Mr. Ma. Immediately before completion of Sale and Purchase Agreement A and Sale and Purchase Agreement B, the Offeror Concert Group (excluding the Relevant Presumed Concert Parties) beneficially owned an aggregate of 195,049,097 Shares, representing approximately 39.85% of the total issued share capital of the Company. Immediately following completion of Sale and Purchase Agreement A and Sale and Purchase Agreement B, the Offeror Concert Group (excluding the Relevant Presumed Concert Parties) owned an aggregate of 215,549,097 Shares, representing approximately 44.04% of the total issued share capital of the Company. As the Offeror Concert Group's (excluding the Relevant Presumed Concert Parties) aggregate shareholding in the Company increased from approximately 39.85% to 44.04%, the Offeror is obliged to make a mandatory general cash offer for all the issued Shares (other than those Shares already owned or agreed to be acquired by the Offeror Concert Group (excluding the Relevant Presumed Concert Parties)), pursuant to Rule 26.1 of the Takeovers Code.

The Board was also informed by Mr. Stephen Liu that on 10 December 2024, Magic Mount, a company owned as to 50% by him and 50% by his mother, Madam Kwok Lim Ying, entered into Sale and Purchase Agreement C with Vendor A. Pursuant to Sale and Purchase Agreement C, Vendor A agreed to sell, and Magic Mount agreed to purchase, 7,000,000 Shares at a consideration of HK\$12,600,000 (i.e. HK\$1.80 per Share), representing approximately 1.43% of the total issued share capital of the Company as at the Latest Practicable Date.

Completion of Sale and Purchase Agreement C took place on 11 December 2024, whereupon Mr. Liu's Controlled Group (being Mr. Stephen Liu, Magic Mount and other entities controlled by Mr. Stephen Liu) owned an aggregate of 46,942,173 Shares, representing an increase from approximately 8.16% to approximately 9.59% of the total issued share capital of the Company as at the Latest Practicable Date.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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As the Relevant Presumed Concert Parties have become members of the Offeror Concert Group upon completion of the Sale and Purchase Agreements and in respect of the Offer, and the Offeror Concert Group owns in aggregate approximately 60.63% of the total issued share capital of the Company, the Offer will be made on an unconditional basis.

### **The Offer**

Get Nice Securities is making the Offer with the Offer Price of HK\$1.80 per Offer Share in cash for and on behalf of the Offeror.

For the principal terms of the Offer, together with the information of the Offeror and the Offeror's intention regarding the Group, please refer to the "Letter from Get Nice Securities" contained in the Composite Document.

### **THE INDEPENDENT BOARD COMMITTEE**

The Independent Board Committee, which comprises all the independent non-executive Directors, namely Mr. Chen Derek, Mr. Chen Penghui and Mr. Fang Yuan, has been established to make a recommendation to the Independent Shareholders in relation to the Offer as to whether the Offer is fair and reasonable and as to the acceptance of the Offer pursuant to Rule 2.1 of the Takeovers Code, after taking into account the recommendation of the Independent Financial Adviser.

Mr. Yip Ka Kay, a non-executive Director, is deemed to have an interest in Sale and Purchase Agreement B and Sale Shares B as he is the sole director and the sole shareholder of NM Strategic Partners, LLC which manages Vendor B, which has an interest in Sale Shares B and is a member of the Offeror Concert Group. He is therefore not considered independent to be a member of the Independent Board Committee and has declared his interest to the Board accordingly.

### **THE INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee has approved our appointment as the Independent Financial Adviser to the Independent Board Committee. Our role is to give an independent opinion to the Independent Board Committee as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer.

We (i) are not associated or connected, financial or otherwise, with the Company or the Offeror, their respective controlling shareholders or any parties acting, or presumed to be acting, in concert with any of them; and (ii) have not acted as the financial adviser or independent financial adviser in relation to any transaction of the Company or the Offeror, their respective controlling shareholders or any parties acting in concert with any of them in the two years immediately prior to the date of the Composite Document.



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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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Pursuant to Rule 13.84 of the Listing Rules and Rule 2 of the Takeovers Code, and given that (i) remuneration for our engagement to opine on the Offer is at market level and not conditional upon the outcome of the Offer; (ii) no arrangement exists whereby we shall receive any fees or benefits from the Company (other than our said remuneration) or the Offeror, their respective controlling shareholders or any parties acting in concert with any of them; and (iii) our engagement is on normal commercial terms and approved by the Independent Board Committee, we are independent of the Company and the Offeror, their respective controlling shareholders and any parties acting in concert with any of them, we can act as the Independent Financial Adviser to the Independent Board Committee in respect of the Offer.

### **BASIS OF OUR ADVICE**

In formulating our opinion, we have reviewed, amongst others (i) the annual report of the Company for the year ended 31 December 2023 (the “**2023 AR**”); (ii) the interim report for the six months ended 30 June 2024 (the “**2024 IR**”); (iii) the Joint Announcement; and (iv) other information contained or referred to in the Composite Document.

We have also relied on the statements, information, opinions and representations contained or referred to in the Composite Document and/or provided to us by the Company, the Directors and the management of the Company (collectively the “**Management**”). We have assumed that all statements, information, opinions and representations contained or referred to in the Composite Document and/or provided to us were reasonably made after due and careful enquiry and were true, accurate and complete in all material aspects at the time they were made and continued to be so as at the Latest Practicable Date. The Company will notify the Shareholders of any material changes to information contained or referred to in the Composite Document as soon as practicable in accordance with Rule 9.1 of the Takeovers Code. The Shareholders will also be informed as soon as practicable when there are any material changes to the information contained or referred to herein as well as changes to our opinion, if any, after the Latest Practicable Date.

We have no reason to believe that any statements, information, opinions or representations relied on by us in forming our opinion is untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render the statements, information, opinions or representations provided to us untrue, inaccurate or misleading. We have assumed that all the statements, information, opinions and representations for matters relating to the Group contained or referred to in the Composite Document and/or provided to us by the Company and the Management have been reasonably made after due and careful enquiry. We consider that we have been provided with and have reviewed sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have relied on such statements, information, opinions and representations and have not conducted any independent investigation into the business, financial conditions and affairs or the future prospects of the Group.

We have not considered the taxation implications on the Shareholders arising from acceptance or non-acceptance of the Offer, if any, and therefore we will not accept responsibility for any tax effect or liability that may potentially be incurred by the Shareholders as a result of the Offer. In particular, Shareholders who are subject to Hong Kong or overseas taxation on dealings in securities are urged to seek their own professional advisers on tax matters.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### PRINCIPAL FACTORS AND REASONS CONSIDERED FOR THE OFFER

In arriving at our advice for the Offer, we have considered the following principal factors and reasons:

#### 1. Business and financial information of the Group

##### 1.1 Background of the Group

The principal activity of the Company is investment holding. The Group is principally engaged in providing consumer finance services in the PRC and Hong Kong. The Group primarily offers two credit products, being credit card balance transfer products and consumption credit products, both of which are instalment-based.

##### 1.2 Historical financial performance of the Group

Set out below is a summary of (i) the audited consolidated financial information of the Group for the two years ended 31 December 2022 (“FY2022”) and 2023 (“FY2023”) as extracted from the 2023 AR; and (ii) the unaudited consolidated financial information of the Group for the six months ended 30 June 2023 (“1H 2023”) and 2024 (“1H 2024”) as extracted from the 2024 IR.

*Extract of consolidated statement of profit or loss*

	Year ended 31 December		Six months ended 30 June	
	2022	2023	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000
	(audited)	(audited)	(unaudited)	(unaudited)
<i>Interest type income</i>	1,922,140	1,477,300	774,197	1,068,276
<i>Less: interest expenses</i>	(529,160)	(327,646)	(175,656)	(193,290)
Net interest type income	1,392,980	1,149,654	598,541	874,986
Loan facilitation service fees	1,564,359	2,240,958	1,105,334	939,624
Other income/(expenses)	161,942	178,876	213,732	(76,253)
<b>Total income</b>	<b>3,119,281</b>	<b>3,569,488</b>	<b>1,917,607</b>	<b>1,738,357</b>
Origination and servicing expenses	(1,266,673)	(1,543,932)	(807,664)	(625,954)
Sales and marketing expenses	(35,611)	(53,374)	(21,443)	(24,082)
General and administrative expenses	(284,380)	(336,830)	(167,171)	(162,182)
Research and development expenses	(97,710)	(125,853)	(58,067)	(56,955)
Credit impairment losses	(129,548)	(344,558)	(148,258)	(144,149)
Fair value change of loans to customers	(571,879)	(574,077)	(333,450)	(592,304)
Other (losses)/gains, net	(38,360)	13,981	7,943	21,686
<b>Profit for the year/interim period</b>	<b>532,471</b>	<b>453,911</b>	<b>302,113</b>	<b>120,343</b>

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### *FY2023 compared to FY2022*

The Group's total income rose from RMB3,119.3 million in FY2022 to RMB3,569.5 million in FY2023, representing an increase of approximately 14.4%. This growth was primarily driven by a significant 43.3% surge in loan facilitation service fees, which climbed from RMB1,564.4 million in FY2022 to RMB2,241.0 million in FY2023 reflecting higher loan origination volume under the Group's credit-enhanced and pure loan facilitation structures.

In contrast, interest-type income from loans to customers originated under direct lending and trust lending structures declined by approximately 23.1% from RMB1,922.1 million in FY2022 to RMB1,477.3 million in FY2023 primarily due to a reduction in the average outstanding loan balance of the trust lending structure. Interest expenses also fell by 38.1%, reflecting a decrease in both the average borrowing balance and the weighted average interest rate in FY2023.

Other income, including non-operational gains, increased by 10.5% to RMB178.9 million. This increase was largely attributable to higher referral fees from expanding third-party platforms, as well as greater penalty and other charges and gains from guarantee driven by an increase in loan origination volume. Such gains were partially offset by a reduction in government grants, being local government incentives aimed at fostering economic activity, employment and tax contribution which varies annually.

We understand from Management that the fair value change of loans to customers reflects the Group's upfront assessment of default risk when the loan is granted. This is typical for consumer finance businesses, as the nature of the business involves inherent risks of borrower non-repayment. In both FY2023 and FY2022, this assessment remained stable.

Profit for the year decreased from RMB532.5 million in FY2022 to RMB453.9 million in FY2023, a decline of approximately 14.8%. This decrease was primarily attributable to higher operating expenses and rising credit-related costs through an uneven macro environment. The key cost contributors included origination and servicing expenses, which rose by 21.9% from RMB1,266.7 million in FY2022 to RMB1,543.9 million in FY2023; credit impairment losses, which surged by approximately 166.0%, increasing from RMB129.5 million in FY2022 to RMB344.6 million in FY2023; and research and development expenses, which grew by 28.8%.

### *1H2023 compared to 1H2024*

Total income declined by approximately 9.3% from RMB1,917.6 million in 1H2023 to RMB1,738.4 million in 1H2024. This decrease was primarily driven by a 15.0% drop in loan facilitation service fees, which fell from RMB1,105.3 million in 1H2023 to RMB939.6 million in 1H2024, reflecting lower loan origination volumes under the Group's credit-enhanced and pure loan facilitation structures.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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The decline was partially offset by the growth in interest-type income from loans under direct lending and trust lending structures, supported by an increase in average outstanding loan balance of the Group's trust lending structure. Interest expenses rose by 10.0% during 1H2024 compared to 1H2023, largely due to an increase in the average borrowing balance, although this was somewhat mitigated by a reduction in the weighted average interest rate in 1H2024.

Other income/expenses totalled an expense of RMB76.2 million in 1H2024, a sharp reversal from an income of RMB213.7 million in 1H2023. This shift was mainly attributable to an increase in the M3+ ratio<sup>1</sup>, resulting in higher losses from guarantees. The rise in the M3+ ratio was driven by reduced loan demand from high-quality borrowers and the adverse effects of unfavourable macroeconomic conditions.

As noted earlier, the fair value loss of loans to customers reflects the Group's assessment of default potential. Typically, as the loan portfolio increases, so does the risk of default. The fair value loss rose from RMB333.5 million in 1H2023 to RMB592.3 million in 1H2024 due to (i) higher loan origination volume during the period; and (ii) a more conservative approach on provisioning given ongoing macroeconomic uncertainties.

Profit for the interim period fell by 60.2% from RMB302.1 million in 1H2023 to RMB120.3 million in 1H2024. This decline was primarily due to (i) a reduction in loan volumes during 1H2024, reflecting weaker consumer credit demand and the Group's cautious approach amid an uncertain macroeconomic environment; (ii) initial losses incurred during the early stages of new business ventures; and (iii) the aforementioned higher M3+ ratio driven by diminished loan demand from high-quality borrowers, lower loan volumes overall, and the adverse effects of challenging macroeconomic conditions on existing loans.

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<sup>1</sup> M3+ ratio is calculated by dividing (i) the outstanding balance of online loans which have been delinquent for more than 3 months and have not been written off, by (ii) the total outstanding balance of loans to customers which have not been written off (excluding offline credit products, which had a negligible balance of RMB2.7 million as at 30 June 2024).

