

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this joint announcement, make no representation as to its 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 joint announcement.

This joint announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of the Offeror or the Company nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of securities of the Company or of the Offeror in any jurisdiction in contravention of applicable law.

This joint announcement is not for release, publication or distribution, in whole or in part, in, into or from any jurisdiction where to do so would constitute a violation of the relevant laws or regulations of such jurisdiction.



TORIDOLL HOLDING LIMITED
東利多控股有限公司
(Incorporated in Hong Kong with limited liability)

Tam Jai International Co. Limited
譚仔國際有限公司
(Incorporated in Hong Kong with limited liability)
(Stock Code: 2217)

JOINT ANNOUNCEMENT

- (1) PROPOSAL FOR THE PRIVATISATION OF
TAM JAI INTERNATIONAL CO. LIMITED
BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 673 OF THE COMPANIES ORDINANCE**
- (2) PROPOSED WITHDRAWAL OF LISTING OF THE SHARES OF
TAM JAI INTERNATIONAL CO. LIMITED**
- (3) ESTABLISHMENT OF THE INDEPENDENT BOARD COMMITTEE AND
THE APPOINTMENT OF THE INDEPENDENT FINANCIAL ADVISER
AND**
- (4) RESUMPTION OF TRADING IN THE SHARES**

Financial Adviser to the Offeror



Independent Financial Adviser to the Independent Board Committee



Financial Adviser to the Company



INTRODUCTION

The Offeror and the Company jointly announce that on 3 February 2025 (after trading hours), the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the privatisation of the Company by way of the Scheme, being a scheme of arrangement under Section 673 of the Companies Ordinance.

TERMS OF THE PROPOSAL

If the Proposal is approved and implemented:

- (a) all the Scheme Shares held by the Scheme Shareholders will be cancelled and extinguished on the Effective Date in exchange for the payment by the Offeror to the Scheme Shareholders of the Cancellation Price of HK\$1.58 in cash, less the Dividend Adjustment (if any), for each Scheme Share;
- (b) upon the cancellation and extinguishment of the Scheme Shares, the issued share capital of the Company will be restored to its former number by the issuance to the Offeror, credited as fully paid, of the same number of new Shares as the number of Scheme Shares cancelled and extinguished. The reserve created in the Company's books of account as a result of any reduction in issued share capital will be applied to the paying up in full of the new Shares so issued, credited as fully paid, to the Offeror. The Offeror will directly hold 100% of the issued share capital of the Company; and
- (c) the listing of the Shares on the Stock Exchange will be withdrawn with effect after the Effective Date.

The Offeror will not increase the Cancellation Price and does not reserve the right to do so. Shareholders, Option Holders, Share Award Grantees and potential investors of the Company should be aware that, following the making of this statement, the Offeror will not be allowed under the Takeovers Code to increase the Cancellation Price.

The Option Offer

As at the Announcement Date, a total of 5,198,610 Share Options are outstanding under the Share Options Schemes, including:

- (i) 919,610 Pre-IPO Share Options granted under the Pre-IPO Share Option Scheme with an exercise price of HK\$0.85 per Share; and
- (ii) 4,279,000 Post-IPO Share Options granted under the Post-IPO Share Option Scheme with an exercise price of HK\$2.638 per Share.

To the extent that the outstanding Share Options have not otherwise lapsed, been cancelled or exercised, the Offeror will make (or procure to be made on its behalf) the Option Offer to the Option Holders in accordance with Rule 13 of the Takeovers Code to cancel every outstanding Share Option, conditional upon the Scheme becoming effective.

Upon the Option Offer, the Offeror will offer the Option Holders the “see-through” Option Offer Price (being the Cancellation Price minus the relevant exercise price of the outstanding Share Option) for the cancellation of every Share Option. Where the exercise price of the relevant Share Option exceeds the Cancellation Price, the “see-through” Option Offer Price is zero and a cash offer of a nominal amount of HK\$0.0001 per Share Option will be made by the Offeror for the cancellation of each outstanding Share Option held. In this regard, the relevant Option Offer Price applicable to the Share Options is as follows:

For every Pre-IPO Share Option cancelled HK\$0.73 in cash
For every Post-IPO Share Option cancelled HK\$0.0001 in cash

In the event that any of the outstanding Share Options are exercised on or prior to the Scheme Record Date in accordance with the relevant terms and conditions of the Share Option Schemes, any Shares issued as a result of the exercise of such outstanding Share Options will be subject to and eligible to participate in the Scheme as Scheme Shares.

If any Option Holder does not: (i) exercise his or her outstanding Share Options before the Options Latest Exercise Time to become a Scheme Shareholder before the Scheme Record Date in accordance with the rules of the Share Option Schemes and the Scheme Document; or (ii) accept the Option Offer, his or her Share Options will lapse on the Effective Date without any payment made to him or her.

CONDITIONS OF THE PROPOSAL AND THE SCHEME

The implementation of the Proposal is, and the Scheme will become effective and binding on the Company and all the Scheme Shareholders, subject to the fulfillment or waiver (as applicable) of the Conditions as described in the section headed “5. *Conditions of the Proposal and the Scheme*” below, on or before the Long Stop Date. The Option Offer will be made conditional upon the Scheme becoming effective. If the Scheme is approved by the Scheme Shareholders and sanctioned by the High Court, all requirements of the Companies Ordinance are complied with, and all other Conditions are fulfilled or waived (as the case may be), the Scheme will be binding on all the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting and/or the EGM.

FINANCIAL RESOURCES

As at the Announcement Date, the Scheme Shareholders hold 346,698,490 Scheme Shares. To the extent that all the outstanding Share Options are exercised and the relevant Option Holders have become Scheme Shareholders before the Scheme Record Date, and assuming that there is no other change in the shareholding of the Company before the Scheme Record Date, the Scheme Shareholders will hold up to 351,897,100 Shares. In this regard, and on the basis of the Cancellation Price of HK\$1.58 per Scheme Share, the maximum amount of cash consideration required for the cancellation and extinguishment of the Scheme Shares is approximately HK\$556.00 million. Daiwa, the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror to satisfy the maximum amount of cash consideration required to effect the Proposal.

SHAREHOLDING STRUCTURE

As at the Announcement Date:

- (a) the issued share capital of the Company comprises 1,346,698,490 Shares, including 5,030,000 Shares that are held by Blessing Keen, of which (i) 84,900 Shares are Awarded Shares granted under the Share Award Scheme which have been vested but not yet transferred; (ii) 3,415,300 Shares are Awarded Shares granted under the Share Award Scheme that are subject to vesting; and (iii) 1,529,800 Shares are the Trustee Held Pool Shares;
- (b) a total of 5,198,610 Share Options are outstanding, including: (i) 919,610 Pre-IPO Share Options granted under the Pre-IPO Share Option Scheme with an exercise price of HK\$0.85 per Share, all of which have already vested; and (ii) 4,279,000 Post-IPO Share Options granted under the Post-IPO Share Option Scheme with an exercise price of HK\$2.638 per Share;
- (c) other than the 1,346,698,490 Shares in issue and the 5,198,610 outstanding Share Options, the Company has no outstanding options, warrants, derivatives, convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company that carry a right to subscribe for or which are convertible into the Shares;
- (d) the Offeror holds 1,000,000,000 Shares, representing approximately 74.26% of the issued share capital of the Company. Other than the Shares held by the Offeror, the Offeror Concert Parties do not hold or beneficially own any Shares. None of the Offeror and the Offeror Concert Parties hold or beneficially own any Awarded Shares or Share Options;

- (e) the Scheme Shares comprise a total of 346,698,490 Shares held by the Scheme Shareholders, representing approximately 25.74% of the issued share capital of the Company; and
- (f) with reference to the closing price of HK\$0.900 per Share as quoted on the Stock Exchange on the Last Trading Day, the outstanding Post-IPO Share Options are out of the money. However, if all of the outstanding Share Options are exercised and the relevant Option Holders have become Scheme Shareholders before the Scheme Record Date, the Scheme Shares would comprise a total of 351,897,100 Shares held by the Scheme Shareholders, representing approximately 26.03% of the enlarged issued share capital.

Details of the shareholding structure of the Company are set out in the section headed “6. *Shareholding Structure*” of this joint announcement.

Shares held or beneficially owned by the Offeror and the Offeror Concert Parties will not form part of the Scheme Shares.

In respect of the Shares held by Blessing Keen as at the Meeting Record Date, pursuant to the Trust Deed and the rules of the Share Award Scheme, Blessing Keen shall not exercise the voting rights in respect of such Shares at the Court Meeting and the EGM.

Upon the Scheme becoming effective, the Offeror will directly hold 100% of the issued share capital of the Company.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, which comprises Mr. Loo Kwok Wing, Mr. Lee Kwok Ming and Mr. Yeung Yiu Keung, all being independent non-executive Directors, has been established by the Board in accordance with Rule 2.1 of the Takeovers Code to make a recommendation to the Independent Shareholders and the Option Holders as to whether the terms of the Proposal, the Option Offer and the Scheme are, or are not, fair and reasonable and as to voting at the Court Meeting and the EGM.

Pursuant to Rule 2.8 of the Takeovers Code, members of the Independent Board Committee should comprise all non-executive Directors who have no direct or indirect interest in the Proposal and the Option Offer. Mr. Sugiyama Takashi, Mr. Someya Norifumi and Mr. Hatamoto Toru, all being non-executive Directors, are senior executives of Toridoll Japan, of which the Offeror is a wholly-owned subsidiary, and Mr. Sugiyama Takashi is also a director of the Offeror, therefore they have not been included as members of the Independent Board Committee.

Lego has been appointed as the Independent Financial Adviser to advise the Independent Board Committee in connection with the terms of the Proposal, the Option Offer and the Scheme. The appointment of Lego has been approved by the Independent Board Committee. The advice of the Independent Financial Adviser and recommendation of the Independent Board Committee will be included in the Scheme Document.

DESPATCH OF THE SCHEME DOCUMENT

The Scheme Document containing, among other things, details of the Scheme and the Option Offer, the expected timetable, an explanatory statement as required under the rules of the High Court, information regarding the Company, the recommendations of the Independent Board Committee with respect to the Proposal, the letter of advice from the Independent Financial Adviser, notices of the Court Meeting and the EGM as well as other particulars required by the Takeovers Code will be despatched to the Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code and other applicable laws and regulations.

