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**THIS COMPOSITE DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

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

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Composite Document and the accompanying Form of Acceptance, make no representation as to 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 Composite Document and the accompanying Form of Acceptance.

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

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**Mr. Wang Tingfa**



**COMPOSITE DOCUMENT RELATING TO  
UNCONDITIONAL MANDATORY CASH OFFER BY  
AFG SECURITIES LIMITED  
FOR AND ON BEHALF OF  
MR. WANG TINGFA  
TO ACQUIRE ALL THE ISSUED SHARES OF  
INNOVAX HOLDINGS LIMITED  
(OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED  
BY THE OFFEROR AND PARTIES ACTING IN CONCERT WITH HIM)**

**Financial adviser to the Offeror**



**Offer agent to the Offeror**



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



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

A letter from Alpha Financial containing, among other things, details of the terms of the Offer, is set out on pages 9 to 19 of this Composite Document.

A letter from the Board is set out on pages 20 to 25 of this Composite Document. A letter from the Independent Board Committee is set out on pages 26 to 27 of this Composite Document. A letter from the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Offer Shareholders, is set out on pages IFA-1 to IFA-26 of this Composite Document.

The procedures for acceptance and settlement of the Offer are set out in Appendix I to this Composite Document and in the accompanying Form of Acceptance. Form of Acceptance of the Offer must be received by the Registrar, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, by no later than 4:00 p.m. on Wednesday, 29 April 2026 (Hong Kong time) (or such later time and/or date as the Offeror may determine and the Offeror and the Company may jointly announce with the consent of the Executive in accordance with the Takeovers Code).

Any persons including, without limitation, custodians, nominees and trustees, who would, or otherwise intend to, forward this Composite Document and/or the accompanying Form of Acceptance to any jurisdiction outside Hong Kong should read the section headed "IMPORTANT NOTICE" in this Composite Document before taking any action. It is the responsibility of each Overseas Shareholder who wish to accept the Offer to satisfy himself, herself or itself as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer, including the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required or the compliance with other necessary formalities, or regulatory and/or legal requirements and the payment of any transfer or other taxes or other required payments due from such Overseas Shareholder in respect of such jurisdictions. Overseas Shareholders are advised to seek professional advice on deciding whether to accept the Offer.

This Composite Document will remain on the websites of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.innovax.hk](http://www.innovax.hk) as long as the Offer remains open.

8 April 2026

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## EXPECTED TIMETABLE

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*The expected timetable set out below is indicative only and may be subject to changes. Further announcement(s) will be made in the event of any changes to the timetable as and when appropriate. All time and date references contained in this Composite Document and the accompanying Form of Acceptance refer to Hong Kong time and dates.*

Event	Time & Date
	<b>2026</b>
Despatch date of this Composite Document and the accompanying Form of Acceptance and commencement date of the Offer ( <i>Note 1</i> ) . . . . .	Wednesday, 8 April
Offer opens for acceptance ( <i>Note 1</i> ) . . . . .	Wednesday, 8 April
Latest time and date for acceptance of the Offer ( <i>Notes 2, 3 and 5</i> ) . . . . .	by 4:00 p.m. on Wednesday, 29 April
Closing Date ( <i>Notes 3 and 5</i> ) . . . . .	Wednesday, 29 April
Announcement of the results of the Offer (or its extension or revision, if any) on the website of the Stock Exchange ( <i>Notes 3 and 5</i> ) . . . . .	no later than 7:00 p.m. on Wednesday, 29 April
Latest date for posting of remittances in respect of valid acceptances received under the Offer ( <i>Notes 4 and 5</i> ) . . . . .	Monday, 11 May

*Notes:*

1. The Offer, which is unconditional in all respects, is made on the date of posting of this Composite Document, and is capable of acceptance on and from that date until 4:00 p.m. on the Closing Date, unless the Offeror decides to revise or extend the Offer in accordance with the Takeovers Code. Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, except in the circumstances set out in the paragraph headed “6. Right of Withdrawal” in Appendix I to this Composite Document.
2. Beneficial owners of Shares who hold their Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements (as set out in the paragraph headed “1. General Procedures for Acceptance of the Offer” in Appendix I to this Composite Document) for causing instructions to be made to CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures.