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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*Extract of consolidated statement of financial position*

	<b>As at 31 December</b>		<b>As at 30 June</b>
	<b>2022</b>	<b>2023</b>	<b>2024</b>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
<b>Assets</b>			
Cash and cash equivalents	1,592,365	896,534	1,390,228
Restricted cash	514,941	652,241	694,542
Loans to customers at fair value through profit or loss	5,230,471	6,504,421	6,637,053
Contract assets	443,146	465,408	381,500
Guarantee receivables	787,396	1,317,024	998,698
<b>Total assets</b>	<b>10,103,436</b>	<b>11,934,463</b>	<b>11,741,462</b>
<b>Liabilities</b>			
Guarantee liabilities	1,140,754	1,533,883	1,023,571
Borrowings	4,331,326	5,471,888	5,691,001
Senior notes	176,236	89,989	90,929
<b>Total liabilities</b>	<b>6,277,695</b>	<b>7,765,873</b>	<b>7,498,234</b>
<b>Net asset value</b>	<b>3,825,741</b>	<b>4,168,590</b>	<b>4,243,228</b>

*31 December 2022 compared with 31 December 2023*

Notable trends on the Group's balance sheet items as of 31 December 2023 compared to that as of 31 December 2022 were primarily driven by the aforementioned increased loan origination activity. Loans to customers at fair value through profit or loss rose by 24.4% to RMB6,504.4 million (from RMB5,230.5 million as of 31 December 2022), reflecting a significant increase in the Group's trust lending loan origination volume during the second half of 2023. Similarly, contract assets saw a modest increase of 5.0%, underpinned by a sustained 60.8% growth in credit-enhanced and pure loan origination volume. Growth in guarantee receivables and liabilities also aligned with the 60.0% increase in credit-enhanced loan origination activity.

On the liabilities side, total borrowings and senior notes displayed mixed trends. Payables to trust plan holders rose by 20.8%, driven by the increase in trust lending loan origination volume. Meanwhile, the balance of senior notes decreased due to the Group's repurchase of HK\$100 million principal amount on 16 June 2023. Overall, these changes highlight the Group's focus on scaling its lending operations while actively managing its debt obligations, with no significant change to the overall balance sheet composition.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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*31 December 2023 compared with 30 June 2024*

As of 30 June 2024, the Group's balance sheet exhibited modest changes compared to that of 31 December 2023, reflecting shifts in loan origination activities. Loans to customers at fair value through profit or loss increased by 2.0% to RMB6,637.1 million, primarily due to a rise in trust lending loan origination volume. In contrast, contract assets decreased by 18.0%, corresponding with a 37.4% decline in credit-enhanced and pure loan origination volume during 1H2024 compared to the six months ended 31 December 2023. Similarly, guarantee receivables and liabilities declined, aligning with a 36.2% reduction in credit-enhanced loan origination volume.

On the liabilities side, borrowings remained stable, with payables to trust plan holders increasing by 3.1%, consistent with the uptick in loans originated through the trust lending structure. Overall, there was no significant changes to the Group's overall balance sheet composition with net asset recording an approximately 1.8% increase as of 30 June 2024 compared to that as of 31 December 2023.

### **1.3 Dividends**

We note the Group adheres to a dividend policy targeting a payout ratio of 20-30% of its consolidated net profits, contingent on factors such as financial results, distributable reserves, and cash position. Both interim and final dividends ranging from HK10 cents per Share to HK15 cents per Share have been declared consistently since the year ended 31 December 2021. However, the Board has not recommended an interim dividend for FY2024, a decision that, according to Management, reflects the need to strengthen cash reserves to support ongoing business operations in light of the uncertain macroeconomic environment. Shareholders should carefully consider these factors, alongside the Group's performance amidst macroeconomic challenges, when making any investment decisions.

### **1.4 Industry Overview**

Based on our discussion with Management, we understand that new regulations are being introduced which sets stricter supervisory standards for existing consumer finance companies. While these regulations may pose certain operations challenges in the short term, they are seen as a step toward long-term industry stability. This aligns with our research, which highlights that the PRC's consumer finance industry is navigating significant regulatory changes, with short term challenges expected to promote long term stability and growth.

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In particular, the report “*China Consumer Finance Company Development Report 2024*” dated 24 June 2024 published by the China Banking Association<sup>2</sup>, a national non-profit organisation approved by the People’s Bank of China and registered with the Ministry of Civil Affairs, notes that the sector reached total assets of RMB1,208.7 billion and a loan balance of RMB1,153.4 billion by end of 2023, reflecting strong consumer demand and technological advancements. However, the revised “Consumer Finance Company Management Measures,” which came into effect on 18 April 2024, have introduced stricter requirements. Notably, the minimum registered capital for consumer finance companies has increased to RMB1 billion from RMB300 million, and the shareholding threshold for major investors has been raised to 50.0%. These changes are designed to enhance the financial stability of consumer finance companies and align with broader regulatory directions under the National Administration of Financial Regulation.

Fitch Ratings estimated in April 2024 that around one-third of existing companies currently do not meet these requirements, which may lead to capital injections and shareholding restructurings in the near future. The regulatory environment is also placing stronger emphasis on risk management, with new caps on credit-enhanced loans and requirements for major shareholders to provide liquidity support as part of a broader push to limit systemic risk and ensure that companies focus on maintaining higher-quality loan portfolios. As a result, while the regulatory shift introduces certain operational and compliance challenges as companies face heightened compliance and operational costs, it is expected to benefit companies that can adapt, with strong capital and governance frameworks leading to enhanced credit profiles in the long run.

### **1.5 Outlook**

We note that Management remains cautiously optimistic despite regulatory and macroeconomic challenges. The implementation of stricter supervisory standards under the March 2024 “Management Measures for Consumer Finance Companies” presents short-term hurdles but is viewed by Management as a step toward sustainable industry growth. In response, the Group has enhanced its post-loan collection processes, strengthened consumer protection measures, and prioritised regulatory compliance, which Management believes are critical for maintaining its competitive position.

Looking ahead, Management has outlined strategies to pursue high-quality growth, including optimising risk management, leveraging artificial intelligence and technology, and strengthening partnerships with financial institutions. Management also plans to explore opportunities in new markets, including Hong Kong, Southeast Asia, and Europe, through investments, collaborations, or acquisitions. These initiatives reflect Management’s focus on aligning with evolving market trends and ensuring sustainable business operations.

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<sup>2</sup> China Banking Association serves for the common interest of its members through the functions of self-regulation, rights protection, coordination and service so as to safeguard lawful rights and maintain market order of the banking sector, enhance the overall capability of banking employees and promote the healthy and sustainable development of the industry.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### **1.6 Section conclusion**

While Management is actively aligning its strategies with evolving market trends and pursuing initiatives aimed at long-term growth, the impact of these efforts has yet to be fully reflected in the Group's recent financial performance. Although dividends were declared for the past three years, the absence of an interim dividend for the year ending 31 December 2024 may indicate caution in response to ongoing macroeconomic uncertainties and regulatory changes. As a result, while the Group has outlined proactive steps for future growth, the outlook remains contingent upon the effectiveness of these strategies and broader market conditions. Independent Shareholders are therefore advised to consider these factors, alongside the fairness and reasonableness of the Offer Price (as further analysed in this letter), when deciding whether to accept the Offer, in light of their own investment criteria and risk appetite.

## **2. Background information of the Offeror**

### **2.1 The Offeror**

The Offeror, principally engaged in investment holding, is a company wholly-owned and controlled by Mr. Ma, who is also an executive Director, the Chairman of the Company and the chairman of the nomination committee of the Company. Mr. Ma is responsible for the overall strategic planning and business direction of the Group, as well as the management of the Company.

### **2.2 The Offeror's intention in relation to the Group and board composition**

Following the close of the Offer, the Offeror intends to continue with the Group's existing principal business and does not intend to introduce any major changes to the existing business and operation of the Group. Specifically, the Offeror has no intention to (i) discontinue the employment of any employees of the Group; or (ii) dispose of or re-deploy the fixed assets of the Company other than those in its ordinary and usually course of business. The Offeror will continue to ensure good corporate governance, monitor and review the Group's business and operations from time to time, and may take steps that it deems necessary or appropriate to optimise the value of the Group.

Furthermore, it is intended that there will be no change to the Board composition following the close of the Offer.



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### 2.3 Listing status of the Company and public float

The Offeror does not intend to avail itself of any powers of compulsory acquisition of any Shares outstanding after the close of the Offer. The Offeror will, together with the Company, use reasonable endeavours to maintain the listing status of the Shares on the Stock Exchange and procure that not less than 25% of the entire issued share capital of the Company (excluding treasury shares) be held by the public in compliance with the Listing Rules. The sole director of the Offeror has undertaken to the Stock Exchange to take appropriate steps following the close of the Offer to ensure that sufficient public float exists in the issued Shares.

We further note that each Non-Accepting Shareholder has irrevocably undertaken to the Offeror not to accept the Offer in respect of its respective Non-Accepting Shares and, until the close of the Offer Period, not to sell, transfer, charge, pledge or otherwise dispose of any of its respective Non-Accepting Shares or any interests in its respective Non-Accepting Shares. The Non-Accepting Shareholders are beneficially interested in 129,186,242 Non-Accepting Shares in aggregate, representing approximately 26.39% of the total issued share capital of the Company as at the Latest Practicable Date as set out in the table below. Please refer to the “Letter from the Board” in the Composite Document for details.

Name of Non-Accepting Shareholders	Number of Non-Accepting Shares	Approximate shareholding percentage (%)
Mr. Stephen Liu	1,200,000	0.24
Perfect Castle	7,523,810	1.54
Union Fair	4,124,505	0.84
Magic Mount	34,093,858	6.97
Mr. Thomas Liu	600,000	0.12
International Treasure Limited	6,828,585	1.40
Vendor B	4,074,714	0.83
High Loyal Management Limited <sup>(Note)</sup>	70,740,770	14.45
<b>Total:</b>	<b>129,186,242</b>	<b>26.39</b>

*Note:*

High Loyal Management Limited borrowed 20,000,000 Shares under securities lending agreements from Perfect Castle with an obligation to return the Shares on 1 December 2025, during which High Loyal Management Limited is the legal and beneficial owner of the said 20,000,000 Shares.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### 3. The Offer Price

The Offer Price of HK\$1.80 per Offer Share equals to the purchase price per Sale Share A and Sale Share B under the Sale and Purchase Agreement A and Sale and Purchase Agreement B, respectively. It is also the same purchase price per Sale Share C under Sale and Purchase Agreement C. The Offeror will not increase the Offer Price. The table below sets out the discount of the Offer Price compared to various benchmarks, including historical trading prices of the Shares and the audited and unaudited consolidated net asset values attributable to Shareholders:

Comparison Metric	Price/value per Share	Discount at approximately
Closing price on the Latest Practicable Date	HK\$2.65	32.08%
Closing price on the Last Trading Day	HK\$1.98	9.09%
Average closing price for the last five (5) consecutive trading days immediately prior to and including the Last Trading Day	HK\$1.96	8.16%
Average closing price for the last ten (10) consecutive trading days immediately prior to and including the Last Trading Day	HK\$1.95	7.50%
Average closing price for the last thirty (30) consecutive trading days immediately prior to and including the Last Trading Day	HK\$1.98	8.91%
Audited net asset value per Share as at 31 December 2023	RMB8.52 (~HK\$9.13)	80.28%
Unaudited consolidated net asset value per Share as at 30 June 2024	RMB8.67 (~HK\$9.30)	80.65%

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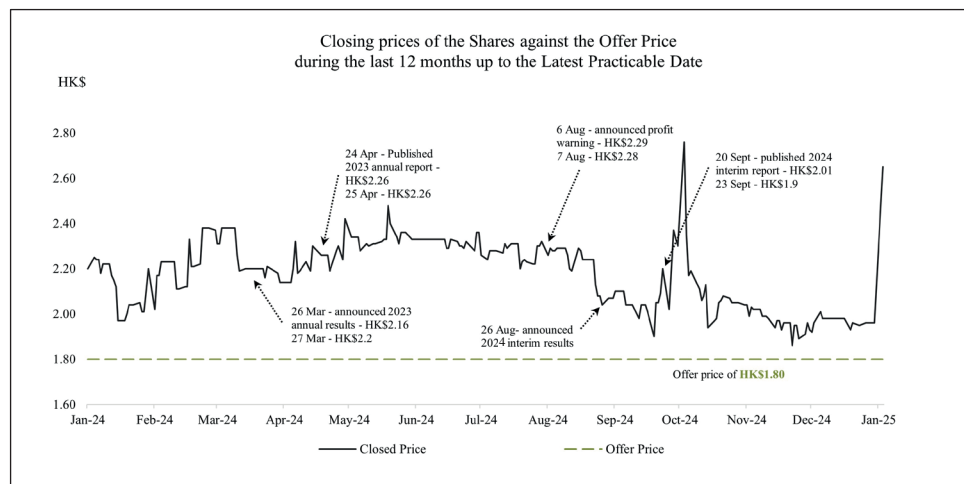
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### 4. Evaluation of the Offer Price

To assess the fairness and reasonableness of the Offer Price, our analysis makes reference to (i) the historical price performance of the Shares; (ii) the historical price performance against NAV per Share; (iii) the historical trading liquidity of the Shares; and (iv) market comparables.