Under Rule 8.2 of the Takeovers Code, the Scheme Document should be despatched to the Shareholders within 21 days of the Announcement Date, that is, on or before 10 March 2025. The Scheme Document may only be despatched to the Shareholders after the High Court has, at a Directions Hearing to be held on a date to be fixed by the High Court, directed the holding of the Court Meeting.

As additional time is required to procure the holding of the Directions Hearing and to finalise the information to be included in the Scheme Document, an application will be made with the Executive for its consent to extend the latest time for the despatch of the Scheme Document. Further announcement(s) will be made by the Company and the Offeror in respect of the application for the consent and the expected date of despatch of the Scheme Document.

The Scheme Document will contain important information and the Shareholders and the Option Holders are urged to read the Scheme Document carefully before (in the case of the Shareholders) casting any vote at (or providing any proxy in respect of) the Court Meeting and/or the EGM or (in the case of the Option Holders) accepting the Option Offer. Any acceptance, rejection or other response to the Proposal or the Option Offer (as the case may be) should be made only on the basis of information in the Scheme Document.

PROPOSED WITHDRAWAL OF LISTING OF THE SHARES

Upon the Scheme becoming effective, all the Scheme Shares will be cancelled and extinguished and the share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title.

The Company will make an application for the listing of the Shares to be withdrawn from the Stock Exchange in accordance with Rule 6.15(2) of the Listing Rules, with effect after the Effective Date.

The Shareholders will be notified by way of an announcement of the dates of the last day for dealing in the Shares and the day on which the Scheme and the withdrawal of the listing of the Shares on the Stock Exchange will become effective. A detailed expected timetable of the implementation of the Proposal will be set out in the Scheme Document, which will also contain, among other things, further details of the Scheme and the Option Offer.

IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

Subject to the requirements of the Takeovers Code, the Scheme will lapse if any of the Conditions has not been fulfilled or waived, as applicable, on or before the Long Stop Date. If the Scheme is not approved or does not become effective, or the Proposal otherwise lapses or is withdrawn, the listing of the Shares on the Stock Exchange will not be withdrawn.

RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was halted from 9:00 a.m. on 4 February 2025 pending the release of this joint announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 18 February 2025.

WARNINGS

Shareholders, Option Holders, Share Award Grantees and potential investors should be aware that the implementation of the Proposal, the Option Offer and the Scheme are subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal and the Option Offer may or may not be implemented, and the Scheme may or may not become effective. Shareholders, Option Holders, Share Award Grantees and potential investors should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

This joint announcement is not intended to and does not constitute, or form part of, any offer to sell or subscribe for or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Proposal, the Option Offer or otherwise, nor shall there be any sale, issuance or transfer of securities of the Company or of the Offeror in any jurisdiction in contravention of any applicable laws and regulations. The Proposal and the Option Offer will be made solely through the Scheme Document, which will contain the full terms and conditions of the Proposal and the Option Offer, including details on how to vote on the Proposal and whether to accept the Option Offer. Any acceptance, rejection or other response to the Proposal and the Option Offer should be made only on the basis of information in the Scheme Document and the individual circumstances of the Shareholder or Option Holder (as the case may be) making the decision.

The availability of the Proposal and Option Offer to persons who are not resident in Hong Kong may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in Hong Kong should inform themselves about, and observe, any applicable legal or regulatory requirements of their jurisdictions. Details in relation to overseas Shareholders and Option Holders will be contained in the Scheme Document.

1. INTRODUCTION

The Offeror and the Company jointly announce that on 3 February 2025 (after trading hours), the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the privatisation of the Company by way of the Scheme, being a scheme of arrangement under Section 673 of the Companies Ordinance.

2. TERMS OF THE PROPOSAL

2.1 The Proposal

As at the Announcement Date:

- (a) the issued share capital of the Company comprises 1,346,698,490 Shares, including 5,030,000 Shares that are held by Blessing Keen (representing approximately 0.37% of the issued share capital of the Company), of which (i) 84,900 Shares are Awarded Shares granted under the Share Award Scheme which have been vested but not yet transferred and are held by Blessing Keen on trust for the Share Award Grantees; (ii) 3,415,300 Shares are Awarded Shares granted under the Share Award

Scheme that are subject to vesting and are held by Blessing Keen on trust for the Share Award Grantees; and (iii) 1,529,800 Shares are the Trustee Held Pool Shares;

- (b) a total of 5,198,610 Share Options are outstanding, including: (i) 919,610 Pre-IPO Share Options granted under the Pre-IPO Share Option Scheme with an exercise price of HK\$0.85 per Share, all of which have already vested; and (ii) 4,279,000 Post-IPO Share Options granted under the Post-IPO Share Option Scheme with an exercise price of HK\$2.638 per Share, of which 2,567,400 Post-IPO Share Options have already vested and the remaining 1,711,600 Post-IPO Share Options will vest on 25 March 2025 subject to the terms and conditions of the Post-IPO Share Option Scheme;
- (c) other than the 1,346,698,490 Shares in issue and the 5,198,610 Share Options that are outstanding, the Company has no outstanding options, warrants, derivatives, convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company that carry a right to subscribe for or which are convertible into the Shares;
- (d) the Offeror holds 1,000,000,000 Shares, representing approximately 74.26% of the issued share capital of the Company. Other than the Shares held by the Offeror, the Offeror Concert Parties do not hold or beneficially own any Shares. None of the Offeror and the Offeror Concert Parties hold or beneficially own any Awarded Shares or Share Options;
- (e) the Scheme Shares comprise a total 346,698,490 Shares held by the Scheme Shareholders, representing approximately 25.74% of the issued share capital of the Company; and
- (f) if all of the outstanding Share Options are exercised and the relevant Option Holders have become Scheme Shareholders before the Scheme Record Date, the Scheme Shares would comprise a total of 351,897,100 Shares held by the Scheme Shareholders, representing approximately 26.03% of the enlarged issued share capital of the Company.

Shares held or beneficially owned by the Offeror and the Offeror Concert Parties will not form part of the Scheme Shares.

If the Proposal is approved and implemented:

- (a) all the Scheme Shares held by the Scheme Shareholders will be cancelled and extinguished on the Effective Date in exchange for the payment by the Offeror to the Scheme Shareholders of the Cancellation Price of HK\$1.58 in cash, less the Dividend Adjustment (if any), for each Scheme Share;
- (b) upon the cancellation and extinguishment of the Scheme Shares, the issued share capital of the Company will be restored to its former number by the issuance to the Offeror, credited as fully paid, of the same number of new Shares as the number of Scheme Shares cancelled and extinguished. The reserve created in the Company's books of account as a result of any reduction in issued share capital will be applied to the paying up in full of the new Shares so issued, credited as fully paid, to the Offeror. The Offeror will directly hold 100% of the issued share capital of the Company; and
- (c) the listing of the Shares on the Stock Exchange will be withdrawn with effect after the Effective Date.

2.2 Cancellation Price

Under the Scheme, the Cancellation Price will be in the amount of HK\$1.58 per Scheme Share, which amount (less the Dividend Adjustment (if any)) will be payable by the Offeror to the Scheme Shareholders in the form of cash.

As at the Announcement Date, (i) the Company has not announced or declared any dividend, distribution or other return of capital which remains unpaid; and (ii) the Company does not intend to announce, declare and, or pay any dividend, distribution or other return of capital before the Effective Date, or the date on which the Scheme is not approved or the Proposal otherwise lapses (as the case may be).

However, if, after the Announcement Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Offeror expressly reserves the right to reduce the Cancellation Price by all or any part of the amount or value of such dividend and/or distribution and/or return of capital, as the case may be, per Share after consultation with the Executive (“**Dividend Adjustment**”), in which case any reference in this joint announcement, the Scheme Document or any other announcement or document to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced.

2.3 Comparison of value

The Cancellation Price of HK\$1.58 in cash for every Scheme Share cancelled and extinguished under the Scheme represents:

- (i) a premium of approximately 75.56% over the closing price of HK\$0.900 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a premium of approximately 80.37% over the average closing price of approximately HK\$0.876 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;
- (iii) a premium of approximately 88.32% over the average closing price of approximately HK\$0.839 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;
- (iv) a premium of approximately 96.27% over the average closing price of approximately HK\$0.805 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- (v) a premium of approximately 98.24% over the average closing price of approximately HK\$0.797 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Day;
- (vi) a premium of approximately 75.75% over the average closing price of approximately HK\$0.899 per Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Day;
- (vii) a premium of approximately 43.25% over the audited consolidated net asset value per Share attributable to the Shareholders of approximately HK\$1.103 as at 31 March 2024 (calculated based on the audited consolidated net asset value of the Company attributable to Shareholders of approximately HK\$1,485.50 million as at 31 March 2024 as extracted from the Company's 2023/24 annual report and 1,346,698,490 Shares (being the number of Shares in issue as at 31 March 2024)); and
- (viii) a premium of approximately 47.25% over the unaudited consolidated net asset value per Share attributable to the Shareholders of approximately HK\$1.073 as at 30 September 2024 (calculated based on the unaudited consolidated net asset value of the Company attributable to Shareholders

of approximately HK\$1,445.24 million as at 30 September 2024 as extracted from the Company's 2024/25 interim report and 1,346,698,490 Shares (being the number of Shares in issue as at 30 September 2024)).

The Cancellation Price has been determined by the Offeror after taking into account, among other things, the recent and historical prices of the Shares and trading volume of the Shares, with reference to other privatisation transactions relating to companies listed on the Stock Exchange in recent years.

The Offeror will not increase the Cancellation Price and does not reserve the right to do so. Shareholders, Option Holders, Share Award Grantees and potential investors of the Company should be aware that, following the making of this statement, the Offeror will not be allowed under the Takeovers Code to increase the Cancellation Price.

2.4 Highest and lowest prices

During the six-month period preceding the Last Trading Day, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$1.02 per Share on 12 August 2024, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.74 per Share on 14 and 15 November 2024.