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## EXPECTED TIMETABLE

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3. In accordance with the Takeovers Code, the Offer must initially be open for acceptance for at least 21 days after the date of this Composite Document. The latest time and date for acceptance of the Offer is 4:00 p.m. on Wednesday, 29 April 2026 unless the Offeror revises or extends the Offer in accordance with the Takeovers Code. The Offeror and the Company will jointly issue an announcement through the website of the Stock Exchange no later than 7:00 p.m. on the Closing Date stating whether the Offer has been extended, revised or expired. In the event that the Offeror decides to revise or extend the Offer, all Offer Shareholders, whether or not they have already accepted the Offer, will be entitled to accept the revised Offer under the revised terms. The revised Offer must be kept open for at least 14 days after the date of the revised offer document(s) and shall not close earlier than the Closing Date.
4. Remittances in respect of the cash consideration (after deducting the seller's ad valorem stamp duty) payable for the Offer Shares tendered under the Offer will be despatched to the Offer Shareholders accepting the Offer by ordinary post at their own risk as soon as possible, but in any event no later than seven (7) Business Days after the date of receipt by the Registrar of all relevant documents required to render such acceptance complete and valid in accordance with the Takeovers Code.
5. If there is a tropical cyclone warning signal number 8 or above, or a "black rainstorm warning signal" or "extreme conditions" as announced by the Hong Kong Government:
  - (a) in force in Hong Kong at any local time before 12:00 noon but no longer in force at or after 12:00 noon on the latest date for acceptance of the Offer under Rule 15.1 of the Takeovers Code, any publication date of a closing announcement under Rule 19.1 of the Takeovers Code or the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances, these dates, as the case may be, will remain on the same Business Day; or
  - (b) in force in Hong Kong at any local time at 12:00 noon and/or thereafter on the latest date for acceptance of the Offer under Rule 15.1 of the Takeovers Code, any publication date of a closing announcement under Rule 19.1 of the Takeovers Code or the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances, these dates, as the case may be, will be rescheduled to the following Business Day which does not have any of those warnings or condition in force in Hong Kong at any local time at 12:00 noon and/or thereafter or such other day as the Executive may approve in accordance with the Takeovers Code.

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

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## **IMPORTANT NOTICE**

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### **NOTICE TO THE OVERSEAS SHAREHOLDERS**

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

It is the responsibility of any such Overseas Shareholders who wishes to accept the Offer to satisfy himself, herself or itself as to the full observance of the laws and regulations of the relevant jurisdiction in connection with the acceptance of the Offer, including the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required or the compliance with other necessary formalities, legal and/or regulatory requirements and the payment of any issue, transfer, cancellation or other taxes and duties due by such Overseas Shareholders in respect of the acceptance of the Offer in such jurisdictions.

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

The Offeror and the Offeror Concert Parties, the Company, Alpha Financial, AFG Securities, the Independent Financial Adviser or any of their respective ultimate beneficial owners, directors, officers, agents, advisers and associates and any other person involved in the Offer shall be entitled to be fully indemnified and held harmless by the Overseas Shareholders for any taxes or duties as such persons may be required to pay. Please see the paragraphs headed “Overseas Shareholders” in the “Letter from Alpha Financial” and “7. Overseas Shareholders” in Appendix I to this Composite Document for further details.

### **CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This Composite Document contains forward-looking statements, which may be identified by words such as “believe”, “expect”, “anticipate”, “intend”, “plan”, “seek”, “estimate”, “will”, “would” or words of similar meaning, that involve risks and uncertainties, as well as assumptions. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. The forward-looking statements included herein are made only as at the Latest Practicable Date. The Offeror and the Company assume no obligation to correct or update the forward-looking statements or opinions contained in this Composite Document, except as required pursuant to applicable laws or regulations, including but not limited to the Listing Rules and/or the Takeovers Code.