#### 4.1 Historical price performance of the Shares

The chart below depicts the closing price level of the Shares as quoted on the Stock Exchange from 10 December 2023 (being the date falling 12 months preceding the Last Trading Day) and up to and including the Latest Practicable Date (the “**Review Period**”).



Source: The website of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk))

Throughout the Review Period, the closing price of the Shares experienced notable fluctuations roughly between HK\$1.86 on 26 November 2024 and HK\$2.76 on 7 October 2024. Announcements, such as the release of the FY2023 annual results and the 1H2024 interim results, appeared to have a modest influence on the price of the Shares. Notably, the Offer Price of HK\$1.80 consistently remained below the observed trading prices during the Review Period.

On 26 March 2024, the Shares were trading at HK\$2.20, following a relatively stable trajectory in the preceding three weeks. The announcement of annual results for the year ending 31 December 2023, coupled with the declaration of a final dividend, likely contributed to enhanced investor confidence. This stability continued, with the publication of the 2023 AR on 24 April 2024, keeping the share price within a tight range of HK\$2.26 on 25 April 2024 to HK\$2.30 on 18 April 2024.

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

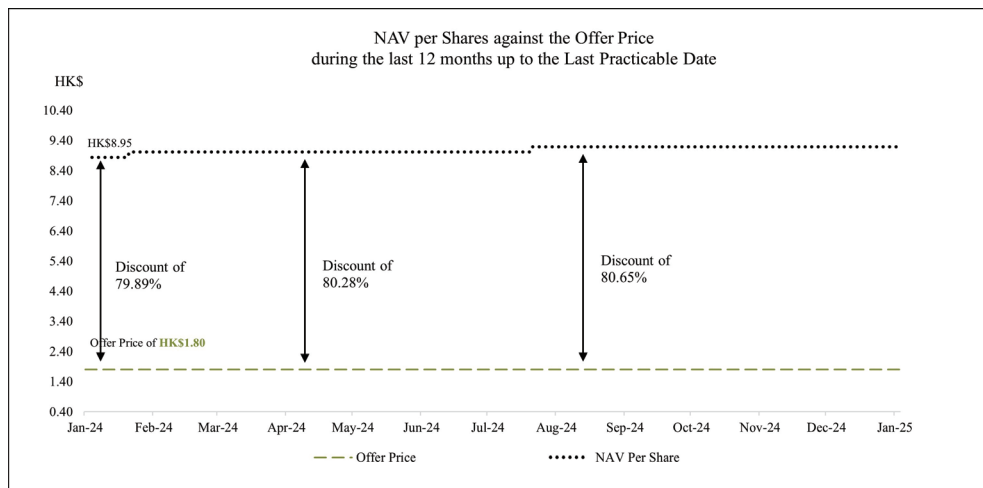
Following the issuance of a profit warning on 6 August 2024, the prices of the Shares declined modestly, falling from HK\$2.29 on 5 August 2024 to HK\$2.26 by 8 August 2024. Subsequent to release of the interim results for 1H2024 on 26 August 2024, the prices of the Shares declined further to HK\$2.24 by the end of August 2024. In September 2024, the release of the 2024 IR likely contributed to continued investor caution, resulting in a gradual decline in the price of the Shares to HK\$2.01 by month-end.

On 7 October 2024, the share price experienced a sudden surge, climbing sharply from HK\$2.35 to HK\$2.76 within a single trading day. This movement was not accompanied by any significant announcement or material developments. Discussion with Management indicated that no substantial reasons to account for this abrupt increase. Despite this surge, the share price returned to the HK\$2.20 range shortly thereafter.

In light of (i) the historical price performance of the Shares during the Review Period; (ii) the discount of 9.09%, 8.16%, 7.50%, and 8.91% represented by the Offer price of the Shares to the closing price of the Shares on the Last Trading Day, the average closing price for the last five (5), ten (10) and thirty (30) consecutive trading days up to and including the Last Trading Day respectively; and (iii) while the share price has exhibited volatility, it has consistently traded above the Offer Price, we are of the view that the Offer Price is unattractive and therefore, not fair and reasonable when compared to historical price performance.

### 4.2 NAV per Share

The chart below depicts the net asset value (“NAV”) per Share during the Review Period against the Offer Price:



Source: The website of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk))

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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We note that the Offer Price of HK\$1.80 represents a notable discount to the Group's NAV. Specifically, it reflects:

- (i) a discount of approximately 80.65% to the unaudited NAV per Share of approximately RMB8.67 (equivalent to HK\$9.30) as of 30 June 2024. This calculation is based on the Group's unaudited consolidated net asset value of RMB4,243,228,000 (equivalent to HK\$4,550,437,707 based on the exchange rate of HK\$1.07 to 1 RMB) divided by 489,459,789 issued Shares;
- (ii) a discount of approximately 80.28% to the audited NAV per Share of approximately RMB8.52 (equivalent to HK\$9.13) as of 31 December 2023. This is derived from the audited consolidated net asset value of RMB4,168,590,000 (equivalent to HK\$4,470,395,916 based on the same exchange rate) divided by the same number of issued Shares; and
- (iii) a discount of approximately 79.89% to the unaudited NAV per Share of approximately RMB8.34 (equivalent to HK\$8.95) as of 30 June 2023. This calculation is based on the Group's unaudited net asset value of RMB4,084,155,000 reported in the interim report for the six months ended 30 June 2023 (the "2023 IR") (equivalent to HK\$4,370,045,850 based on the same exchange rate) divided by the same number of issued Shares.

While we note it is not uncommon for Hong Kong listed companies principally engaged in credit services and lending activities to trade at a discount to NAV (with Comparables (as defined below) fetching an average price-to-book ("P/B") ratio of at 0.85 times as at the Last Trading Day, as detailed in the paragraph headed "4.4 Comparables analysis" below), the discount of over 80.0% to the NAV per Share as of 30 June 2024 is outside of the range of the P/B Ratio of the Comparables (as defined below). Given the above, we are of the view that the Offer Price is not fair and not reasonable based on the comparison with NAV per Share.

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### 4.3 Historical trading liquidity of the Shares

The table below sets out the trading volume of the Shares and the percentages of average daily trading volume to the total number of issued Shares and Shares held by public Shareholders, respectively during the Review Period:

Month/Period	Trading days	Average daily trading volume per month	Average daily trading volume as a percentage to the total number of issued Shares as at the end of the month/period <sup>(Note 1)</sup>	Average daily trading volume as a percentage to the total number of issued Shares held by public Shareholders <sup>(Note 2)</sup>
<b>Pre-Joint Announcement Period</b>				
<b>2023</b>				
December	13	6,046	0.001%	0.004%
<b>2024</b>				
January	22	18,609	0.004%	0.013%
February	19	10,168	0.002%	0.007%
March	20	16,330	0.003%	0.011%
April	20	3,600	0.001%	0.002%
May	21	11,438	0.002%	0.008%
June	19	3,495	0.001%	0.002%
July	22	24,645	0.005%	0.017%
August	22	23,082	0.005%	0.016%
September	19	27,021	0.006%	0.019%
October	21	396,467	0.081%	0.272%
November	21	33,562	0.007%	0.023%
December (up to 10 December)	7	209,314	0.043%	0.144%
10 December (up to the Latest Practicable Date) <sup>(Note 3)</sup>	9	514,724	0.105%	0.353%

Source: The website of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk))

Notes:

1. Based on the total number of issued Shares as at each month end.
2. Based on the total number of issued Shares held by the public Shareholders of the Company as at each month end.
3. Trading of the Shares was suspended from 11 December 2024 to 23 December 2024.

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During the Review Period, the average daily trading volume ranged from approximately 3,495 Shares (in June 2024) to approximately 396,467 Shares (in October 2024), representing approximately 0.001% to 0.081% of the total number of issued Shares, and representing approximately 0.002% to 0.272% of the total number of issued Shares held by public Shareholders as at the end of the respective month/period. It is noted that the highest trading volume occurred on 7 October 2024, representing approximately 0.35% of the total number of issued Shares. We have discussed with Management and were informed that they were not aware of any particular reason that led to such higher trading volume on those dates as no particular news was announced by the Group immediately before the dates, apart from the publication of the interim results announcement for 1H 2024. Save and except for October 2024 and December 2024, the average daily trading volume of the Shares was below 0.023% of the total number of issued Shares held by public Shareholders from time to time during the entire Review Period.

In view of the above, while the Offer presents an opportunity for Independent Shareholders to dispose of a significant number of Shares without exerting downward pressure on the market price, it is important to note that the Offer Price of HK\$1.80 is lower than the recent market prices observed during the Review Period. As such, Shareholders may find the Offer less attractive in comparison to prevailing market levels.

#### *4.4 Comparables analysis*

In order to assess the fairness and reasonableness of the Offer Price, we have performed analysis on the price-to-book ratios (“**P/B Ratio(s)**”) and price-to-earnings ratios (the “**P/E Ratio(s)**”) of companies which are listed on the Main Board of the Stock Exchange and that are engaged in similar businesses to those of the Group for comparison purposes. As aforementioned, the Group has derived over 85.0% of its revenue from the provision of consumer finance services during FY2022, FY2023, 1H2023 and 1H2024. With this in mind, we have sought to identify comparable companies for peer comparison based on the criteria that the comparable companies (i) are listed on the Main Board of Stock Exchange; (ii) conduct credit services and lending business constituting more than 50.0% of its total revenue for the latest financial year; and (iii) are of comparable size to the Company with closing market capitalisation as at the Last Trading Day of between HK\$400.0 million to HK\$1.5 billion.

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Based on such criteria, we identified five companies (“**Comparables**”). Whilst no companies have identical business models, scale of operations, trading prospects, target market, product mix and capital structure as the Company, and it being understood that we have not conducted an in-depth investigation into the business and operations of the Comparables beyond the aforesaid criteria, we believe the selected Comparables are appropriate as a benchmark reference for our analysis. Based on our research, the Comparables are exhaustive within the criteria set out above and we are of the view that they would serve as a fair and representative sample for drawing a meaningful comparison to the Offer Price. Our findings are summarised in the table below:

Stock code	Company name	Principal businesses	Market cap (HK\$'000) (Note 1)	P/B Ratio (times) (Note 2)	P/E Ratio (times) (Note 3)
00668.HK	Doyen International Holdings Limited	Investment holding company engaged in investment property holding in the PRC, provision of financing to customers in the PRC and distressed assets management segments.	433,173	0.47	32.69
01319.HK	Oi Wah Pawnshop Credit Holdings Limited	Investment holding company engaged in secured financing, including pawn loans and mortgage loans, operating under the brand “Oi Wah”.	437,483	0.40	5.06
02483.HK	K Cash Corporation Limited	Investment holding company engaged in loan businesses, including unsecured owner loans and personal loans.	925,000	1.02	14.23
03623.HK	China Success Finance Group Holdings Limited	Investment holding company principally engaged in the provision of financial and non-financial guarantees services, financial leasing and financial consultancy services.	480,620	1.64	N/A
03848.HK	Haosen Fintech Group Limited	Investment holding company engaged in micro credit, loan services, finance leasing, factoring, and securities brokerage. Operates through micro credit and loan facilitation, finance lease and factoring, and securities dealing and broking.	433,386	0.70	18.47
			<b>High</b>	<b>1.64</b>	<b>32.69</b>
			<b>Low</b>	<b>0.40</b>	<b>5.06</b>
			<b>Average</b>	<b>0.85</b>	<b>17.61</b>
02003.HK	The Company	Investment holding company principally engaged in the provision of consumer financial services. The Group mainly provides credit products through pure online loan origination processes. The products are credit cards balance transfer products and consumption credit products.	<i>Based on the Offer Price (Note 4)</i> 881,028	0.19	1.80
			<i>Based on market price as at Latest Practicable Date</i> 1,297,068	0.28	2.65



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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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*Notes:*

1. Market capitalisation is calculated based on the closing share price and the number of shares in issue as at the Last Trading Day based on information from the website of the Stock Exchange.
2. P/B Ratios of the Comparables are calculated based on their respective closing price as at the Last Trading Day and the net asset values attributable to owners of the Comparables as at their latest year/period end dates as extracted from their latest annual/interim reports published on the Stock Exchange's website, divided by the total number of issued shares as at the Last Trading Day.
3. P/E Ratios of the Comparables are calculated based on their respective closing price as at the Last Trading Day and earnings per share of the Comparables of the latest audited financial year as extracted from their respective latest annual reports published on the Stock Exchange's website.
4. The implied market capitalisation, P/E Ratio and P/B Ratio of the Company are calculated based on the Offer Price.