2.5 The Option Offer

As at the Announcement Date, a total of 5,198,610 Share Options are outstanding under the Share Option Schemes, including:

- (i) 919,610 Pre-IPO Share Options granted under the Pre-IPO Share Option Scheme with an exercise price of HK\$0.85 per Share, all of which have already vested; and
- (ii) 4,279,000 Post-IPO Share Options granted under the Post-IPO Share Option Scheme with an exercise price of HK\$2.638 per Share, of which 2,567,400 Post-IPO Share Options have already vested and the remaining 1,711,600 Post-IPO Share Options will vest on 25 March 2025 subject to the terms and conditions of the Post-IPO Share Option Scheme.

The Pre-IPO Share Option Scheme had automatically terminated upon the Listing and no further Pre-IPO Share Options may be granted by the Company under the Pre-IPO Share Option Scheme.

The Company has no intention to grant further Post-IPO Share Options under the Post-IPO Share Option Scheme between (a) the Announcement Date and (b)(i) the Effective Date or (ii) if the Scheme is not approved or does not become effective, or the Proposal otherwise lapses or is withdrawn, the date on which the Scheme is not approved or does not become effective or the Proposal otherwise lapses or is withdrawn (as the case may be).

To the extent that the outstanding Share Options have not otherwise lapsed, been cancelled or exercised, the Offeror will make (or procure to be made on its behalf) the Option Offer to the Option Holders in accordance with Rule 13 of the Takeovers Code to cancel every outstanding Share Option, conditional upon the Scheme becoming effective.

Upon the Option Offer, the Offeror will offer the Option Holders the “see-through” Option Offer Price (being the Cancellation Price minus the relevant exercise price of the outstanding Share Option) for the cancellation of every Share Option. Where the exercise price of the relevant Share Option exceeds the Cancellation Price, the “see-through” Option Offer Price is zero and a cash offer of a nominal amount of HK\$0.0001 per Share Option will be made by the Offeror for the cancellation of each outstanding Share Option held. In this regard, the relevant Option Offer Price applicable to the Share Options is as follows:

For every Pre-IPO Share Option cancelled HK\$0.73 in cash

For every Post-IPO Share Option cancelled HK\$0.0001 in cash

Further information on the Option Offer will be set out in a letter to the Option Holders, which will be despatched at or around the same time as the despatch of the Scheme Document.

Details of the Option Holders as at the Announcement Date are set out in the section headed “6. Shareholding Structure” below.

None of the Offeror or the Offeror Concert Parties hold any Share Options as at the Announcement Date.

In the event that any of the outstanding Share Options are exercised on or prior to the Scheme Record Date in accordance with the relevant terms and conditions of the Share Option Schemes, any Shares issued as a result of the exercise of such outstanding Share Options will be subject to and eligible to participate in the Scheme as Scheme Shares.

If any Option Holder does not: (i) exercise his or her outstanding Share Options before the Options Latest Exercise Time to become a Scheme Shareholder before the Scheme Record Date in accordance with the rules of the Share Option Schemes and the Scheme Document; or (ii) accept the Option Offer, his or her Share Options will lapse on the Effective Date without any payment made to him or her.

2.6 Awarded Shares subject to vesting under the Share Award Scheme

As at the Announcement Date, there were a total of 5,030,000 Shares held by Blessing Keen (representing approximately 0.37% of the issued share capital of the Company), of which:

- (a) 84,900 Shares are Awarded Shares granted under the Share Award Scheme which have been vested but not yet transferred, and are held by Blessing Keen on trust for the Share Award Grantees;
- (b) 3,415,300 Shares are Awarded Shares granted under the Share Award Scheme that are subject to vesting with vesting dates in October 2025 and 2026, as the case may be, and are held by Blessing Keen on trust for the Share Award Grantees; and
- (c) 1,529,800 Shares are held by Blessing Keen as the Trustee Held Pool Shares that are unutilised under the Share Award Scheme.

Details of the Share Award Grantees as at the Announcement Date are set out in the section headed “6. Shareholding Structure” below.

Blessing Keen is a special purpose vehicle which is wholly-owned by the Trustee for the sole purpose of holding Shares on trust for the grantees of the Share Award Scheme.

All of the Awarded Shares which are still held by Blessing Keen as of the Scheme Record Date shall form part of the Scheme Shares and be cancelled upon the Scheme becoming effective. Conditional upon the Scheme becoming effective, the Offeror shall pay to Blessing Keen an amount equivalent to the Cancellation Price multiplied by the number of Awarded Shares, which:

- (a) for the amount which corresponds to the Awarded Shares that have been vested but not yet transferred, such amount shall be paid to the relevant Share Award Grantees after Blessing Keen receives such amount from the Offeror under the Scheme;

- (b) for the amount which corresponds to the Awarded Shares that are subject to vesting, such amount shall be held on trust by Blessing Keen and shall be payable to (if vested) the relevant Share Award Grantees on the vesting date(s) of the respective Awarded Shares, or (if not vested) the Company upon the termination of the Share Award Scheme; and
- (c) for the amount which corresponds to the Trustee Held Pool Shares, such amount shall be paid to the Company after Blessing Keen receives such amount from the Offeror under the Scheme and upon the termination of the Share Award Scheme.

Pursuant to the rules of the Share Award Scheme and the Trust Deed, the Share Award Grantees shall have no voting rights in respect of the unvested Awarded Shares, and Blessing Keen shall not exercise the voting rights in respect of the Shares held by it under trust. Accordingly, all of the Awarded Shares will not be voted at the Court Meeting and the EGM notwithstanding that such Shares form part of the Scheme Shares.

The Company has no intention to grant further Awarded Shares under the Share Award Scheme between (a) the Announcement Date and (b)(i) the Effective Date or (ii) if the Scheme is not approved or does not become effective, or the Proposal otherwise lapses or is withdrawn, the date on which the Scheme is not approved or does not become effective or the Proposal otherwise lapses or is withdrawn (as the case may be).

3. FINANCIAL RESOURCES

Daiwa has been appointed as the financial adviser to the Offeror in connection with the Proposal.

As at the Announcement Date, the Scheme Shareholders hold 346,698,490 Scheme Shares. To the extent that all the outstanding Share Options are exercised and the relevant Option Holders have become Scheme Shareholders before the Scheme Record Date, and assuming that there is no other change in the shareholding of the Company before the Scheme Record Date, the Scheme Shareholders will hold up to 351,897,100 Scheme Shares. In this regard, and on the basis of the Cancellation Price of HK\$1.58 per Scheme Share, the maximum amount of cash consideration required for the cancellation and extinguishment of the Scheme Shares is approximately HK\$556.00 million.

The Offeror intends to finance the cash requirement for the Proposal through its internal financial resources.

Daiwa, the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror to satisfy the maximum amount of cash consideration required to effect the Proposal.

4. REASONS FOR AND BENEFITS OF THE PROPOSAL

4.1 For the Scheme Shareholders

(a) *Offer an attractive opportunity to fully exit and monetise investments in the Company amid limited trading liquidity.*

- The trading liquidity of the Shares has remained low for a sustained period.
- The average daily trading volume of the Shares for the 6 and 12 months leading up to and including the Last Trading Day were approximately 1,938,800 Shares and 1,639,553 Shares, respectively, representing only 0.14% and 0.12% of the issued Shares respectively as at the Announcement Date.
- The low trading liquidity would be challenging for the Scheme Shareholders to execute substantial on-market disposals without adversely affecting the price of the Shares.
- The Proposal provides an immediate opportunity for the Scheme Shareholders to exit and reallocate the proceeds to alternative investment opportunities.

(b) *Unlock shareholder value at a compelling premium.*

- The Proposal provides an attractive opportunity for the Scheme Shareholders to monetise their investments at a premium over the prevailing Share price.
- The Cancellation Price represents a premium of approximately 75.56% over the closing price of HK\$0.900 per Share as at the Last Trading Day, as well as a premium of approximately 96.27% and 98.24% over the average closing price of approximately HK\$0.805 and HK\$0.797 per share for the 30 and 90 trading days up to and including the Last Trading Day, respectively.

(c) *Realise investment returns amid current challenging market conditions.*

- The Proposal provides the Scheme Shareholders with an opportunity to realise their investment in the Company considering the prevailing uncertain market conditions influenced by volatile sentiment in the broader equity markets.
- The Hang Seng Index has decreased by 13.59% from 31 December 2021 to the Last Trading Day. The Company's share price has also declined by 73.05% during the same period.

(d) *Unlikely to receive any alternative offer from a third party.*

- Given that the Offeror already owns approximately 74.26% issued Shares of the Company, the Offeror believes it is unlikely that the Scheme Shareholders will receive any alternative offer from a third party to acquire the Scheme Shares, as such an offer would not succeed without the approval of the Offeror.
- No discussions have taken place, nor are they currently taking place, with any third party regarding the disposal of any of the Shares held by the Offeror.

4.2 For the Company

(a) *Provide better flexibility, knowhow, relevant resources and expertise, in realising the Company's long-term strategic goals effectively and efficiently. Creating higher value for the Company and the brands under the Company.*

- The Company has not been fully effective in its overseas expansion. The Offeror has relevant resources and expertise in supporting the Company to more effectively expand the business overseas and strengthen the Company internally to meet the challenges of the industry headwinds.
- The Offeror believes that successful privatisation would provide the Company with greater flexibility, knowhow and expertise in formulating and executing long-term growth strategies. This includes business strategy enhancement aiming at:
 - (1) Enhancing the core competence of the Company and adjusting the expansion plan in different markets accordingly;

- (2) Utilising relevant resources and expertise from the Offeror to quickly address the underperforming businesses as well as establishing sustainable business models outside Hong Kong;
 - (3) Strengthening the Company's branding and marketing efforts internationally by leveraging the Offeror's successful marketing strategies to enhance overall effectiveness in penetrating new markets; and
 - (4) Integrating more closely with the Offeror to synergise operations and consolidate headquarters functions for costs optimisation.
- As a privately-operated business, the Company can more efficiently implement its strategies and respond to the rapidly changing market agilely, free from the pressures of capital market expectations, regulatory costs, disclosure obligations, share price fluctuations, and sensitivity to short-term market and investor sentiment.

(b) *Reduce costs of maintaining the Company's listing status*

- Privatisation would streamline the Company's governance and reduce compliance costs of maintaining its listing status, including regulatory requirements, disclosures and financial statement publications. Lowering corporate expenses is favourable for the Company to improve profitability amid industry headwinds.