As shown in the table above, the historical P/E Ratios of the Comparables ranged from approximately 5.06 times to 32.69 times, with an average of approximately 17.61 times. The implied P/E ratio of the Company based on the Offer Price is approximately 1.80 times, which is below the lower bound of the range commanded by the Comparables. The P/B ratios of the Comparables ranged from 0.40 times to 1.64 times, with an average of approximately 0.85 times. The implied P/B ratio of the Company based on the Offer Price is approximately 0.19 times, which is also below the lower bound of the range commanded by the Comparables. On this basis, we are of the view that from the Offer Price is not fair and not reasonable.

### RECOMMENDATIONS

Having considered the principal factors and reasons as discussed above, in particular:

- (i) the Offer Price is unattractive, as it represents a discount of 9.09%, 8.16%, 7.50%, and 8.91% to the closing price of the Shares on the Last Trading Day and, the average closing price of the Shares for the last five (5), ten (10) and thirty (30) consecutive trading days up to and including the Last Trading Day respectively. Furthermore, it represents a significant discount of 80.65%, 80.28%, and 79.89% to the unaudited net asset value per Share as at 30 June 2024, 31 December 2023, and 30 June 2023, respectively. The implied P/E Ratio and P/B Ratio of the Offer Price are also below the lower bounds of those commanded by the Comparables as well as what the Company is currently priced in the market;
- (ii) while Management has outlined proactive strategies for long-term growth, the absence of an interim dividend for FY2024 suggests a conservative stance in response to market uncertainties. The Offeror has also expressed its intention to continue the Group's principal business with no significant changes to the Board composition or operations. Independent Shareholders should consider the risks and rewards of retaining their Shares in the context of the Group's evolving financial and operational trajectory; and
- (iii) the Shares have exhibited low trading liquidity during the Review Period. Save and except for October 2024 and December 2024, the average daily trading volume of the Shares was below 0.023% of the total number of issued Shares held by public Shareholders from time to time during the entire Review Period. This low liquidity indicates that Independent Shareholders with substantial holdings might face difficulties in realising their investments in the open market without significantly impacting the market price.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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We are of the view that, on balance, the Offer is not fair and not reasonable so far as the Independent Shareholders are concerned, with the unattractiveness of the Offer Price being the overriding factor in our assessment. Accordingly, we recommend the Independent Board Committee to recommend the Independent Shareholders not to accept the Offer.

Independent Shareholders are encouraged to carefully evaluate all relevant factors before deciding whether to accept the Offer. As the Share price closed above the Offer Price from 10 December 2023 (being the date falling 12 months preceding the Last Trading Day) up to the Latest Practicable Date, those looking to realise their investments may find it more beneficial to sell their Shares in the open market, provided the net proceeds from such a sale exceed the net amount receivable under the Offer. Unlike the fixed Offer Price, selling in the open market carries uncertainties, particularly for Shareholders with larger holdings, who may face challenges in offloading a substantial number of Shares in a single transaction at a fixed cash price. The closing price of the Shares remains subject to fluctuations influenced by market demand and supply, which could result in upward or downward movements.

**As different Independent Shareholders would have different investment criteria, objectives or risk appetite and profiles, we recommend any Independent Shareholders who may require advice in relation to any aspect of the Composite Document, or as to the action to be taken, to consult a licensed securities dealer, bank manager, solicitor, professional accountant, tax adviser or other professional adviser.**

Yours faithfully,  
For and behalf of  
**Altus Capital Limited**

**Arnold Ip**  
*Responsible Officer*

**Charlotte Khoo**  
*Responsible Officer*

*Mr. Arnold Ip (“Mr. Ip”) is a Responsible Officer of Altus Capital Limited licensed to carry on Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO and permitted to undertake work as a sponsor. He is also a Responsible Officer of Altus Investments Limited licensed to carry on Type 1 (dealing in securities) regulated activity under the SFO. Mr. Ip has over 30 years of experience in banking, corporate finance advisory and investment management. In particular, he has participated in sponsorship work for initial public offerings and acted as financial adviser or independent financial adviser in various corporate finance advisory transactions.*

*Ms. Charlotte Khoo (“Ms. Khoo”) is a Responsible Officer of Altus Capital Limited licensed to carry on Type 6 (advising on corporate finance) regulated activity under the SFO and permitted to undertake work as a sponsor. Ms. Khoo has over 10 years of experience in corporate finance and advisory in Hong Kong, in particular, she has participated in sponsorship work for initial public offerings and acted as financial adviser and independent financial adviser in various corporate finance transactions. Ms. Khoo is a certified public accountant of the Hong Kong Institute of Certified Public Accountants.*

**1. GENERAL PROCEDURES FOR ACCEPTANCE OF THE OFFER**

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

- (a) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) or evidence of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in your name and you wish to accept the Offer in respect of your Shares (whether in full or in part), you must send the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) or evidence of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for the number of Shares in respect of which you intend to accept the Offer, by post or by hand, to the Registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, in an envelope marked “**VCREDIT Holdings Limited – Offer**”, as soon as possible, and, in any event no later than 4:00 p.m. (Hong Kong time) on the Closing Date or such later time and/or date 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) or evidence of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in the name of a nominee company or a name other than your own and you wish to accept the Offer in full or in part, you must either:
  - i. lodge your share certificate(s) and/or transfer receipt(s) and/or any other document(s) or evidence of title (and/or any satisfactory indemnity or indemnities required in respect thereof) with the nominee company, or other nominee, and with instructions authorising it to accept the Offer on your behalf and requesting it to deliver in an envelope marked “**VCREDIT Holdings Limited – Offer**” the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or other document(s) or evidence of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for the number of Shares in respect of which you intend to accept the Offer to the Registrar; or
  
  - ii. arrange for the Shares to be registered in your name by the Company, through the Registrar, and send in an envelope marked “**VCREDIT Holdings Limited – Offer**” the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) or evidence of title (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Registrar; or

- iii. if your Shares have been lodged with your licensed securities dealer/registered institution in securities/custodian bank through CCASS, instruct your licensed securities dealer/registered institution in securities/custodian bank to authorise HKSCC Nominees to accept the Offer on your behalf on or before the deadline set by HKSCC Nominees. In order to meet the deadline set by HKSCC Nominees, you should check with your licensed securities dealer/registered institution in securities/custodian bank for the timing on processing your instruction, and submit your instruction to your licensed securities dealer/registered institution in securities/custodian bank as required by them; or
- iv. if your Shares have been lodged with your Investor Participant's account maintained with CCASS, authorise your instruction via the CCASS Phone System or CCASS Internet System before the deadline set by HKSCC Nominees.

If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) or evidence of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are not readily available and/or is/are lost, as the case may be, and you wish to accept the Offer in respect of your Shares, the Form of Acceptance should nevertheless be duly completed and signed and delivered in an envelope marked “**VCREDIT Holdings Limited – Offer**” to the Registrar together with a letter stating that you have lost one or more of your share certificate(s) and/or transfer receipt(s) and/or other document(s) or evidence of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares or that it/they is/are not readily available. If you find such document(s) or if it/they become(s) available, it/they should be forwarded to the Registrar as soon as possible thereafter.

- (c) If you have lost your share certificate(s) and/or transfer receipt(s) and/or other document(s) or evidence of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares, you should also write to the Registrar requesting a letter of indemnity which, when completed in accordance with the instructions given, should be returned to the Registrar. The Offeror shall have the absolute discretion to decide whether any Share(s) in respect of which the share certificate(s) and/or transfer receipt(s) and/or any other document(s) or evidence of title is/are not readily available and/or is/are lost will be taken up by the Offeror.
- (d) If you have lodged transfer(s) of any of your Shares for registration in your name and have not received your share certificate(s) and you wish to accept the Offer in respect of your Shares, you should nevertheless complete and sign the Form of Acceptance and deliver it in an envelope marked “**VCREDIT Holdings Limited – Offer**” to the Registrar together with the transfer receipt(s) duly signed by you. Such action will be deemed to be an irrevocable authority to Get Nice Securities and/or the Offeror or their respective agent(s) to collect from the Company or the Registrar on your behalf the relevant share certificate(s) when issued and to deliver such share certificate(s) to the Registrar 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/they were delivered to the Registrar with the Form of Acceptance.

- (e) Acceptance of the Offer will be treated as valid only if the duly completed and signed Form of Acceptance is received by the Registrar no later than 4:00 p.m. (Hong Kong time) on the Closing Date or such later time and/or date as the Offeror may determine and announce in accordance with the Takeovers Code and the Registrar has recorded that the Form of Acceptance and any relevant documents required have been so received, and is:
- i. accompanied by the relevant share certificate(s) and/or transfer receipt(s) and/or other document(s) or evidence of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and, if that/those share certificate(s) is/are not in your name, such other documents (e.g. a duly stamped transfer of the relevant Shares 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 Shares; or
  - ii. from a registered Shareholder or his personal representatives (but only up to the amount of the registered holding and only to the extent that the acceptance relates to the Shares which are not taken into account under the other sub-paragraphs of this paragraph (e)); or
  - iii. certified by the Registrar or the Stock Exchange.

If the Form of Acceptance is executed by a person other than the registered 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.

- (f) No acknowledgment of receipt of any Form of Acceptance, share certificate(s) and/or transfer receipt(s) and/or any other document(s) or evidence of title (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given.

References to the Offer in this Composite Document and in the Form of Acceptance shall include any extension and/or revision thereof.

In making their decision, the Shareholders must rely on their own examination of the Group and the terms of the Offer, respectively, including the merits and risks involved. The contents of this Composite Document, including any general advice or recommendation contained herein together with the Form of Acceptance, shall not be construed as any legal or business advice on the part of any of the Offeror, the Company, Get Nice Securities, Opus Capital, the Independent Financial Adviser, the Registrar, or their respective professional advisers. Shareholders should consult their own professional advisers for professional advice.

**2. SETTLEMENT**

Provided that the 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 relevant Shares are valid, complete and in good order and have been received by the Registrar no later than 4:00 p.m. (Hong Kong time) on the Closing Date or such later time and/or date as the Offeror may determine and announce in accordance with the Takeovers Code, a cheque or a banker's cashier order for the amount due to an Accepting Shareholder less seller's ad valorem stamp duty in respect of the Offer Shares for which the Offer is accepted (and, if applicable, the fees payable to the Registrar in respect of lost or unavailable share certificate) will be despatched to such Shareholder by ordinary post at his/her/its own risks as soon as possible, but in any event no later than seven (7) Business Days after the date on which the duly completed Form of Acceptance and the relevant documents of title in respect of such acceptance are received by the Registrar to render each such acceptance complete and valid.

Settlement of the consideration to which any Accepting Shareholder is entitled under the Offer will be paid by the Offeror in full in accordance with the terms of the Offer (save with respect of the payment of seller's ad valorem stamp duty for Offer Shares tendered for acceptance and, if applicable, the fees payable to the Registrar in respect of lost or unavailable certificate) set out in this Composite Document (including this Appendix) and the relevant accompanying Form of Acceptance, 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 Accepting Shareholder.

No fractions of a cent will be payable and the amount of cash consideration payable to an Accepting Shareholder will be rounded up to the nearest cent.

Shareholders are recommended to consult their professional advisers if they are in doubt as to the above procedures.

**3. ACCEPTANCE PERIOD AND REVISIONS**

Unless the Offer has previously been revised or extended with the consent of the Executive, to be valid, the Form of Acceptance must be received by the Registrar by 4:00 p.m. (Hong Kong time) on the Closing Date in accordance with the instructions printed on the Form of Acceptance.

If the Offer is extended, the announcement of such extension will state the next closing date or a statement that the Offer will remain open until further notice. In the latter case, at least 14 days' notice in writing must be given to the Offer Shareholders before the Offer is closed. If, in the course of the Offer, the Offeror revises the terms of the Offer, all Shareholders, whether or not they have already accepted the Offer, will be entitled to accept the revised Offer under the revised terms. The revised Offer will be kept open for at least 14 days thereafter.

If the Closing Date is extended, any reference in this Composite Document and in the Form of Acceptance to the Closing Date shall, except where the context otherwise requires, be deemed to refer to the subsequent closing date.

**4. ANNOUNCEMENT**

By 6:00 p.m. on the Closing Date (or such later time and/or date as the Executive may in exceptional circumstances permit), the Offeror must inform the Executive and the Stock Exchange of its decision in relation to the expiry, revision and extension of the Offer. The Offeror must publish an announcement 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 or closed.

The announcement will state, among other things, the following:

- (i) the total number of Offer Shares and rights over Offer Shares for which acceptances of the Offer have been received;
- (ii) the total number of Shares and rights over Shares held, controlled or directed by the Offeror Concert Group before the Offer Period;
- (iii) the total number of Shares and rights over Shares acquired or agreed to be acquired during the Offer Period by the Offeror Concert Group;
- (iv) details of any relevant securities (as defined in Note 4 to Rule 22 of the Takeover Code) in which any member of the Offeror Concert Group has borrowed or lent, save for any borrowed Shares which have been either on-lent or sold; and
- (v) the percentages of the issued share capital of the Company and the percentages of voting rights of the Company represented by these numbers of Shares.

In computing the total number of Shares represented by acceptances, only valid acceptances that are complete, in good order and fulfil the acceptance conditions set out in this Appendix, which have been received by the Registrar (for Offer) 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.

As required under the Takeovers Code, all announcements in respect of the Offer must be made in accordance with the requirements of the Takeovers Code and the Listing Rules.

**5. NOMINEE REGISTRATION**

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



**6. RIGHT OF WITHDRAWAL**

Acceptance of the Offer tendered by Offer Shareholders shall be irrevocable and cannot be withdrawn, except in the circumstances set out in the following paragraph.

Under Rule 19.2 of the Takeovers Code, if the Offeror is unable to comply with the requirements of making an announcement relating to the Offer set out in paragraph headed “4. ANNOUNCEMENT” in this Appendix, the Executive may require that Accepting Shareholders be granted a right of withdrawal, on terms acceptable to the Executive, until such requirements can be met. In such case, when any Offer Shareholder(s) withdraw their acceptance(s), the Offeror shall, at the own risk of the respective Offer Shareholder(s), as soon as possible but in any event no later than seven (7) Business Days thereof, return by ordinary post the relevant share certificate(s) and/or transfer receipt(s) and/or other document(s) or evidence of title (and/or satisfactory indemnity or indemnities required in respect thereof) lodged with the Form(s) of Acceptance to the relevant Offer Shareholder(s).

**7. EFFECT OF ACCEPTANCE OF THE OFFER**

Under the terms of the Offer, the Offer Shares will be acquired fully paid and free from all encumbrances, together with all rights attached thereto on or after the date on which the Offer is made, being the date of despatch of this Composite Document, including the right to receive in full all dividends and other distributions declared, if any, the record date of which falls on or after the date of despatch of this Composite Document.

**8. HONG KONG STAMP DUTY**

Seller’s Hong Kong ad valorem stamp duty arising in connection with acceptances of the Offer will be payable by the relevant Offer Shareholders at a rate of 0.1% of (i) the market value of the Offer Shares; or (ii) the consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, and the amount of such duty will be deducted from the cash amount payable by the Offeror to the relevant Offer Shareholders accepting the Offer. The Offeror will arrange for payment of the seller’s Hong Kong ad valorem stamp duty on behalf of the relevant Offer Shareholders accepting the Offer and pay the buyer’s Hong Kong ad valorem stamp duty in connection with the acceptance of the Offer and the transfers of the relevant Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

**9. TAXATION ADVICE**

Offer Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror Concert Group, the Company, Opus Capital, Get Nice Securities and the Independent Financial Adviser and (as the case may be) their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.



**10. OVERSEAS SHAREHOLDERS**

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

As at the Latest Practicable Date, there was one Overseas Shareholder whose address as shown in the register of members of the Company was in the Cayman Islands. Having made reasonable enquiries, the sole director of the Offeror and the Directors are satisfied that there is no restriction under the laws or regulations of the Cayman Islands against despatching this Composite Document and the accompanying Form of Acceptance to such Overseas Shareholder, and will do so accordingly.

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

**11. GENERAL**

- (a) All communications, notices, the Forms of Acceptance, share certificates, transfer receipts, other documents or evidence of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and remittances to be delivered by or sent to or from Shareholders will be delivered by or sent to or from them, or their designated agents, through post at their own risk, and none of the Offeror Concert Group, the Company, Get Nice Securities, Opus Capital, the Independent Financial Adviser, the Registrar or any of their respective ultimate beneficial owners, directors, officers, agents or associates or any other person involved in the Offer accepts any liability for any loss or delay in postage or any other liabilities that may arise as a result thereof.
- (b) The Offer Shares to be acquired under the Offer shall be fully paid and free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights and interests of any nature and together with all rights becoming attached thereto on or after the date on which the Offer is made, being the date of despatch of this Composite Document, including the right to receive in full all dividends and other distributions declared, if any, the record date of which falls on or after the date of despatch of this Composite Document.

- (c) Acceptance of the Offer by any nominee will be deemed to constitute a representation and warranty by such nominee to the Offeror that the number of Offer Shares in respect of which it is indicated in the Form of Acceptance is the aggregate number of Offer Shares held by such nominee for such beneficial owners who accept the Offer.
- (d) The provisions set out in the Form of Acceptance form part of the terms of the Offer.
- (e) Due execution of the Form of Acceptance will constitute an irrevocable authority to the Offeror, and/or the Registrar (or any of their respective ultimate beneficial owners, directors, officers, agents or associates) to complete, and execute any document on behalf of the Accepting Shareholder 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 has accepted the Offer.
- (f) The accidental omission to despatch this Composite Document and/or the Form of Acceptance or any of them to any person to whom the Offer is made will not invalidate the Offer in any way.
- (g) The Offer and all acceptances thereof will be governed by and construed in accordance with the laws of Hong Kong.
- (h) Any Offer Shareholders accepting the Offer will be responsible for payment of any transfer or cancellation or other taxes or duties payable in respect of the relevant jurisdiction due by such persons.
- (i) In making their decision, Offer Shareholders must rely on their own examination of the 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 Form of Acceptance, shall not be construed as any legal or business advice on the part of the Offeror, the Company, Get Nice Securities, the Independent Financial Adviser, or Opus Capital. Shareholders should consult their own professional advisers for professional advice.
- (j) The English text of this Composite Document and of the accompanying Form of Acceptance shall prevail over the Chinese text in case of inconsistency.

## 1. SUMMARY OF THE FINANCIAL INFORMATION OF THE GROUP

The issued shares of the Company have been listed on the Main Board of the Stock Exchange since 21 June 2018.

Set out below is a summary of the audited financial information of the Group for each of the financial years ended 31 December 2021, 2022 and 2023 as extracted from the relevant annual reports of the Company and the unaudited financial information of the Group for the six months ended 30 June (“HY”) 2024 as extracted from the relevant interim report of the Company:

### Condensed Consolidated Statement of Comprehensive Income

	<b>For the six months ended 30 June 2024</b>	<b>For the year ended 31 December 2023</b>	<b>For the year ended 31 December 2022</b>	<b>2021</b>
	<i>RMB'000</i> (unaudited)	<i>RMB'000</i> (audited)	<i>RMB'000</i> (audited)	<i>RMB'000</i> (audited)
<b>Continuing operations</b>				
Interest type income	1,068,276	1,477,300	1,922,140	1,971,752
Less: interest expenses	<u>(193,290)</u>	<u>(327,646)</u>	<u>(529,160)</u>	<u>(591,773)</u>
Net interest type income	874,986	1,149,654	1,392,980	1,379,979
Loan facilitation service fees	939,624	2,240,958	1,564,359	1,539,952
Other (expenses)/income	<u>(76,253)</u>	<u>178,876</u>	<u>161,942</u>	<u>538,287</u>
<b>Total income</b>	<u>1,738,357</u>	<u>3,569,488</u>	<u>3,119,281</u>	<u>3,458,218</u>
Origination and servicing expenses	(625,954)	(1,543,932)	(1,266,673)	(1,139,827)
Sales and marketing expenses	(24,082)	(53,374)	(35,611)	(28,287)
General and administrative expenses	(162,182)	(336,830)	(284,380)	(297,188)
Research and development expenses	(56,955)	(125,853)	(97,710)	(80,872)
Credit impairment losses	(144,149)	(344,558)	(129,548)	(45,654)
Fair value change of loans to customers	(592,304)	(574,077)	(571,879)	(378,909)
Other gains/(losses), net	<u>21,686</u>	<u>13,981</u>	<u>(38,360)</u>	<u>26,106</u>
<b>Operating profit</b>	<u>154,417</u>	<u>604,845</u>	<u>695,120</u>	<u>1,513,587</u>

	For the six months ended 30 June		For the year ended 31 December	
	2024 RMB'000 (unaudited)	2023 RMB'000 (audited)	2022 RMB'000 (audited)	2021 RMB'000 (audited)
Share of net (loss)/profit of investments accounted for using the equity method	(1,876)	(7,851)	–	691
<b>Profit before income tax</b>	<u>152,541</u>	<u>596,994</u>	<u>695,120</u>	<u>1,514,278</u>
Income tax expense	<u>(32,198)</u>	<u>(143,083)</u>	<u>(162,649)</u>	<u>(334,982)</u>
<b>Profit for the period</b>	<u>120,343</u>	<u>453,911</u>	<u>532,471</u>	<u>1,179,296</u>
<b>Profit for the period attributable to:</b>				
Owners of the Company	120,345	453,906	532,466	1,179,275
Non-controlling interests	<u>(2)</u>	<u>5</u>	<u>5</u>	<u>21</u>
<b>Other comprehensive income (loss)</b>				
<i>Items that may be reclassified to profit or loss</i>				
Exchange difference on translation of foreign operations	<u>(2,087)</u>	<u>2,206</u>	<u>621</u>	<u>(4,891)</u>
<b>Total comprehensive income for the period, net of tax</b>	<u><u>118,256</u></u>	<u><u>456,117</u></u>	<u><u>533,092</u></u>	<u><u>1,174,405</u></u>
<b>Total comprehensive income for the period attributable to:</b>				
Owners of the Company	118,258	456,112	533,087	1,174,384
Non-controlling interests	<u>(2)</u>	<u>5</u>	<u>5</u>	<u>21</u>
Basic earnings per share (RMB yuan)	<u><u>0.25</u></u>	<u><u>0.93</u></u>	<u><u>1.09</u></u>	<u><u>2.42</u></u>
Diluted earnings per share (RMB yuan)	<u><u>0.25</u></u>	<u><u>0.93</u></u>	<u><u>1.09</u></u>	<u><u>2.40</u></u>

## Condensed Consolidated Statement of Financial Position

	As at 30 June		As at 31 December	
	2024	2023	2022	2021
	RMB'000	RMB'000	RMB'000	RMB'000
	(unaudited)	(audited)	(audited)	(audited)
<b>Assets</b>				
Cash and cash equivalents	1,390,228	896,534	1,592,365	1,907,940
Restricted cash	694,542	652,241	514,941	55,110
Loans to customers at fair value through profit or loss	6,637,053	6,504,421	5,230,471	7,322,034
Contract assets	381,500	465,408	443,146	298,356
Guarantee receivables	998,698	1,317,024	787,396	325,331
Financial investments at fair value through profit or loss	127,616	148,695	243,526	133,798
Investments accounted for using the equity method	26,224	13,384	20,889	–
Deferred tax assets	653,272	522,217	342,458	381,035
Right-of-use assets	48,186	58,187	28,247	24,598
Intangible assets	34,208	36,292	38,441	40,590
Property and equipment	39,713	45,369	42,406	35,056
Other assets	710,222	1,274,691	819,150	753,097
<b>Total assets</b>	<b>11,741,462</b>	<b>11,934,463</b>	<b>10,103,436</b>	<b>11,276,945</b>
<b>Liabilities</b>				
Current tax liabilities	218,523	285,651	199,748	59,691
Guarantee liabilities	1,023,571	1,533,883	1,140,754	472,454
Lease liabilities	49,395	59,256	27,789	25,286
Borrowings	5,691,001	5,471,888	4,331,326	6,463,774
Senior notes	90,929	89,989	176,236	523,542
Deferred income tax liabilities	5,000	7,500	–	92,979
Other liabilities	419,815	317,706	401,842	245,494
<b>Total liabilities</b>	<b>7,498,234</b>	<b>7,765,873</b>	<b>6,277,695</b>	<b>7,883,220</b>
<b>Equity</b>				
Share capital	40,067	40,067	40,067	40,145
Share premium	5,198,650	5,243,415	5,355,195	5,461,908
Treasury shares	(4,541)	(5,399)	(16,182)	(29,084)
Other reserves	747,030	749,536	757,248	763,814
Accumulated losses	(1,739,379)	(1,859,724)	(2,313,630)	(2,846,096)
Non-controlling interests	1,401	695	3,043	3,038
<b>Total equity</b>	<b>4,243,228</b>	<b>4,168,590</b>	<b>3,825,741</b>	<b>3,393,725</b>
<b>Total liabilities and equity</b>	<b>11,741,462</b>	<b>11,934,463</b>	<b>10,103,436</b>	<b>11,276,945</b>

During each of the years ended 31 December 2021, 2022 and 2023, and for the six months ended 30 June 2024, the Board has recommended the payment of:

- (a) final dividends of HK\$0.15, HK\$0.10 and HK\$0.10 per Share for each of the years ended 31 December 2021, 2022 and 2023, respectively, to the Shareholders whose names appeared on the Company's register of members at the close of business on each of 27 June 2022, 27 June 2023 and 24 June 2024, respectively. An ordinary resolution for each such dividend was passed at the annual general meetings of the Company held on each of 17 June 2022, 16 June 2023 and 14 June 2024, respectively, to approve such dividends, and such dividends were paid on each of 15 July 2022, 12 July 2023, and 10 July 2024, respectively;
- (b) interim dividends of HK\$0.10, HK\$0.10 and HK\$0.15 per Share for each of the six months ended 30 June 2021, 2022 and 2023, respectively, to the Shareholders whose names appeared on the Company's register of members at the close of business on 22 October 2021, 21 October 2022, 20 October 2023, respectively. An ordinary resolution for each such dividend was passed at the general meetings of the Company held on each of 12 October 2021, 11 October 2022, and 12 October 2023, respectively, to approve such dividends, and such dividends were paid on each of 12 November 2021, 11 November 2022 and 10 November 2023, respectively; and
- (c) a special dividend of HK\$0.10 per Share for the six months ended 30 June 2021 to the Shareholders whose names appeared on the Company's register of members at the close of business on 22 October 2021. An ordinary resolution was passed at the general meeting of the Company held on 12 October 2021 to declare such dividend and such dividend was paid on 12 November 2021.