(c) *Secure enhanced fundraising access as a wholly-owned subsidiary of the Offeror*

- As a publicly listed company in Japan, Toridoll Japan, the parent company of the Offeror, has access to capital markets for fundraising activities and is capable of securing more competitive financing options. This financial strength can support the capital needs and long-term development of both Toridoll Japan and the Company.
- Upon completion of the privatisation, the Company will become an indirect wholly-owned subsidiary of Toridoll Japan. Without being subject to the requirements of operating as a standalone listed company, the Company will be able to directly leverage the Offeror's greater financial strength to fund its future investments.

Scheme Shareholders, Option Holders and Share Award Grantees are reminded to refer to the details of the Proposal set out in the Scheme Document, including the advice of the Independent Financial Adviser to the Independent Board Committee and the recommendation from the Independent Board Committee in respect of the Proposal and the Option Offer, before deciding whether or not to accept the Proposal and the Option Offer, as the case may be.

5. CONDITIONS OF THE PROPOSAL AND THE SCHEME

The implementation of the Proposal is, and the Scheme will become effective and binding on the Company and all the Scheme Shareholders, subject to the fulfilment or waiver (as applicable) of the following Conditions:

- (a) the approval of the Scheme at the Court Meeting (by way of a poll) by holders of the Scheme Shares representing at least 75% of the voting rights of such holders present and voting, in person or by proxy, at the Court Meeting, and the votes cast (by way of poll) against the Scheme at the Court Meeting not exceeding 10% of the total voting rights attached to all CO Disinterested Shares, provided that:
 - (i) the Scheme is approved (by way of poll) by at least 75% of the votes attaching to the TC Disinterested Shares held by the Independent Shareholders that are cast either in person or by proxy at the Court Meeting; and
 - (ii) the number of votes cast (by way of poll) against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all the TC Disinterested Shares held by the Independent Shareholders;
- (b) the passing of a special resolution by a majority of at least 75% of the votes cast by the Shareholders present and voting, in person or by proxy, at the EGM (and otherwise in accordance with the procedural requirements of section 564 of the Companies Ordinance) to approve and give effect to the Scheme, including the approval of the reduction of the issued share capital of the Company by cancelling and extinguishing the Scheme Shares and the issue to the Offeror of such number of new Shares as is equal to the number of the Scheme Shares cancelled and extinguished;

- (c) the sanction of the Scheme (with or without modifications) and the confirmation of the reduction of the issued share capital of the Company involved in the Scheme by the High Court and the registration of a copy of the order of the High Court by the Registrar of Companies under Part 2 of the Companies Ordinance;
- (d) the compliance with the procedural requirements of sections 230 and 231 and sections 673 and 674 of the Companies Ordinance in relation to the reduction of the issued share capital of the Company and the Scheme, respectively;
- (e) all necessary Authorisations which are material in the context of the Group taken as a whole and other registrations, filings, rulings, consents, opinions, permissions and approvals in connection with the Proposal or its implementation in accordance with its terms having been obtained (or, as the case may be, completed) and remaining in full force and effect without modification;
- (f) no government, court, or governmental, quasi-governmental, statutory or regulatory body or agency in any jurisdiction having taken or instituted any action, proceeding or suit (or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order) that would make the Proposal or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Proposal or its implementation in accordance with its terms);
- (g) all necessary legal or regulatory obligations in all relevant jurisdictions having been complied with and no legal or regulatory requirement having been imposed which is not expressly provided for, or is in addition to the requirements expressly provided for, in the relevant laws or regulations in connection with the Proposal or its implementation in accordance with its terms; and
- (h) since the Accounts Date up to and including the time when the last of the Conditions set out in (a) to (g) is fulfilled or waived (as applicable), save as disclosed in the information published by the Company under the Listing Rules and SFO prior to the Announcement Date:
 - (i) there having been no adverse change in the business, assets, financial or trading positions, profits or prospects of any member of the Group (to an extent which is material in the context of the Group taken as a whole or in the context of the Proposal) (“**Material Adverse Change**”); and

(ii) there not having been (i) any litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Group is a party (whether as plaintiff, defendant or otherwise) and no such proceedings having been threatened in writing, announced, instituted or remaining outstanding by, against or in respect of any such member; (ii) any claim against or in respect of any member of the Group, or any such claim having been threatened in writing, announced, instituted or remaining outstanding, or any event or circumstance having occurred or occurring that could give rise to such claim; or (iii) any investigation by any government or quasi-governmental, supranational, regulatory or investigative body or court against or in respect of any member of the Group or the business carried on by any such member and no such investigation having been threatened in writing, announced, instituted or remaining outstanding against or in respect of any such member, in each case which is or will result in a Material Adverse Change.

None of Conditions (a) to (d) above may be waived. The Offeror reserves the right to waive any of the Conditions (e) to (h), either in whole or in respect of any particular matter. Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Conditions as a basis for not proceeding with the Scheme if the circumstances which give rise to a right to invoke any such Condition are of material significance to the Offeror in the context of the Proposal. The Company has no right to waive any of the Conditions.

All of the Conditions will have to be satisfied or waived (as applicable), on or before the Long Stop Date, failing which the Proposal will lapse.

With reference to the Condition in paragraph (e), as at the Announcement Date, neither the Offeror nor the Company is aware of any requirement for such Authorisations other than those set out in the Conditions in paragraphs (a) to (d). With reference to the Condition in paragraph (f), as at the Announcement Date, neither the Offeror nor the Company is aware of any such action, proceeding, suit, investigation, statute, regulation, demand or order. With reference to the Condition in paragraph (g), as at the Announcement Date, neither the Offeror nor the Company is aware of any such non-compliance or legal or regulatory requirement other than those set out in the Conditions in paragraphs (a) to (d).

The Scheme is subject to the requirement under section 674(2) of the Companies Ordinance that members representing at least 75% of the voting rights of the members present and voting (in person or by proxy) at the Court Meeting agree to the Scheme, and the requirement under Rule 2.10 of the Takeovers Code that the

Scheme must be approved by at least 75% of the votes attaching to the TC Disinterested Shares that are cast (in person or by proxy) at the meeting of the holders of the disinterested Shares. Accordingly:

- (a) for the purpose of the Companies Ordinance, the 75% approval threshold will be determined by reference to the voting rights of the Scheme Shareholders, who attend and vote (in person or by proxy) at the Court Meeting; and
- (b) for the purpose of the Takeovers Code, the 75% approval threshold will be determined by reference to the votes attaching to all the TC Disinterested Shares held by the Independent Shareholders which are cast (in person or by proxy) at the Court Meeting.

Therefore, in order to satisfy the requirements under both the Companies Ordinance and the Takeovers Code, the 75% approval threshold will be determined by reference to the Shares held by the Scheme Shareholders (all of which are also Independent Shareholders as at the Announcement Date) who attend and vote at the Court Meeting.

The Scheme is also subject to the requirement under section 674(2) of the Companies Ordinance that the votes cast against the Scheme at the Court Meeting shall not exceed 10% of the voting rights attached to all CO Disinterested Shares), and the requirement under Rule 2.10 of the Takeovers Code that the number of votes cast against the resolution to approve the Scheme at the meeting of the holders of the TC Disinterested Shares shall not be more than 10% of the votes attaching to all TC Disinterested Shares. Accordingly, all Scheme Shares (i.e. all the Shares in issue as at the Meeting Record Date, other than any Shares directly or indirectly held or beneficially owned by the Offeror and the Offeror Concert Parties) will be regarded as disinterested Shares for the purpose of both the Companies Ordinance (i.e. the CO Disinterested Shares) and the Takeovers Code (i.e. the TC Disinterested Shares), and the CO Disinterested Shares and the TC Disinterested Shares refer to the same pool of Shares.

If approved, the Scheme will be binding on all the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting and/or the EGM.

Shareholders and potential investors should be aware that the implementation of the Proposal and the Scheme are subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented, and the Scheme may or may not become effective. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

6. SHAREHOLDING STRUCTURE

As at the Announcement Date:

- (a) the issued share capital of the Company comprises 1,346,698,490 Shares, including 5,030,000 Shares that are held by Blessing Keen (representing approximately 0.37% of the issued share capital of the Company), of which (i) 84,900 Shares are Awarded Shares granted under the Share Award Scheme which have been vested but not yet transferred and are held by Blessing Keen on trust for the Share Award Grantees; (ii) 3,415,300 Shares are Awarded Shares granted under the Share Award Scheme that are subject to vesting and are held by Blessing Keen on trust for the Share Award Grantees; and (iii) 1,529,800 Shares are the Trustee Held Pool Shares;
- (b) a total of 5,198,610 Share Options are outstanding;
- (c) other than the 1,346,698,490 Shares in issue and the 5,198,610 outstanding Share Options, the Company has no outstanding options, warrants, derivatives, convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company that carry a right to subscribe for or which are convertible into the Shares;
- (d) the Offeror holds 1,000,000,000 Shares, representing approximately 74.26% of the issued share capital of the Company. Other than the Shares held by the Offeror, the Offeror Concert Parties do not hold or beneficially own any Shares. None of the Offeror and the Offeror Concert Parties hold or beneficially own any Awarded Shares or Share Options;
- (e) save as disclosed in sub-paragraph (d) above, the Offeror and the Offeror Concert Parties do not hold or have control or direction over any other Shares or any options, warrants, derivatives or securities convertible into Shares or other derivatives in respect of securities in the Company;

- (f) the Scheme Shares comprise a total of 346,698,490 Shares held by the Scheme Shareholders, representing approximately 25.74% of the issued share capital of the Company;
- (g) with reference to the closing price of HK\$0.900 per Share as quoted on the Stock Exchange on the Last Trading Day, the outstanding Post-IPO Share Options are out of the money. However, if all of the outstanding Share Options (including the Post-IPO Share Options) are exercised and the relevant Option Holders have become Scheme Shareholders before the Scheme Record Date, the Scheme Shares would comprise a total of 351,897,100 Shares held by the Scheme Shareholders, representing approximately 26.03% of the enlarged issued share capital of the Company;
- (h) neither the Offeror nor the Offeror Concert Parties have entered into any outstanding derivative in respect of the securities in the Company;
- (i) neither the Offeror nor the Offeror Concert Parties have borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company; and
- (j) all Shareholders (other than the Offeror and the Offeror Concert Parties) are considered as Independent Shareholders for the purpose of the Takeovers Code and holders of CO Disinterested Shares for the purpose of the Companies Ordinance.