Save as disclosed above, no other dividend was paid or proposed by the Company during each of the years ended 31 December 2021, 2022 and 2023, respectively, and for the six months ended 30 June 2024.

PricewaterhouseCoopers, the auditor of the Group during each of the years ended 31 December 2021, 2022 and 2023, respectively, did not issue any modified opinion nor any emphasis of matter or material uncertainty related to going concern contained in the auditor's reports of the Group for any of the years ended 31 December 2021, 2022 and 2023, respectively.

## 2. CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP

The Company is required to set out or refer to in this Composite Document the consolidated statement of financial position, consolidated statement of cash flows and any other primary statement as shown in the audited consolidated financial statements of the Group for the years ended 31 December 2021 (the “**2021 Financial Statements**”), 31 December 2022 (the “**2022 Financial Statements**”) and 31 December 2023 (the “**2023 Financial Statements**”) and the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2024 (the “**2024 Interim Financial Statements**”), together with the significant accounting policies and the notes to the relevant published accounts which are of major relevance to the appreciation of the above financial information.

The 2021 Financial Statements are set out from pages 61 to 154 in the annual report of the Company for the year ended 31 December 2021 (the “**Annual Report 2021**”), which was published on 20 April 2022. The Annual Report 2021 is posted on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<https://www.vcredit.com>), and is accessible via the following hyperlink:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0420/2022042000526.pdf>

The 2022 Financial Statements are set out from pages 59 to 146 in the annual report of the Company for the year ended 31 December 2022 (the “**Annual Report 2022**”), which was published on 25 April 2023. The Annual Report 2022 is posted on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<https://www.vcredit.com>), and is accessible via the following hyperlink:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0425/2023042500397.pdf>

The 2023 Financial Statements are set out from pages 59 to 154 in the annual report of the Company for the year ended 31 December 2023 (the “**Annual Report 2023**”), which was published on 24 April 2024. The Annual Report 2023 is posted on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<https://www.vcredit.com>), and is accessible via the following hyperlink:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0424/2024042400780.pdf>

The 2024 Interim Financial Statements are set out from pages 25 to 57 in the interim report of the Company for the six months ended 30 June 2024 (the “**Interim Report 2024**”), which was published on 20 September 2024. The Interim Report 2024 is posted on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<https://www.vcredit.com>), and is accessible via the following hyperlink:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0920/2024092000221.pdf>

The 2021 Financial Statements, the 2022 Financial Statements, the 2023 Financial Statements (but not any other parts of the Annual Report 2021, the Annual Report 2022 and the Annual Report 2023 in which they respectively appear) and the 2024 Interim Financial Statements (but not any other parts of the Interim Report 2024 in which they appear) are incorporated by reference into this Composite Document and form part of this Composite Document.

### 3. INDEBTEDNESS STATEMENT

As of 30 November 2024, being the latest practicable date for the purpose of the statement of indebtedness prior to the printing of this Composite Document, the Group had the following outstanding indebtedness:

	<b>As of</b> <b>30 November 2024</b> <i>RMB'000</i>
Borrowings	4,583,540
Notes Payable	187,819
Lease Liabilities	45,241
	<hr/>
	<b>4,816,600</b>
	<hr/> <hr/>

#### **Borrowings**

The following table sets forth the breakdown of the borrowings of the Group as of the date indicated:

	<b>As of</b> <b>30 November 2024</b> <i>RMB'000</i>
<b>Secured</b>	
Bank borrowings	399,185
Borrowings from corporations	11,083
<b>Unsecured</b>	
Payable to trust plan holders	3,950,130
Bank borrowings	173,139
Interest payable	50,003
	<hr/>
	<b>4,583,540</b>
	<hr/> <hr/>



### Notes Payable

The following table sets forth the breakdown of notes payable of the Group as of the date indicated:

	As of 30 November 2024 RMB'000
Senior notes <sup>(Note 1)</sup>	95,967
Series 1 Senior Secured Guaranteed Notes (“ <b>Series 1 Notes</b> ”) <sup>(Note 2)</sup>	45,764
Series 2 Senior Secured Guaranteed Notes (“ <b>Series 2 Notes</b> ”) <sup>(Note 2)</sup>	46,088
	187,819
	187,819

#### Notes:

1. The senior notes due 2025 constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Company which will at all times rank *pari passu* without any preference or priority among themselves and at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Company.
2. VCREDIT Finance Limited (“**VFL**”), a direct wholly-owned subsidiary of the Company and the immediate holding company of Ace Effort Asia Limited (“**Ace Effort**”) and the Company have unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by Ace Effort under the Series 1 Notes and the Series 2 Notes and the instrument and the obligations of Ace Effort has been secured by way of first floating charge over a portfolio of loan receivables of VFL.

Both the Series 1 Notes and the Series 2 Notes constitute direct, general, unconditional, unsubordinated and unsecured obligations of Ace Effort which will at all times rank *pari passu* without any preference or priority among themselves and at least *pari passu* with all other present and future unsecured and unsubordinated obligations of Ace Effort, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

### Lease Liabilities

As of 30 November 2024, the Group had lease liabilities of RMB45 million.

Save as disclosed above and apart from intra-group liabilities within the Group and normal trade and other payables in the ordinary course of business, the Group did not have any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans, debt securities issued and outstanding, and authorised or otherwise created but unissued and indebtedness in the nature of borrowings, liabilities under acceptances (other than normal trade bills) or acceptances credits, debentures, mortgages, charges, other recognised lease liabilities or lease commitments, which are either guaranteed, unguaranteed, secured or unsecured, guarantees or other material contingent liabilities at the close of business on 30 November 2024.

The Directors have confirmed that the Group does not have any plans for material external debt financing and there have been no material changes in the indebtedness and contingent liabilities of the Group since 30 November 2024 and up to and including the Latest Practicable Date.

#### 4. MATERIAL CHANGE

Save as disclosed below, the Directors confirm that there has been no material change in the financial or trading position or outlook of the Group since 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Group were made up and up to the Latest Practicable Date:

- (a) as disclosed in the Interim Report 2024, there was a significant change from other income of approximately RMB213.7 million in HY2023 to an expense of approximately RMB76.3 million in HY2024, primarily due to an increase in M3+ ratio reflected in losses from guarantee as a result of the lower loan demand from high quality borrowers and the adverse impact of the unfavorable macroeconomic conditions during HY2024;
- (b) as disclosed in the Interim Report 2024, an increase in fair value change of loans to customers to approximately RMB592.3 million in HY2024 from approximately RMB333.5 million for HY2023, primarily due to the growth in loan origination volume of on-balance loans and conservative approach on provisioning given continuing macro uncertainties during HY2024;
- (c) as disclosed in the Interim Report 2024, the operating profit decreased to approximately RMB154.4 million in HY2024 from approximately RMB389.5 million for HY2023, primarily due to (i) a decrease in loan volume during HY2024, largely due to weaker consumer credit demand, coupled with prudent business strategy in light of uncertain macroeconomic environment; (ii) initial losses incurred in the early stage startup of new businesses, in line with the Group's strategy to diversify its business operations into new markets and new businesses; and (iii) an increase in M3+ ratio due to lower loan demand from high quality borrowers, a lower volume base, and the adverse impact of the unfavorable macroeconomic conditions on existing loans;
- (d) as disclosed in the Interim Report 2024, the cash and cash equivalents increased from approximately RMB896.5 million as at 31 December 2023 to approximately RMB1,390.2 million as at 30 June 2024, primarily due to the inflow generated from operating activities, consisting mainly of principal and interest, loan facilitation service fees and other service fees received from the consumer finance products that the Company offered during HY2024; and
- (e) as disclosed in the Interim Report 2024, the investments accounted for using the equity method increased from approximately RMB13.4 million as at 31 December 2023 to approximately RMB26.2 million as at 30 June 2024, primarily due to the acquisition of an indirect 15.0% interest in Thousand Whales Technology (BVI) Limited by way of a subscription for 6,000,000 series angel preferred shares for a consideration of HK\$10.0 million on 19 January 2024 and a subscription for 3,592,814 series angel preferred shares for a consideration of HK\$6.0 million on 21 June 2024.

## 1. RESPONSIBILITY STATEMENTS

At as the Latest Practicable Date, the Board comprised Mr. Ma Ting Hung, Mr. Liu Sai Wang Stephen, Mr. Liu Sai Keung Thomas and Ms. Xue Lan as executive Directors, Mr. Yip Ka Kay as non-executive Director, and Mr. Chen Derek, Mr. Chen Penghui, Mr. Fang Yuan as independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than the information relating to the Offeror Concert Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed (other than those expressed by the sole director of the Offeror in his capacity as such) in this Composite Document 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:

	Number of Shares	Amount
<b>Authorised share capital:</b>		
Ordinary Shares of HK\$0.10 each	850,000,000	HK\$85,000,000.00
<b>Issued and fully paid:</b>		
Ordinary Shares of HK\$0.10 each	489,459,789	HK\$48,945,978.90

All issued Shares rank equally in all respects, including in particular as to dividend, voting rights and return on capital.

Since 31 December 2023, being the date to which the latest audited financial statements of the Company were made up, and up to the Latest Practicable Date, the Company did not issue any Shares.

Other than the Shares in issue, the Company had no other outstanding shares options, warrants, derivative or other securities that are convertible into or exchangeable for Shares or other types of equity interest in issue as at the Latest Practicable Date.

### 3. MARKET PRICES

The table below sets out the closing price of the Shares on the Stock Exchange on (1) the last Business Day of each of the calendar months during the Relevant Period, (2) the Last Trading Day, and (3) the Latest Practicable Date:

<b>Date</b>	<b>Closing price per Share (HK\$)</b>
28 June 2024	2.32
31 July 2024	2.30
30 August 2024	2.04
30 September 2024	2.02
31 October 2024	2.05
29 November 2024	1.89
10 December 2024 (being the Last Trading Day)	1.98
31 December 2024 <i>(Note)</i>	1.96
7 January 2025 (being the Latest Practicable Date)	2.65

*Note:*

Trading in the Shares on the Stock Exchange was halted from 11 December 2024 to 20 December 2024 pending the release of the Joint Announcement.

During the Relevant Period, the highest and the lowest closing prices of the Shares as quoted on the Stock Exchange were HK\$2.76 per Share on 7 October 2024 and HK\$1.86 per Share on 26 November 2024, respectively.

#### 4. DISCLOSURE OF INTERESTS

##### (a) Directors and chief executives' interests

As at the Latest Practicable Date, none of the Directors or the chief executive of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code; or (iv) which were required to be disclosed under the Takeovers Code, save as disclosed below:

##### (i) *Interests in shares or underlying shares of the Company or any of its associated corporations*

Name of Directors and Chief Executive	Nature of interest	Number of Shares	Approximate percentage of total issued Shares <sup>(Note 1)</sup>
Mr. Ma	Personal interest	18,127,000	44.04%
	Interest in controlled corporations <sup>(Note 2)</sup>	197,422,097	
Mr. Stephen Liu	Personal interest	1,200,000	13.68%
	Interest in controlled corporations <sup>(Note 3)</sup>	65,742,173	
Mr. Thomas Liu	Personal interest	600,000	1.52%
	Interest in controlled corporation <sup>(Note 4)</sup>	6,828,585	
Mr. Yip Ka Kay	Interest in controlled corporation <sup>(Note 5)</sup>	4,074,714	0.83%
Mr. Fang Yuan	Personal interest	103,200	0.02%

*Notes:*

- The calculation is based on the total number of 489,459,789 Shares in issue as at the Latest Practicable Date.
- Mr. Ma controls 100%, and is a director, of each of the Offeror, Skyworld-Best, and Glory Global, each of which has an interest in 67,107,010 Shares, 84,719,154 Shares and 45,595,933 Shares, respectively.

3. Mr. Stephen Liu controls 100% of each of Perfect Castle and Union Fair, and Mr. Stephen Liu and his mother, Madam Kwok Lim Ying, each control 50% of Magic Mount. Perfect Castle has an interest in 27,523,810 Shares, of which, 20,000,000 Shares have been lent under securities lending agreements to High Loyal Management Limited. Union Fair and Magic Mount have an interest in 4,124,505 Shares and 34,093,858 Shares, respectively.
4. Mr. Thomas Liu controls 100% of, and is the sole director of, International Treasure Limited which has an interest in 6,828,585 Shares.
5. Mr. Yip Ka Kay is the sole director and the sole shareholder of NM Strategic Partners, LLC which manages NM Strategic Focus Fund L.P., which has an interest in 4,074,714 Shares.