Shares held or beneficially owned by the Offeror and the Offeror Concert Parties will not form part of the Scheme Shares.

Upon the Scheme becoming effective, the Offeror will directly hold 100% of the issued share capital of the Company.

On the assumption that there is no other change in the shareholding structure of the Company before completion of the Proposal, the table below sets out the shareholding structure of the Company (i) as at the Announcement Date; (ii) before completion of the Proposal (assuming that the Share Options are exercised in full prior to the Options Latest Exercise Time); (iii) immediately upon completion of the Proposal, assuming that none of the Share Options are exercised prior to the Scheme Record Date; and (iv) immediately upon completion of the Proposal, assuming that all of the Share Options are exercised prior to the Scheme Record Date:

Shareholders	As at		Before completion of the Proposal (assuming that the Share Options are exercised in full prior to the Options Latest Exercise Time)		Immediately upon completion of the Proposal (assuming that none of the outstanding Share Options are exercised)		Immediately upon completion of the Proposal (assuming that the Share Options are exercised in full)	
	the Announcement Date		Exercise Time)		Options are exercised)		exercised in full)	
	<i>No. of Shares</i>	<i>Approximate % (Note 1)</i>	<i>No. of Shares</i>	<i>Approximate % (Note 1)</i>	<i>No. of Shares</i>	<i>Approximate % (Note 1)</i>	<i>No. of Shares</i>	<i>Approximate % (Note 1)</i>
Offeror	1,000,000,000	74.26	1,000,000,000	73.97	1,346,698,490	100.00	1,351,897,100	100.00
Offeror Concert Parties	—	—	—	—	—	—	—	—
Aggregate number of Shares held by the Offeror and Offeror Concert Parties (Notes 2 and 3)	<u>1,000,000,000</u>	<u>74.26</u>	<u>1,000,000,000</u>	<u>73.97</u>	<u>1,346,698,490</u>	<u>100.00</u>	<u>1,351,897,100</u>	<u>100.00</u>
Scheme Shareholders								
Directors of the Company								
— Mr. Lau Tat Man (Notes 4 and 5)	2,435,600	0.18	3,075,000	0.23	—	—	—	—
— Ms. Chan Ping, Rita (Notes 4 and 5)	1,330,000	0.10	1,645,000	0.12	—	—	—	—
— Mr. Yeung Siu Cheong (Notes 4 and 5)	180,000	0.01	434,000	0.03	—	—	—	—
Aggregate number of Shares held by the Directors of the Company	<u>3,945,600</u>	<u>0.29</u>	<u>5,154,000</u>	<u>0.38</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Option Holders (other than the Directors) (Note 4)	—	—	3,990,210	0.30	—	—	—	—
Blessing Keen (Note 5)	5,030,000	0.37	5,030,000	0.37	—	—	—	—
Other Scheme Shareholders	337,722,890	25.08	337,722,890	24.98	—	—	—	—
Aggregate number of Shares held by the Scheme Shareholders	<u>346,698,490</u>	<u>25.74</u>	<u>351,897,100</u>	<u>26.03</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total number of Shares in issue	<u>1,346,698,490</u>	<u>100.00</u>	<u>1,351,897,100</u>	<u>100.00</u>	<u>1,346,698,490</u>	<u>100.00</u>	<u>1,351,897,100</u>	<u>100.00</u>

Notes:

(1) The shareholding percentages in the table are subject to rounding adjustment.

- (2) The Shares held or beneficially owned by the Offeror and the Offeror Concert Parties will not form part of the Scheme Shares and will not be voted at the Court Meeting. Under the Scheme, Shares held or beneficially owned by the Offeror and the Offeror Concert Parties will not be cancelled and extinguished. The share capital of the Company will, on the Effective Date, be reduced by cancelling and extinguishing the Scheme Shares, and forthwith upon such reduction, the share capital of the Company will be increased to its former amount by the issuance to the Offeror, credited as fully paid, of the same number of Shares as is equal to the number of Scheme Shares cancelled and extinguished.
- (3) Daiwa is the financial adviser to the Offeror in connection with the Proposal. Accordingly, Daiwa and persons controlling, controlled by or under the same control as Daiwa (excluding members of the Daiwa Group which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code and are connected for the sole reason that they control, are controlled by or are under the same control as Daiwa) are presumed to be acting in concert with the Offeror in relation to the Proposal in accordance with class (5) of the definition of “acting in concert” under the Takeovers Code.

Details of holdings, borrowings or lendings of, and dealings in, the Shares or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company held by or entered into by other members of the Daiwa Group, if any, will be obtained as soon as practicable after the Announcement Date in accordance with Note 1 to Rule 3.5 of the Takeovers Code. A further announcement will be made by the Offeror and the Company if the holdings, borrowings, lendings, or dealings of the other members of the Daiwa Group are significant and, in any event, such information will be disclosed in the Scheme Document. The statements in this joint announcement as to holdings, borrowings or lendings of, or dealings in, the Shares or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company by persons acting in concert with the Offeror are subject to the holdings, borrowings, lendings, or dealings (if any) of other members of the Daiwa Group presumed to be acting in concert with the Offeror.

- (4) As at the Announcement Date, a total of 5,198,610 Share Options are outstanding, including: (i) 919,610 Pre-IPO Share Options with an exercise price of HK\$0.85 per Share, all of which have already vested; and (ii) 4,279,000 Post-IPO Share Options with an exercise price of HK\$2.638 per Share, of which 2,567,400 Post-IPO Share Options have already vested and the remaining 1,711,600 Post-IPO Share Options are subject to vesting.

Details of the Option Holders and their outstanding Share Options as at the Announcement Date are set out in the tables below.

(A) *Pre-IPO Share Options*

Option Holders	Number of Pre-IPO Share Options	Exercise price per Share (HK\$)
	Vested	
Directors		
— Mr. Lau Tat Man	114,400	0.85
— Mr. Yeung Siu Cheong	44,000	0.85
Other employees of the Group	<u>761,210</u>	0.85
Total	<u><u>919,610</u></u>	

(B) *Post-IPO Share Options*

Option Holders	Number of Post-IPO Share Options			Exercise price per Share (HK\$)
	Vested	Vesting on 25 March 2025 [#]	Total	
Directors				
— Mr. Lau Tat Man	315,000	210,000	525,000	2.638
— Ms. Chan Ping, Rita	189,000	126,000	315,000	2.638
— Mr. Yeung Siu Cheong	126,000	84,000	210,000	2.638
Other employees of the Group	<u>1,937,400</u>	<u>1,291,600</u>	<u>3,229,000</u>	2.638
Total	<u><u>2,567,400</u></u>	<u><u>1,711,600</u></u>	<u><u>4,279,000</u></u>	

[#] *These Post-IPO Share Options will vest on 25 March 2025, unless cancelled or lapsed pursuant to the rules of the Post-IPO Share Option Scheme and/or the terms and conditions of the relevant grant letters.*

- (5) As at the Announcement Date, 5,030,000 Shares are held by Blessing Keen, of which (a) 84,900 Shares are Awarded Shares granted under the Share Award Scheme which have been vested but not yet transferred and are held by Blessing Keen on trust for the Share Award Grantees; (b) 3,415,300 Shares are Awarded Shares granted under the Share Award Scheme that are subject to vesting and are held by Blessing Keen on trust for the Share Award Grantees; and (c) 1,529,800 Shares are the Trustee Held Pool Shares.

Details of the Share Award Grantees and their outstanding Awarded Shares as at the Announcement Date are set out in the table below.

Share Award Grantees	Vested but not yet transferred	Number of Awarded Shares		Total
		Vesting on 12 October 2025 ^{##}	Vesting on 12 October 2026 ^{##}	
Directors of the Company				
— Mr. Lau Tat Man	—	177,300	236,400	413,700
— Ms. Chan Ping, Rita	—	102,600	136,800	239,400
— Mr. Yeung Siu Cheong	—	73,500	98,000	171,500
Other employees of the Group	<u>84,900</u>	<u>1,110,300</u>	<u>1,480,400</u>	<u>2,675,600</u>
Total	<u>84,900</u>	<u>1,463,700</u>	<u>1,951,600</u>	<u>3,500,200</u>

^{##} *Vesting of these Awarded Shares are subject to the rules of the Share Award Scheme and the terms and conditions of the relevant grant letters, including performance targets applicable to Share Award Grantees who are senior executives of the Group.*

7. INFORMATION ON THE GROUP

The Company is a company incorporated in Hong Kong with limited liability whose shares are listed on the Main Board of the Stock Exchange. The Company is principally engaged in investment holding, procurement and trading of food and processed food. The Group is a restaurant chain operator of the TamJai and SamGor branded fast casual restaurant chain in Hong Kong with operations also in Mainland China, Singapore and Japan, specialising in mixian (a type of rice noodle).

Set out below is certain audited consolidated financial information of the Company as extracted from the Company’s annual reports for the three years ended 31 March 2024 and the unaudited consolidated financial information of the Company as extracted from the Company’s interim report for the six months ended 30 September 2024:

	For the year ended 31 March			For the six months ended
	2022	2023	2024	30 September 2024
	<i>HK\$’000</i>	<i>HK\$’000</i>	<i>HK\$’000</i>	<i>HK\$’000</i>
	(Audited)	(Audited)	(Audited)	(Unaudited)
Revenue	2,275,298	2,594,613	2,748,406	1,403,524
Profit before taxation	245,067	176,005	151,992	50,297
Profit for the year/ period	202,960	140,953	118,649	36,068

8. INFORMATION ON THE OFFEROR

The Offeror is a company incorporated in Hong Kong with limited liability and is principally engaged in the business of managing and operating restaurant chains. As at the Announcement Date, the Offeror is a direct wholly-owned subsidiary of Toridoll Japan, and is directly interested in 1,000,000,000 Shares, representing approximately 74.26% of the issued Shares.

Toridoll Japan is a company incorporated in Japan with limited liability, whose shares are listed on Tokyo Stock Exchange, Inc. in Japan (stock code: 3397). Toridoll Japan, together with its subsidiaries, is a renowned multi-brand restaurants group which also operates the largest global udon chain “Marugame Seimen”.

As at the Announcement Date, Mr. Awata, together with his spouse, Mrs. Awata, controlled approximately 48% of the issued share capital of Toridoll Japan.

9. INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

As at the Announcement Date, it is the intention of the Offeror for the Group to continue to carry on its existing business and the Offeror does not have any plan to make any material changes to: (a) the business of the Group; or (b) the continued employment of the employees of the Group (other than changes made in the ordinary course of business). The Offeror plans to continuously support the

Group's business in Hong Kong, Mainland China, and overseas markets, and intends to retain sufficient necessary capital for supporting the Group's business plans in these markets.

10. PROPOSED WITHDRAWAL OF LISTING OF THE SHARES

Upon the Scheme becoming effective, all the Scheme Shares will be cancelled and extinguished and the share certificates for the Scheme Shares will thereafter cease to have effect as evidence of title.

The Company will make an application for the listing of the Shares to be withdrawn from the Stock Exchange in accordance with Rule 6.15(2) of the Listing Rules, with effect after the Effective Date.

The Shareholders will be notified by way of an announcement of the dates of the last day for dealing in the Shares and the day on which the Scheme and the withdrawal of the listing of the Shares on the Stock Exchange will become effective. A detailed expected timetable of the implementation of the Proposal and the Option Offer will be set out in the Scheme Document, which will also contain, among other things, further details of the Scheme and the Option Offer.

11. INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, which comprises Mr. Loo Kwok Wing, Mr. Lee Kwok Ming and Mr. Yeung Yiu Keung, all being independent non-executive Directors, has been established by the Board in accordance with Rule 2.1 of the Takeovers Code to make a recommendation to the Independent Shareholders and the Option Holders as to whether the terms of the Proposal, the Option Offer and the Scheme are, or are not, fair and reasonable and as to voting at the Court Meeting and the EGM.

Pursuant to Rule 2.8 of the Takeovers Code, members of the Independent Board Committee should comprise all non-executive Directors who have no direct or indirect interest in the Proposal and the Option Offer. Mr. Sugiyama Takashi, Mr. Someya Norifumi and Mr. Hatamoto Toru, all being non-executive Directors, are senior executives of Toridoll Japan, of which the Offeror is a wholly-owned subsidiary, and Mr. Sugiyama Takashi is also a director of the Offeror, therefore they have not been included as members of the Independent Board Committee.

Lego has been appointed as the Independent Financial Adviser to advise the Independent Board Committee in connection with the terms of the Proposal, the Option Offer and the Scheme. The appointment of Lego has been approved by the

Independent Board Committee. The advice of the Independent Financial Adviser and recommendation of the Independent Board Committee will be included in the Scheme Document.

12. DESPATCH OF SCHEME DOCUMENT

The Scheme Document containing, among other things, details of the Scheme and the Option Offer, the expected timetable, an explanatory statement as required under the rules of the High Court, information regarding the Company, the recommendations of the Independent Board Committee with respect to the Proposal and the Option Offer, the letter of advice from the Independent Financial Adviser, notices of the Court Meeting and the EGM as well as other particulars required by the Takeovers Code will be despatched to the Shareholders and the Option Holders as soon as practicable and in compliance with the requirements of the Takeovers Code and other applicable laws and regulations.

Under Rule 8.2 of the Takeovers Code, the Scheme Document should be despatched to the Shareholders within 21 days of the Announcement Date, that is, on or before 10 March 2025. The Scheme Document may only be despatched to the Shareholders after the High Court has, at a Directions Hearing to be held on a date to be fixed by the High Court, directed the holding of the Court Meeting.

As additional time is required to procure the holding of the Directions Hearing and to finalise the financial information to be included in the Scheme Document, an application will be made with the Executive for its consent to extend the latest time for the despatch of the Scheme Document. Further announcement(s) will be made by the Company and the Offeror in respect of the application for the consent and the expected date of despatch of the Scheme Document.

The Scheme Document will contain important information and the Shareholders and the Option Holders are urged to read the Scheme Document carefully before (in the case of the Shareholders) casting any vote at (or providing any proxy in respect of) the Court Meeting and/or the EGM or (in the case of the Option Holders) accepting the Option Offer. Any acceptance, rejection or other response to the Proposal and the Option Offer should be made only on the basis of information in the Scheme Document.

13. VOTING AT THE COURT MEETING AND EGM

All Scheme Shareholders as at the Meeting Record Date will be entitled to attend and vote at the Court Meeting to approve the Scheme. None of the Shares held or beneficially owned by the Offeror and the Offeror Concert Parties will be voted at the Court Meeting. Each of the Offeror and the Offeror Concert Parties will provide an undertaking to the Court not to attend and vote at the Court Meeting.

The Offeror and the Offeror Concert Parties will also undertake to the Court to be bound by the Scheme, so as to ensure that they will comply with and be subject to the terms and conditions of the Scheme.

All Shareholders are entitled to attend the EGM and vote on the special resolution to be proposed at the EGM to approve and give effect to the reduction of the issued share capital of the Company and the implementation of the Scheme. The Offeror and the Offeror Concert Parties have indicated that, if the Scheme is approved at the Court Meeting, the Offeror and the Offeror Concert Parties will vote in favour of the special resolution to be proposed at the EGM to approve and give effect to the Scheme, including the approval of the reduction of the issued share capital of the Company by cancelling and extinguishing the Scheme Shares and of the issue to the Offeror of such number of new Shares as is equal to the number of the Scheme Shares cancelled.

Notwithstanding the above:

- (a) Blessing Keen, which holds 5,030,000 Shares (representing approximately 0.37% of the issued share capital of the Company) as at the Announcement Date under trust for the purpose of the Share Award Scheme, is a Scheme Shareholder and eligible to attend and vote the Shares held by it as at the Meeting Record Date at the Court Meeting and the EGM, but pursuant to the Trust Deed and the rules of the Share Award Scheme, Blessing Keen shall not exercise the voting rights in respect of such Shares at the Court Meeting and the EGM.
- (b) Shares held by any member of the Daiwa Group acting in the capacity of an exempt principal trader connected with the Offeror shall not be voted at the Court Meeting or the EGM in accordance with the requirement of Rule 35.4 of the Takeovers Code. Shares held by such exempt principal traders may, subject to consent of the Executive, be allowed to be voted at the Court Meeting and the EGM if: (i) such member of the Daiwa Group holds the relevant Shares as a simple custodian for and on behalf of non-discretionary clients; (ii) there are contractual arrangements in place between such member of the Daiwa Group and such non-discretionary client that strictly prohibit such member of the Daiwa Group from exercising any voting discretion over such Shares; (iii) all voting instructions shall originate from such non-discretionary client only (if no instructions are given, then no votes shall be cast for the relevant Shares held by such member of the Daiwa Group); and (iv) such non-discretionary client is not the Offeror or an Offeror Concert Party.

14. IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

Subject to the requirements of the Takeovers Code, the Scheme will lapse if any of the Conditions has not been fulfilled or waived, as applicable, on or before the Long Stop Date. The listing of the Shares on the Stock Exchange will not be withdrawn if the Scheme does not become effective or the Proposal otherwise lapses.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under Rule 31.1 of the Takeovers Code on the Offeror making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with it in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses, announce an offer or possible offer for the Company, except with the consent of the Executive.

Pursuant to Rule 2.3 of the Takeovers Code, if the Scheme is not approved and the Proposal is either not recommended by the Independent Board Committee or is not recommended as fair and reasonable by the Independent Financial Adviser, all costs and expenses incurred by the Company in connection with the Proposal and the Scheme will be borne by the Offeror.

15. GENERAL

As at the Announcement Date:

- (1) save as disclosed in the section headed “6. *Shareholding Structure*” above, the Offeror and the Offeror Concert Parties do not hold or have control or direction over any other Shares or any options, warrants, derivatives or securities convertible into Shares or other derivatives in respect of securities in the Company and have not dealt in any Shares or any options, warrants, derivatives or securities convertible into Shares or other derivatives in respect of securities in the Company in the past six months prior to and including the Announcement Date;
- (2) none of the Offeror and the Offeror Concert Parties has received an irrevocable commitment to vote for or against the Scheme;
- (3) none of the Offeror and the Offeror Concert Parties holds any convertible securities, warrants or options in respect of voting rights and rights over Shares;

- (4) there is no arrangement (whether by way of option, indemnity or otherwise) in relation to shares of the Offeror or Shares which might be material to the Proposal (as referred to in Note 8 to Rule 22 of the Takeovers Code);
- (5) there is no agreement or arrangement to which any of the Offeror or the Offeror Concert Parties is a party which relates to the circumstances in which the Offeror may or may not invoke or seek to invoke a Condition to the Proposal;
- (6) save for the Cancellation Price and the Option Offer Price, there is no other consideration, compensation or benefit in whatever form paid or to be paid by the Offeror and the Offeror Concert Parties (i) to the Scheme Shareholders or their concert parties in relation to the Scheme Shares or (ii) to the Option Holders or their concert parties in relation to the Share Options;
- (7) there is no agreement, arrangement or understanding between (i) any Shareholder and (ii)(a) the Offeror and the Offeror Concert Parties or (b) the Company, its subsidiaries or associated companies;
- (8) none of the Offeror and the Offeror Concert Parties (save in respect of Daiwa, as to which further details are set out in note (3) to the table in the section headed “6. *Shareholding Structure*” in this joint announcement) have dealt in any Shares or any options, warrants, derivatives or securities convertible into Shares or other derivatives in respect of securities in the Company in the six months prior to and including (i) the Announcement Date and (ii) the Last Trading Day, respectively; and
- (9) there is no special deal (as defined in Rule 25 of the Takeovers Code) between (i) any Shareholder and (ii)(a) the Offeror and the Offeror Concert Parties or (b) the Company, its subsidiaries or associated companies.

16. DISCLOSURE OF DEALINGS

Associates of the Offeror and the Company (as defined in the Takeovers Code, including shareholders holding 5% or more of any class of relevant securities (as defined in paragraphs (a) to (d) in Note 4 to Rule 22 of the Takeovers Code) of any of the Offeror and the Company) are hereby reminded to disclose their dealings in the relevant securities of the Company under Rule 22 of the Takeovers Code during the offer period.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

17. INSIDE INFORMATION ANNOUNCEMENT

Reference is made to the Inside Information Announcement dated 14 February 2025 published by the Company, which contains (among others) unaudited financial information of the Group for the nine months ended 31 December 2024.