(ii) *Interests in debentures of the Company or any of its associated corporations*

Name	Nature of interest	Amount of debenture	Amount of debentures of the same class in issue
Mr. Thomas Liu	Beneficial owner	HK\$2,500,000 <sup>(Note 1)</sup>	HK\$50,000,000
Mr. Stephen Liu	Beneficial owner	HK\$2,500,000 <sup>(Note 2)</sup>	HK\$50,000,000

*Notes:*

1. On 18 July 2024, Ace Effort, an indirect wholly-owned subsidiary of the Company, completed the issue and placing of the Series 1 Notes in the aggregate principal amount of HK\$50,000,000, with a coupon rate of 9.5% per annum and a maturity date of 17 July 2025.
2. On 16 October 2024, Ace Effort, an indirect wholly-owned subsidiary of the Company, completed the issue and placing of the Series 2 Notes in the aggregate principal amount of HK\$50,000,000, with a coupon rate of 9.0% per annum and a maturity date of 15 October 2025.

**(b) Substantial shareholders**

As at the Latest Practicable Date, the interests and short positions of Shareholders (not being Directors or the chief executive of the Company) in the Shares and underlying Shares which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be entered in the register maintained by the Company pursuant to section 336 of the SFO or required to be disclosed under the Takeovers Code were as follows:

Name of Shareholder	Capacity/Nature of interest	Number of Shares		Percentage of total issued Shares <sup>(Note 1)</sup>
		Long Position	Short Position	
Mr. Ma	Personal interest	18,127,000		44.04%
	Interest in controlled corporations <sup>(Note 2)</sup>	197,422,097		
Offeror	Beneficial interest <sup>(Note 2)</sup>	67,107,010		13.71%
Skyworld-Best	Beneficial interest <sup>(Note 2)</sup>	84,719,154		17.31%
Glory Global	Beneficial interest <sup>(Note 2)</sup>	45,595,933		9.32%
Mr. Stephen Liu	Personal interest	1,200,000		13.68%
	Interest in controlled corporations <sup>(Note 3)</sup>	65,742,173		
Perfect Castle	Beneficial interest <sup>(Note 3)</sup>	27,523,810		5.62%
Madam Kwok Lim Ying	Interest in a controlled corporation <sup>(Note 4)</sup>	34,093,858		6.97%
Magic Mount	Beneficial interest <sup>(Notes 3 and 4)</sup>	34,093,858		6.97%
Mr. Kwok Peter Viem	Interest in a controlled corporation <sup>(Note 5)</sup>	70,740,770		14.45%
	Interest in a controlled corporation <sup>(Note 5)</sup>		20,000,000	4.09%
Mrs. Kwok Chang Shiu Feng	Interest in a controlled corporation <sup>(Note 5)</sup>	70,740,770		14.45%
	Interest in a controlled corporation <sup>(Note 5)</sup>		20,000,000	4.09%
High Loyal Management Limited	Beneficial interest <sup>(Note 5)</sup>	70,740,770		14.45%
	Beneficial interest <sup>(Note 5)</sup>		20,000,000	4.09%
Cavamont Holdings Limited	Interest in a controlled corporation <sup>(Note 6)</sup>	41,339,885		8.45%
Cavamont Investments Limited	Interest in a controlled corporation <sup>(Note 7)</sup>	41,339,885		8.45%
Cavenham Private Equity and Directs	Interest in controlled corporations <sup>(Note 7)</sup>	41,339,885		8.45%

*Notes:*

1. The calculation is based on the total number of 489,459,789 Shares in issue as at the Latest Practicable Date.
2. Mr. Ma controls 100% of each of the Offeror, Skyworld-Best, and Glory Global.
3. Mr. Stephen Liu controls 100% of each of Perfect Castle and Union Fair, and Mr. Stephen Liu and his mother, Madam Kwok Lim Ying, each control 50% of Magic Mount. Perfect Castle has an interest in 27,523,810 Shares, of which, 20,000,000 Shares have been lent under securities lending agreements to High Loyal Management Limited.
4. Madam Kwok Lim Ying controls 50% of Magic Mount Limited.
5. Mr. Kwok Peter Viem and Mrs. Kwok Chang Shiu Feng each controls 50% of High Loyal Management Limited. The short position disclosed by High Loyal Management Limited relates to 20,000,000 borrowed Shares (with an obligation to return the Shares) under securities lending agreements.
6. Cavamont Holdings Limited controls 100% of Cavamont Investments Limited (“**Cavamont Investments**”).
7. Cavamont Investments controls 100% of Cavenham Private Equity and Directs.

Save as disclosed above, the Directors and the chief executive of the Company are not aware of any person who, as at the Latest Practicable Date, had an interest or short position in the Shares and underlying Shares which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be entered in the register maintained by the Company pursuant to section 336 of the SFO or required to be disclosed under the Takeovers Code.

**(c) Additional disclosure of interests**

During the Relevant Period, save for (a) the sale and purchase of the Sale Shares; (b) the share pledges and share charges for the margin financing and the Facility as further described under the section headed “Confirmation of financial resources available to the Offeror” of this Composite Document; and (c) the on-market disposal of 600 Shares by Vendor B (which is managed by NM Strategic Partners, LLC, in which Mr. Yip Ka Kay (a non-executive Director) is the sole director and sole shareholder) at a price of HK\$2.72 per Share on 8 October 2024 (details of which are set out below) (the “**Vendor B On-market Disposal**”), none of the Directors have dealt for value in any Shares or any warrants, options, convertible securities or derivatives in respect of any Shares.



Set out below are details of the Vendor B On-market Disposal:

Date of the disposal	Relevant party	Price per Share received	Total number of Shares disposed	Approximate percentage of Shares disposed to the total number of Shares in issue (as at the date of the disposal)	Total consideration received
8 October 2024	NM Strategic Focus Fund L.P. <sup>(Note)</sup>	HK\$2.72	600	0.00012%	HK\$1,632.00

*Note:*

Mr. Yip Ka Kay is the sole director and the sole shareholder of NM Strategic Partners, LLC which manages NM Strategic Focus Fund L.P.

As at the Latest Practicable Date:

- save as disclosed in the paragraph headed “4. DISCLOSURE OF INTERESTS” in this Appendix, none of the Directors was interested within the meaning of Part XV of the SFO in the Shares or any warrants, options, convertible securities or derivatives in respect of any Shares during the Relevant Period;
- none of the subsidiaries of the Company, pension funds of the Company or of a subsidiary of the Company, or any person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of acting in concert in the Takeovers Code or who is an associate of the Company by virtue of class (2) of the definition of “associate” in the Takeovers Code but excluding any exempt principal trader and exempt fund managers, owned or controlled any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares and none of them had dealt for value in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company during the Offer Period;
- there was no arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code between any person and the Company or with any person who is presumed to be acting in concert with the Company by virtue of classes (1), (2), (3) and (5) of the definition of acting in concert or who is an associate of the Company by virtue of classes (2), (3) and (4) of the definition of associate under the Takeovers Code and none of them had dealt for value in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company during the Offer Period;

4. no fund manager (other than exempt fund managers) connected with the Company had managed any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares on a discretionary basis, and no such person had dealt for value in any Shares or any securities, convertible securities, warrants, options or derivatives in respect of any Shares or securities of the Company during the Offer Period;
5. pursuant to the Irrevocable Undertakings, each of (a) the members of Mr. Liu's Controlled Group; (b) Mr. Thomas Liu; (c) International Treasure Limited; (d) Vendor B; and (e) High Loyal Management Limited have irrevocably committed not to accept the Offer in respect of any of its respective Non-Accepting Shares or any interests in its respective Non-Accepting Shares. Save for Mr. Ma, Mr. Stephen Liu, Mr. Thomas Liu, Mr. Yip Ka Kay and Mr. Fang Yuan, none of the Directors have any beneficial shareholdings in the Company which would entitle them to accept or reject the Offer;
6. save for 20,000,000 Shares that have been lent under securities lending agreements by Perfect Castle to High Loyal Management Limited, none of the Company or the Directors has borrowed or lent any Shares or any convertible securities, warrants, options or derivatives or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in respect of any Shares;
7. no benefit (save for statutory compensation required under applicable laws) would be given to any Director as compensation for loss of office or otherwise in connection with the Offer;
8. save for (a) the Sale and Purchase Agreements; and (b) the share pledges and share charges for the margin financing and the Facility as further described under the section headed "Confirmation of financial resources available to the Offeror" set out in the "Letter from Get Nice Securities" of this Composite Document, there was no agreement or arrangement between any Director and any other person which is conditional on or dependent upon the outcome of the Offer or otherwise connected with the Offer; and
9. save for (a) the Sale and Purchase Agreements; (b) the loan agreement in relation to the grant of the Facility; (c) the Subordination Agreements; and (d) the share pledges and share charges for the margin financing and the Facility as further described under the section headed "Confirmation of financial resources available to the Offeror" set out in the "Letter from Get Nice Securities" of this Composite Document, there was no material contract entered into by the Offeror in which any Director has a material personal interest.

As at the Latest Practicable Date, save for the Sale and Purchase Agreements, there was no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (1) any Shareholder on the one hand; and (2) the Company, its subsidiaries or associated companies on the other hand.

**5. DISCLOSURE OF INTERESTS AND DEALINGS IN THE SECURITIES OF THE OFFEROR BY THE COMPANY**

During the Relevant Period and up to and including the Latest Practicable Date:

- (a) the Company did not deal for value in or have any interest within the meaning of Part XV of the SFO in any shares, convertible securities, warrants, options, or derivatives in respect of any shares in the Offeror; and
- (b) save for (i) the sale and purchase of the Sale Shares; (ii) the share pledges and share charges for the margin financing and the Facility as further described under the section headed “Confirmation of financial resources available to the Offeror” set out in the “Letter from Get Nice Securities” of this Composite Document; and (iii) the Vendor B On-market Disposal, and Mr. Ma, who is an executive Director and the sole director and sole beneficial owner of the Offeror, none of the Directors had dealt for value in or had any interest within the meaning of Part XV of the SFO in the shares, convertible securities, warrants, options, or derivatives in respect of any shares in the Offeror.

**6. MATERIAL LITIGATION**

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration or claims which would materially and adversely affect the operations of the Group and no litigation, arbitration or claims which would materially and adversely affect the operations of the Group was known to the Directors to be pending or threatened by or against any members of the Group.

**7. MATERIAL CONTRACTS**

None of the Company and its subsidiaries had, within the two years before the commencement of the Offer Period and up to the Latest Practicable Date, entered into any contract (not being a contract entered into in the ordinary course of business carried on or intended to be carried on by the Company or any of its subsidiaries), which is or may be material.

**8. EXPERT AND CONSENT**

The following are the qualifications of the experts which have given opinions or advices contained or referred to in this Composite Document:

Opus Capital, a corporation licensed to conduct Type 6 (advising on corporate finance) regulated activity under the SFO, being the financial adviser to the Company in relation to the Offer.

Altus Capital, a corporation licensed to carry out Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, being the Independent Financial Adviser appointed by the Company for the purpose of advising the Independent Board Committee in relation to the Offer and as to acceptance of it.

Each of Opus Capital and Altus Capital has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion of the text of its letter and/or report and the references to its name in the form and context in which it appears herein.

## 9. DIRECTORS' SERVICE CONTRACTS

Save as disclosed below, as at the Latest Practicable Date, (i) none of the Directors had any service contract with the Company or any of its subsidiaries or associated companies in force which (a) (including both continuous and fixed term contracts) has been entered into or amended during the Relevant 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; and (ii) none of the Directors had any existing or proposed service contract with any member of the Group or any associated companies of the Company which does not expire or is not determinable by such member of the Group within one year without payment of compensation (other than statutory compensation):

- (a) The executive director service agreement entered into between Ms. Xue Lan (“**Ms. Xue**”) and the Company dated 9 December 2024. Ms. Xue’s appointment under her service agreement is for an initial term of one year and will continue thereafter from year to year, subject to termination in accordance with the terms of her service agreement and to retirement by rotation and re-election at annual general meetings in accordance with the articles of association of the Company. In addition to her current remuneration of RMB31,918 per month and an allowance of RMB90,000 per month for her position as the General Manager of the Group, Ms. Xue will receive a director’s fee from the Company of HK\$100,000 per month. The Group also pays “five social insurance and one housing fund” of RMB12,058 per month for Ms. Xue. Ms. Xue may at the discretion of the Company receive discretionary bonuses as may be determined by the Board with reference to, among other factors, the operating results and requirements of the Group and Ms. Xue’s contribution to the performance of the Group. For details, please refer to the announcement of the Company dated 9 December 2024.

## 10. MISCELLANEOUS

- (a) As at the Latest Practicable Date, the registered office of the Company was situated at Harneys Fiduciary (Cayman) Limited, 4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands, and its principal place of business in Hong Kong was situated at Suite 1918, 19/F, Two Pacific Place, 88 Queensway, Hong Kong.
- (b) As at the Latest Practicable Date, the registered office of the Independent Financial Adviser, Altus Capital Limited, was situated at 21 Wing Wo Street, Central, Hong Kong.
- (c) As at the Latest Practicable Date, the registered office of Opus Capital was situated at 18/F, EC Healthcare Tower (Central), 19-20 Connaught Road Central, Central, Hong Kong;
- (d) The English text of this Composite Document shall prevail over their respective Chinese text in case of inconsistency.

**11. DOCUMENTS ON DISPLAY**

Copies of the following documents will be published on the websites of the SFC (<http://www.sfc.hk>) and the Company (<https://www.vcredit.com>) from the date of this Composite Document up to and including the Closing Date:

- (a) the second amended and restated memorandum and articles of association of the Company;
- (b) the annual reports of the Company for the three years ended 31 December 2021, 2022 and 2023, and the interim report of the Company for the six months ended 30 June 2024;
- (c) the “Letter from the Board”, the text of which is set out in this Composite Document;
- (d) the “Letter from the Independent Board Committee”, the text of which is set out in this Composite Document;
- (e) the “Letter from the Independent Financial Adviser”, the text of which is set out in this Composite Document;
- (f) the written consents referred to in the paragraph headed “8. EXPERT AND CONSENT” in this Appendix; and
- (g) the service agreement referred to in the paragraph headed “9. DIRECTORS’ SERVICE CONTRACTS” in this Appendix.

## 1. RESPONSIBILITY STATEMENT

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this Composite Document (other than the information relating to the Group), and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this Composite Document (other than those expressed by the Directors in their capacity as such) 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 OF THE OFFEROR AND PARTIES ACTING IN CONCERT WITH IT

As at the Latest Practicable Date, details of interests in the Shares, underlying Shares, debentures or other relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company owned or controlled by the Offeror and parties acting in concert with it were as follows:

### (a) Interests in Shares, underlying Shares, or other relevant securities of the Company

Name	Nature of interest	Number of Shares	Approximate percentage of total issued Shares <sup>(Note 1)</sup>
Mr. Ma	Personal interest	18,127,000	44.04%
	Interest in controlled corporations <sup>(Note 2)</sup>	197,422,097	
Offeror	Beneficial interest <sup>(Note 2)</sup>	67,107,010	13.71%
Skyworld-Best	Beneficial interest <sup>(Note 2)</sup>	84,719,154	17.31%
Glory Global	Beneficial interest <sup>(Note 2)</sup>	45,595,933	9.32%
Mr. Stephen Liu	Personal interest	1,200,000	13.68%
	Interest in controlled corporations <sup>(Note 3)</sup>	65,742,173	
Perfect Castle	Beneficial interest <sup>(Note 3)</sup>	27,523,810	5.62%
Union Fair	Beneficial interest <sup>(Note 3)</sup>	4,124,505	0.84%
Magic Mount	Beneficial interest <sup>(Note 3)</sup>	34,093,858	6.97%
Mr. Thomas Liu	Personal interest	600,000	1.52%
	Interest in controlled corporation <sup>(Note 4)</sup>	6,828,585	
International Treasure Limited	Beneficial interest <sup>(Note 4)</sup>	6,828,585	1.40%
Mr. Hung	Personal interest <sup>(Note 5)</sup>	22,768,173	4.65%
Vendor B	Beneficial interest <sup>(Note 6)</sup>	4,074,714	0.83%

*Notes:*

1. The calculation is based on the total number of 489,459,789 Shares in issue as at the Latest Practicable Date.
2. Mr. Ma controls 100% of each of the Offeror, Skyworld-Best and Glory Global.
3. Mr. Stephen Liu is an executive Director and therefore presumed to be acting in concert with the Offeror pursuant to class (6) of the definition of “acting in concert” in the Takeovers Code. Mr. Stephen Liu controls 100% of each of Perfect Castle and Union Fair, and Mr. Stephen Liu and his mother, Madam Kwok Lim Ying, each control 50% of Magic Mount. Perfect Castle has an interest in 27,523,810 Shares, of which, 20,000,000 Shares have been lent under securities lending agreements to High Loyal Management Limited.
4. Mr. Thomas Liu is an executive Director and the brother of Mr. Stephen Liu and therefore presumed to be acting in concert with the Offeror pursuant to class (6) of the definition of “acting in concert” in the Takeovers Code. Mr. Thomas Liu controls 100% of, and is the sole director of, International Treasure Limited which has an interest in 6,828,585 Shares.
5. Mr. Hung is presumed to be acting in concert with the Offeror pursuant to classes (5) and (9) of the definition of “acting in concert” in the Takeovers Code. Mr. Hung, who is the ultimate controlling shareholder of Get Nice Securities, being the financial adviser and Facility provider to the Offeror in respect of the Offer and the agent making the Offer on behalf of the Offeror, is presumed to be acting in concert with the Offeror until the close of the Offer. As at the Latest Practicable Date, Mr. Hung has an interest in 22,768,173 Shares.
6. Vendor B is managed by NM Strategic Partners, LLC, in which Mr. Yip Ka Kay (a non-executive Director) is the sole director and sole shareholder, and therefore presumed to be acting in concert with the Offeror pursuant to class (6) of the definition of “acting in concert” in the Takeovers Code. Vendor B has irrevocably undertaken to the Offeror not to accept the Offer in respect of its Non-Accepting Shares. For details, please refer to the section headed “Irrevocable Undertakings not to accept the Offers” in the “Letter from Get Nice Securities” above.

**(b) Interests in debentures of the Company**

Name	Nature of interest	Amount of debenture	Amount of debentures of the same class in issue
Mr. Thomas Liu	Beneficial owner	HK\$2,500,000 <sup>(Note 1)</sup>	HK\$50,000,000
Mr. Stephen Liu	Beneficial owner	HK\$2,500,000 <sup>(Note 2)</sup>	HK\$50,000,000

*Notes:*

1. On 18 July 2024, Ace Effort, an indirect wholly-owned subsidiary of the Company, completed the issue and placing of the Series 1 Notes in the aggregate principal amount of HK\$50,000,000, with a coupon rate of 9.5% per annum and a maturity date of 17 July 2025.
2. On 16 October 2024, Ace Effort, an indirect wholly-owned subsidiary of the Company, completed the issue and placing of the Series 2 Notes in the aggregate principal amount of HK\$50,000,000, with a coupon rate of 9.0% per annum and a maturity date of 15 October 2025.

As at the Latest Practicable Date, save as disclosed above, none of the Offeror and parties acting in concert with it owned, controlled or had direction over any Shares or other relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company or any member of the Group.

**3. ADDITIONAL DISCLOSURE OF INTERESTS AND DEALINGS**

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

- (a) save as disclosed in the paragraph headed “2. DISCLOSURE OF INTERESTS OF THE OFFEROR AND PARTIES ACTING IN CONCERT WITH IT” in this Appendix, none of the Offeror Concert Group or person who had any arrangement of the kind referred to in Note 8 to Rule 22 with the Offeror or any parties acting in concert with it owns, holds or has control or direction over any voting rights or rights over the Shares or convertible securities, warrants, options or derivatives of the Company, and there is no outstanding derivatives in respect of the securities in the Company which is owned, controlled or directed by, or has been entered into by the Offeror Concert Group;
- (b) save and except for the Irrevocable Undertakings, none of the members of the Offeror Concert Group has received any irrevocable commitment to accept or reject the Offer;
- (c) save for (i) the sale and purchase of the Sale Shares; (ii) the share pledges and share charges for the margin financing and the Facility as further described under the section headed “Confirmation of financial resources available to the Offeror” set out in the “Letter from Get Nice Securities” of this Composite Document; and (iii) the Vendor B On-market Disposal, none of the members of the Offeror Concert Group or the Non-Accepting Shareholders have acquired any voting rights in or otherwise dealt for value in the Shares or rights over the Shares, convertible securities, warrants, options of the Company or any derivatives in respect of such securities during the Relevant Period;
- (d) save for (i) the sale and purchase of the Sale Shares; (ii) the share pledges and share charges for the margin financing and the Facility as further described under the section headed “Confirmation of financial resources available to the Offeror” set out in the “Letter from Get Nice Securities” of this Composite Document; and (iii) the Vendor B On-market Disposal, there is no arrangement (as referred to in Note 8 to Rule 22 of the Takeovers Code) between any member of the Offeror Concert Group on the one hand, and any other persons on the other hand, and there were no such arrangements during the Relevant Period;
- (e) save for the consideration paid to the Vendors under the Sale and Purchase Agreements, there is no consideration, compensation or benefit in whatever form paid or to be paid by any member of the Offeror Concert Group to the Vendors and/or any parties acting in concert with any of them in connection with the sale and purchase of the Sale Shares;
- (f) there is no agreement or arrangement to which any member of the Offeror Concert Group is a party which relates to circumstances in which the Offeror may or may not invoke or seek to invoke a precondition or a condition to the Offer;
- (g) save for 20,000,000 Shares that have been lent under securities lending agreements by Perfect Castle to High Loyal Management Limited, there is no relevant security (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror Concert Group has borrowed or lent, or which the Offeror Concert Group has borrowed or lent during the Relevant Period;



- (h) save for the Sale and Purchase Agreements, there is no understanding, arrangement, agreement and special deal (as defined under Rule 25 of the Takeovers Code) between any members of the Offeror Concert Group on one hand and any Shareholder on the other hand;
- (i) save for the Sale and Purchase Agreements, there is no understanding, arrangement, agreement and special deal (as defined under Rule 25 of the Takeovers Code) between any members of the Offeror Concert Group on one hand and the Vendors and/or parties acting in concert with any of them on the other hand; and
- (j) save for the charge of (i) 46,607,010 Shares held by the Offeror; (ii) the Sale Shares A and Sale Shares B held by the Offeror; (iii) the Shares to be acquired by the Offeror under the Offer; (iv) 84,719,154 Shares held by Skyworld-Best; and (v) 45,595,933 Shares held by Glory Global, in favour of Get Nice Securities, as security to the Facility and margin financing, there is no understanding, arrangement or agreement under which securities to be acquired pursuant to the Offer will be transferred, charged, pledged to any other persons. Save for the above, Get Nice Securities does not hold any other Share or securities in the Company.

#### **4. GENERAL**

- (a) As at the Latest Practicable Date, there was no arrangement whereby benefit (other than statutory compensation) was or will be given to any Directors as compensation for loss of office or otherwise in connection with the Offer.
- (b) As at the Latest Practicable Date, save for (a) the Sale and Purchase Agreements; (b) the share pledges and share charges for the margin financing and the Facility as further described under the sections headed “Confirmation of financial resources available to the Offeror” as set out in the “Letter from Get Nice Securities” of this Composite Document; and (c) the Vendor B On-market Disposal, there was no agreement, arrangement, or understanding (including any compensation arrangement) between the Offeror or any person acting in concert with it and any Directors, recent Directors, Shareholders or recent Shareholders having any connection with or was dependent upon the Offer.

#### **5. MARKET PRICES**

Please see the section headed “3. MARKET PRICES” in Appendix III the “General Information of the Group” to this Composite Document for the closing price of the Shares on the Stock Exchange on (1) the last Business Day of each of the calendar months during the Relevant Period; (2) the Last Trading Day; and (3) the Latest Practicable Date.

## 6. EXPERT AND CONSENT

The following are the qualifications of the professional adviser whose letter is contained or referred to in this Composite Document:

Get Nice Securities, a corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, being the offer agent making the Offer on behalf of the Offeror, the financial adviser to the Offeror in respect of the Offer and the Facility provider to the Offeror.

Get Nice Securities has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion of its respective advice and/or letter and the references to its name in the form and context in which it appears herein.

## 7. MISCELLANEOUS

The name of the director of the principal members of the Offeror and parties acting in concert with it is:

<b>Principal members of Offeror and parties acting in concert with it</b>	<b>Director of that member</b>
Offeror	Mr. Ma

For information of other parties acting in concert with or presumed to be acting in concert with the Offeror, please refer to the section headed “Letter from the Board – 4. SHAREHOLDING STRUCTURE OF THE COMPANY” of this Composite Document.

1. The registered office of the Offeror is situated at OMC Chambers, Wickhams Cay 1, Road Town, Tortola, the British Virgin Islands;
2. Get Nice Securities is the offer agent making the Offer on behalf of the Offeror, the financial adviser to the Offeror in respect of the Offer and the Facility provider to the Offeror, and its registered office is G/F-3/F, Cosco Tower, Grand Millennium Plaza, 183 Queen’s Road Central, Hong Kong; and
3. The English text of this Composite Document shall prevail over their respective Chinese text in case of inconsistency.

**8. DOCUMENTS ON DISPLAY**

Copies of the following documents will be available for inspection on the website of the Company at <https://www.vcredit.com> and the website of the SFC at <http://www.sfc.hk> from the date of this Composite Document up to and including the Closing Date:

1. the memorandum and articles of association of the Offeror;
2. the “Letter from Get Nice Securities”, the text of which is set out in this Composite Document;
3. the written consent referred to in the paragraph headed “6. EXPERT AND CONSENT” in this Appendix;
4. the Sale and Purchase Agreement A;
5. the Sale and Purchase Agreement B; and
6. the Irrevocable Undertakings.