	For the nine months ended	
	31 December	
	2024	2023
	(unaudited)	(unaudited)
	HK\$ (million)	HK\$ (million)
Revenue	2,125	2,071
Profit after tax	59	108

The unaudited revenue and profit after tax of the Group for the nine months ended 31 December 2024 stated in the Inside Information Announcement (the “**Unaudited Profit Figures**”) constitute a profit forecast made before the date of

this joint announcement, which must be examined, repeated and reported on in this joint announcement in accordance with Rule 10.3(d) of the Takeovers Code except with the consent of the Executive.

Given the time constraints, the Company has encountered genuine practical difficulties (time-wise or otherwise) in meeting the reporting requirements set out in Rule 10.4 of the Takeovers Code and needs additional time to engage its financial adviser and auditors to prepare the relevant reports on the Unaudited Profit Figures. In accordance with Rule 10.4 of the Takeovers Code and Practice Note 2 issued by the SFC, the Unaudited Profit Figures should be reported on as soon as reasonably practicable and the relevant reports should be contained in the next document to be sent to the Shareholders by the Company (i.e. the Scheme Document).

In the event that the Scheme Document is sent to the Shareholders prior to the publication of the annual results of the Company for the year ending 31 March 2025, the Unaudited Profit Figures will be reported on in accordance with Rule 10.4 of the Takeovers Code as soon as reasonably practicable by the Company's financial adviser and auditors and the relevant reports will be contained in the Scheme Document. However, in the event that the annual results of the Company for the year ending 31 March 2025, to which the Unaudited Profit Figures relate and which fall within the ambit of Rule 10.9 of the Takeovers Code, are published prior to the despatch of the Scheme Document and the relevant annual results together with the notes to the financial statements are incorporated by reference in the Scheme Document, the requirements to report on the Unaudited Profit Figures under Rule 10.4 of the Takeovers Code will no longer apply.

WARNING: The Unaudited Profit Figures do not meet the standard required by Rule 10 of the Takeovers Code and have not been reported on in accordance with the Takeovers Code. Shareholders and potential investors of the Company should exercise caution in placing reliance on the Unaudited Profit Figures in assessing the merits and demerits of the Proposal. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company. Persons who are in doubt about their positions should consult their professional advisers.

18. PRECAUTIONARY LANGUAGE REGARDING FORWARD-LOOKING STATEMENTS

This joint announcement 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. The forward-looking statements contained in this

joint announcement include statements about the expected effects of the Proposal on the Company, the expected timing and scope of the Proposal, and all other statements in this joint announcement other than historical facts.

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

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 at the Announcement Date. Any forward-looking statement contained in this joint announcement based on past or current trends and/or activities of the Company should not be taken as a representation that such trends or activities will continue in the future. No statement in this joint announcement is intended to be a profit forecast or to imply that the earnings of the Company for the current year or future years will necessarily match or exceed their respective historical or published earnings. Each forward-looking statement speaks only as at the date of the particular statement. Subject to the requirements of the Takeovers Code and other applicable laws and regulations, each of the Offeror and the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements

contained herein to reflect any change in their expectations with regard thereto or any change in events, conditions of circumstances on which any such statement is based.

19. TAXATION AND INDEPENDENT ADVICE

Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of the Proposal. It is emphasised that none of the Offeror, the Company, Daiwa, Somerley or Lego, nor any of their respective directors, officers or associates or any other person involved in the Proposal accepts responsibility (other than in respect of themselves, if applicable) for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Proposal.

20. OVERSEAS SCHEME SHAREHOLDERS AND OPTION HOLDERS

The making of the Proposal and the Option Offer to those Scheme Shareholders and Option Holders (as the case may be) who are not resident in Hong Kong may be subject to the laws of the relevant jurisdictions where such Scheme Shareholders and Option Holders are located. Such Scheme Shareholders and Option Holders should inform themselves about and observe any applicable legal and regulatory requirements of their own jurisdictions. It is the responsibility of any overseas Scheme Shareholders and Option Holders wishing to accept the Proposal and the Option Offer (as the case may be) to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental or exchange control or other consents which may be required, or the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due by such overseas Scheme Shareholder and Option Holders in such jurisdiction.

In the event that the despatch of the Scheme Document to overseas Scheme Shareholders and Option Holders is prohibited by any relevant law or regulation or may only be effected after compliance with conditions or requirements that the directors of the Offeror or the Company regard as unduly onerous or burdensome (or otherwise not in the best interests of the Company or its Shareholders), the Scheme Document may, subject to the consent of the Executive, not be despatched to such overseas Shareholders. For that purpose, the Company may apply for any waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time.

21. NOTICE TO US HOLDERS OF SECURITIES

The Proposal is being made to cancel the securities of a company incorporated in Hong Kong by means of a scheme of arrangement provided for under the Companies Ordinance. The Option Offer is an offer to be made by the Offeror to the Option Holders as required under Rule 13 of the Takeovers Code. Any financial information included in this joint announcement has been prepared in accordance with the accounting standards applicable in Hong Kong and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with the generally accepted accounting principles in the US. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules of the US Securities and Exchange Act of 1934, as amended.

Accordingly, the Proposal and the Option Offer are subject to the disclosure requirements and practices applicable in Hong Kong to schemes of arrangement and Rule 13 of the Takeovers Code which differ from the disclosure requirements of the US tender offer rules. The receipt of cash pursuant to the Proposal by a US holder of Scheme Shares as consideration for the cancellation and extinguishment of its Scheme Shares pursuant to the Scheme by a Scheme Shareholder (and the receipt of the Option Offer Price by a US holder of Share Options as consideration for the cancellation of his/her Share Options pursuant to the Option Offer by an Option Holder) may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other tax laws. Each holder of Scheme Shares and Share Options is urged to consult his independent professional adviser immediately regarding the tax consequences of the Proposal and the Option Offer (as the case may be) applicable to him. It may be difficult for US holders of the Scheme Shares and the Share Options (as the case may be) to enforce their rights and claims arising out of the US federal securities laws, since the Offeror and the Company are located in a country other than the US, and some or all of their officers and directors may be residents of a country other than the US. US holders of the Scheme Shares and the Share Options (as the case may be) may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a judgement of the US court.

22. NOTICE TO JAPANESE HOLDERS OF SECURITIES

The Proposal is being made to cancel the securities of a company incorporated in Hong Kong by means of a scheme of arrangement provided for under the Companies Ordinance. The Option Offer is an offer to be made by the Offeror to the Option Holders as required under Rule 13 of the Takeovers Code. Any financial information included in this joint announcement has been prepared in

accordance with the accounting standards applicable in Hong Kong and thus may not be comparable to financial information of Japanese companies or companies whose financial statements are prepared in accordance with the generally accepted accounting principles in Japan. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules of the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended) (the “FIEA”). Accordingly, the Proposal and the Option Offer (as the case may be) are subject to the disclosure requirements and practices applicable in Hong Kong to schemes of arrangement and Rule 13 of the Takeovers Code which differ from the disclosure requirements of the FIEA.

This joint announcement does not constitute an offer or invitation to purchase or subscribe for any securities of the Company nor the Offeror. None of the securities of the Company or the Offeror have been or will be registered under the FIEA. Any securities have not been offered or sold and will not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of Japanese Person (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others, for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person.

The receipt of cash pursuant to the Proposal by a Japanese holder of Scheme Shares as consideration for the cancellation and extinguishment of its Scheme Shares pursuant to the Scheme by a Scheme Shareholder (and the receipt of the Option Offer Price by a Japanese holder of Share Options as consideration for the cancellation of his/her Share Options pursuant to the Option Offer by an Option Holder) may be a taxable transaction for Japanese income tax purposes, as well as foreign and other tax laws. Each holder of Scheme Shares and Share Options is urged to consult his independent professional adviser immediately regarding the tax consequences of the Proposal and the Option Offer (as the case may be) applicable to him. It may be difficult for Japanese holders of the Scheme Shares and the Share Options (as the case may be) to enforce their rights and claims arising out of Japanese securities laws, since the Offeror and the Company are located in a country other than Japan, and some or all of their officers and directors may be residents of a country other than Japan. Japanese holders of the Scheme Shares and the Share Options (as the case may be) may not be able to sue a non-Japanese company or its officers or directors in a non-Japanese court for violations of Japanese securities laws. Further, it may be difficult to compel a non-Japanese company and its affiliates to subject themselves to a judgement of the Japanese court.

23. RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was halted from 9:00 a.m. on 4 February 2025 pending the release of this joint announcement. An application has been made by the Company to the Stock Exchange for a resumption of trading in the Shares with effect from 9:00 a.m. on 18 February 2025.

24. WARNINGS

Shareholders, Option Holders, Share Award Grantees and potential investors of the Company should be aware that the implementation of the Proposal, the Option Offer and the Scheme are subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal and the Option Offer may or may not be implemented, and the Scheme may or may not become effective. Shareholders, Option Holders, Share Award Grantees and potential investors of the Company should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

This joint announcement is not intended to and does not constitute, or form part of, any offer to sell or subscribe for or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Proposal, the Option Offer or otherwise, nor shall there be any sale, issuance or transfer of securities of the Company or of the Offeror in any jurisdiction in contravention of applicable law or regulation. The Proposal and the Option Offer will be made solely through the Scheme Document, which will contain the full terms and conditions of the Proposal and the Option Offer, including details on how to vote on the Proposal and on how to accept the Option Offer. Any acceptance, rejection or other response to the Proposal and the Option Offer should be made only on the basis of information in the Scheme Document or any other document by which the Proposal and the Option Offer are made.

The availability of the Proposal and the Option Offer to persons who are not resident in Hong Kong may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in Hong Kong should inform themselves about, and observe, any applicable legal or regulatory requirements of their jurisdictions. Details in relation to overseas Shareholders and Option Holders will be contained in the Scheme Document.

25. DEFINITIONS

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

“Accounts Date”	31 March 2024, the date to which the latest published audited consolidated financial statements of the Group (as at the Announcement Date) were made up
“acting in concert”	has the same meaning ascribed to it under the Takeovers Code, and “parties acting in concert” shall be construed accordingly
“Announcement Date”	the date of this joint announcement
“associate(s)”	has the same meaning ascribed to it under the Takeovers Code
“associated company(ies)”	has the same meaning ascribed to it under the Takeovers Code
“Awarded Shares”	the Shares awarded by the Company under the Share Award Scheme
“Authorisation(s)”	all necessary authorisations, registrations, filings, rulings, consents, permissions, waivers, exemptions and approvals required from the applicable governments or governmental bodies, regulatory bodies, or courts (including but not limited to the SFC and the Stock Exchange), or other third parties which are necessary for any member of the Group to carry on its business
“Blessing Keen”	Blessing Keen Investing Limited, a company incorporated in the British Virgin Islands with limited liability and a direct wholly-owned subsidiary of the Trustee
“Board”	the board of Directors
“Cancellation Price”	the cancellation price of HK\$1.58 for every Scheme Share cancelled and extinguished pursuant to the Scheme, which amount (less the Dividend Adjustment (if any)) will be payable by the Offeror to the Scheme Shareholders in the form of cash

“CO Disinterested Shares”	has the meaning ascribed to “disinterested shares” in section 674(3) of the Companies Ordinance ¹
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Company”	Tam Jai International Co. Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2217)
“Condition(s)”	the conditions to the implementation of the Proposal and the Scheme, as set out in the section headed “5. <i>Conditions of the Proposal and the Scheme</i> ” of this joint announcement
“Court Meeting”	a meeting of the holders of Scheme Shares to be convened at the direction of the High Court, at which the Scheme will be voted upon
“Daiwa”	Daiwa Capital Markets Hong Kong Limited, a corporation licensed under the SFO to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, the financial adviser to the Offeror in relation to the Proposal
“Daiwa Group”	Daiwa and any of its parent, subsidiaries and fellow subsidiaries
“Directions Hearing”	a directions hearing of the High Court for the purpose of giving direction as to the holding of the Court Meeting
“Director(s)”	the director(s) of the Company

¹ Section 674(3) of the Companies Ordinance provides that, in the case of a takeover offer, “disinterested shares” excludes shares held by the offeror and “associates” (within the meaning provided in section 667(1)(b)(i) of the Companies Ordinance) of the offeror (unless otherwise declared by the High Court). Section 667(1)(b)(i) of the Companies Ordinance provides that where the offeror is a body corporate, a reference to an “associate” of the offeror is a reference to (i) a body corporate in the same group of companies as the offeror; (ii) a body corporate in which the offeror is substantially interested; or (iii) a person who is a party, or a nominee of a party, to an acquisition agreement with the offeror.

“Dividend Adjustment”	has the meaning given to it in the paragraph headed “Cancellation Price” in the section headed “2. <i>Terms of the Proposal</i> ” of this joint announcement
“Effective Date”	the date on which the Scheme becomes effective in accordance with the Companies Ordinance
“EGM”	an extraordinary general meeting of the Company to be convened for the purpose of, among other matters, approving the reduction of the share capital of the Company involved in the Scheme and implementing the Scheme
“Employee Trust”	Tanjai International Employee Trust, being an employee trust established by the Company as the settlor with the Trustee as the trustee for the purpose of recognising and rewarding the contribution and performance of certain employees of the Group
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Group”	the Company and its subsidiaries
“High Court”	the High Court of Hong Kong
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent committee of the Board formed to advise the Independent Shareholders in connection with the Proposal and the Scheme, and comprising all the independent non-executive Directors, namely Mr. Loo Kwok Wing, Mr. Lee Kwok Ming and Mr. Yeung Yiu Keung
“Independent Financial Adviser” or “Lego”	Lego Corporate Finance Limited, a corporation licensed under the SFO to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, the independent financial adviser to the Independent Board Committee in relation to the Proposal, the Option Offer and the Scheme

“Independent Shareholders”	all Shareholders, other than the Offeror and the Offeror Concert Parties
“Inside Information Announcement”	the announcement of the Company dated 14 February 2025 in relation to, among others, the Group’s unaudited financial information for the nine months ended 31 December 2024
“Last Trading Day”	3 February 2025, being the last trading day immediately before the trading halt in the Shares on the Stock Exchange pending the publication of this joint announcement
“Listing”	the listing of the Shares on the Stock Exchange on 7 October 2021
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 December 2025 (or such later date as the Offeror and the Company may agree or, to the extent applicable, as the High Court on application of the Company may allow and in all cases, as permitted by the Executive)
“Meeting Record Date”	the date set for determining entitlement to attend and to vote at the Court Meeting
“Mr. Awata”	Mr. Awata Takaya (栗田貴也), the spouse of Mrs. Awata, and the president, chief executive officer and controlling shareholder of Toridoll Japan
“Mrs. Awata”	Mrs. Awata Toshimi (栗田利美), the spouse of Mr. Awata
“Offeror”	Toridoll Holding Limited, a company incorporated under the laws of Hong Kong with limited liability, which is wholly-owned by Toridoll Japan as at the Announcement Date

“Offeror Concert Party(ies)”	any party(ies) acting in concert, or presumed to be acting in concert, with the Offeror under the definition of “acting in concert” under the Takeovers Code including, without limitation, (a) Mr. Awata, Mrs. Awata and Toridoll Japan, and (b) members of the Daiwa Group (excluding members of the Daiwa Group which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code and are connected for the sole reason that they control, are controlled by or under the same control as Daiwa)
“Option Holder(s)”	the holder(s) of the Share Option(s)
“Option Offer”	the offer to be made by or on behalf of the Offeror to the Option Holders in relation to the cancellation of the Share Options
“Option Offer Price”	the price for cancellation of the Share Options pursuant to the Option Offer, being (i) in respect of the Pre-IPO Share Options, HK\$0.73 for every Pre-IPO Share Option to be cancelled; and (ii) in respect of the Post-IPO Share Options, HK\$0.0001 for every Post-IPO Share Option to be cancelled
“Options Latest Exercise Time”	the latest time to be prescribed in the Scheme Document by which the Option Holders may exercise their Share Options
“Post-IPO Share Option(s)”	the outstanding share option(s) granted by the Company under the Post-IPO Share Option Scheme
“Post-IPO Share Option Scheme”	the post-IPO share option scheme conditionally approved and adopted by the Company on 25 March 2021
“PRC” or “Mainland China”	the People’s Republic of China
“Pre-IPO Share Option(s)”	the outstanding share option(s) granted by the Company under the Pre-IPO Share Option Scheme
“Pre-IPO Share Option Scheme”	the pre-IPO share option scheme conditionally approved and adopted by the Company on 25 March 2021, which had automatically terminated upon the Listing

“Proposal”	the proposal for the privatisation of the Company by the Offeror by way of the Scheme, and the withdrawal of listing of the Shares from the Stock Exchange, on the terms and subject to the Conditions set out in this joint announcement
“Scheme”	a scheme of arrangement to be proposed under section 673 of the Companies Ordinance for the implementation of the Proposal, involving the cancellation and extinguishment of all the Scheme Shares and the restoration of the share capital of the Company to the amount immediately before the cancellation and extinguishment of the Scheme Shares by the issuance to the Offeror, credited as fully paid, of such number of new Shares as is equal to the number of Scheme Shares cancelled and extinguished
“Scheme Document”	the composite scheme document of the Offeror and the Company to be despatched to all Shareholders, Option Holders and Share Award Grantees in connection with the Scheme, containing, <i>inter alia</i> , details of the Scheme together with the additional information specified in the section headed “12. Despatch of Scheme Document” of this joint announcement
“Scheme Record Date”	the record date to be announced for the purpose of determining the entitlements under the Scheme
“Scheme Share(s)”	Share(s) in issue on the Scheme Record Date other than those held by the Offeror and the Offeror Concert Parties
“Scheme Shareholder(s)”	registered holder(s) of the Scheme Shares as at the Scheme Record Date
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	registered holder(s) of the Shares
“Share(s)”	ordinary share(s) of the Company
“Share Award Grantee(s)”	the grantee(s) of the Awarded Shares

“Share Award Scheme”	the share award scheme adopted by the Company on 25 March 2021
“Share Option(s)”	the Pre-IPO Share Option(s) and/or the Post-IPO Share Option(s)
“Share Option Schemes”	the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme
“Somerley”	Somerley Capital Limited, a corporation licensed under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, the financial adviser to the Company in relation to the Proposal and the Scheme
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers (as revised from time to time)
“TC Disinterested Shares”	Shares in issue as at the Scheme Record Date, other than those beneficially owned by the Offeror and the Offeror Concert Parties
“Toridoll Japan”	Toridoll Holdings Corporation, a company established in Japan with limited liability whose shares are listed on the Tokyo Stock Exchange (stock code: 3397)
“trading day”	a day on which the Stock Exchange is open for the business of dealings in securities
“Trust Deed”	the trust deed entered into between the Company as the settlor and the Trustee for the purposes of the Employee Trust
“Trustee”	Trident Trust Company (HK) Limited, a company incorporated in Hong Kong with limited liability, being the trustee of the Employee Trust for the purposes of implementing and administering the Share Award Scheme and the Share Option Schemes
“Trustee Held Pool Shares”	the Shares held by Blessing Keen that are unutilised under the Share Award Scheme

“US” the United States of America

“%” per cent.

By the order of the board of directors

Toridoll Holding Limited

Tomohiro Shinya

Director

By the order of the Board

Tam Jai International Co. Limited

Lau Tat Man

Chairman of the Board and

Chief Executive Officer

Hong Kong, 17 February 2025

As at the Announcement Date, the Board comprises Mr. Lau Tat Man, Ms. Chan Ping, Rita, and Mr. Yeung Siu Cheong as executive Directors; Mr. Sugiyama Takashi, Mr. Hatamoto Toru and Mr. Someya Norifumi as non-executive Directors; and Mr. Lee Kwok Ming, Mr. Loo Kwok Wing and Mr. Yeung Yiu Keung as independent non-executive Directors.

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

As at the Announcement Date, the directors of the Offeror are Mr. Sugiyama Takashi and Mr. Tomohiro Shinya.

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