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## DEFINITIONS

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

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“AFG Securities”	AFG Securities Limited, a corporation licensed by the SFC to conduct Type 1 (dealing in securities) regulated activity under the SFO, being the agent making the Offer on behalf of the Offeror
“Alpha Financial”	Alpha Financial Group Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the financial adviser to the Offeror in relation to the Offer
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Billion Shine”	Billion Shine International Investment Limited, a company incorporated in British Virgin Islands and is wholly-owned by the Offeror after Completion and as at the Latest Practicable Date
“Board”	the board of Directors
“Business Day”	a day on which the Stock Exchange is open for the transaction of business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Closing Date”	Wednesday, 29 April 2026, being the closing date of the Offer, which is at least 21 days after the date of this Composite Document, or if the Offer is extended, any subsequent closing date of the Offer as may be determined by the Offeror and jointly announced by the Offeror and the Company in accordance with the Takeovers Code
“Circular”	the circular of the Company dated 17 November 2025, which contains, among other things, details of the Disposal, the letter of recommendation from the Independent Board Committee and the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Shareholders regarding the Special Deal, and a notice convening the extraordinary general meeting held on 5 December 2025 despatched to the Shareholders

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## DEFINITIONS

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“Company”	Innovax Holdings Limited, a company incorporated in the Cayman Islands with limited liability and issued Share of which are listed on the Stock Exchange (stock code: 2680)
“Completion”	completion of the sale and purchase of the Sale Shares in accordance with the terms and conditions of the Sale and Purchase Agreement, which took place on the Completion Date
“Completion Date”	31 March 2026
“Composite Document”	this composite offer and response document jointly issued by the Offeror and the Company to the Offer Shareholders in connection with the Offer in compliance with the Takeovers Code containing, among other things, details of the Offer (accompanied by the Form of Acceptance) and the respective letters of advice from the Independent Board Committee and the Independent Financial Adviser
“Conditions Precedent”	conditions precedent to Completion in accordance with the Sale and Purchase Agreement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration in the amount of HK\$270,000,000 for the Sale Shares pursuant to the Sale and Purchase Agreement
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Disposal”	the disposal of the entire issued share capital of Innovax Credit and Innovax Management
“Disposal Completion”	the completion of the Disposal, which took place on 31 March 2026
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any of his delegates
“Form of Acceptance”	the form of acceptance and transfer in respect of the Offer accompanying this Composite Document
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong

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## DEFINITIONS

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“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent board committee of the Company comprising Dr. Wu Kwun Hing, Mr. Kwong Hon Nan, Eric and Ms. Chan Ka Lai, Vanessa, being all the independent non-executive Directors, established to advise the Offer Shareholders on the Offer
“Independent Financial Adviser” or “Merdeka”	Merdeka Corporate Finance Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed by the Company for the purpose of advising the Independent Board Committee in respect of the Offer
“Independent Third Parties”	party(ies) independent of and not connected with the Company and its connected persons
“Innovax Credit”	Innovax Credit Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company immediately before the Disposal Completion
“Innovax Management”	Innovax Management Limited, a company incorporated in the British Virgins Islands with limited liability and a wholly-owned subsidiary of the Company immediately before the Disposal Completion
“Joint Announcement”	the announcement jointly published by the Offeror and the Company dated 10 October 2025 in relation to, among other things, the Offer pursuant to Rule 3.5 of the Takeovers Code
“Last Trading Day”	25 September 2025, being the last trading day of the Shares before the publication of the Joint Announcement
“Latest Practicable Date”	2 April 2026, being the latest practicable date prior to the printing of this Composite Document for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 March 2026, or such other date as the Vendor and the Offeror may agree in writing

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## DEFINITIONS

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“Offer”	the unconditional mandatory cash offer being made by AFG Securities on behalf of the Offeror to acquire all the Offer Shares in accordance with the Takeovers Code
“Offeror” or “Mr. Wang”	Mr. Wang Tingfa
“Offer Period”	has the meaning ascribed to it under the Takeovers Code which commenced on 10 October 2025 (i.e. the date of the Joint Announcement) and ends on the date on which the Offer closes or lapses
“Offer Price”	HK\$6.00 per Offer Share
“Offer Share(s)”	the issued Share(s) other than those already owned by the Offeror
“Offer Shareholder(s)”	holder(s) of the Share(s), other than the Offeror and parties acting in concert with him
“Overseas Shareholder(s)”	Offer Shareholder(s) whose address(es), as shown on the register of members of the Company, is/are outside Hong Kong
“Registrar”	Union Registrars Limited, the Hong Kong branch share registrar and transfer office of the Company, with its address at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong
“Regulated Group Companies”	companies of the Group which are licensed corporations under the SFO, which as at the Latest Practicable Date comprise, namely (a) Innovax Capital Limited, a company incorporated in Hong Kong with limited liability and licensed under the SFO to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities; (b) Innovax Securities Limited, a company incorporated in Hong Kong with limited liability and licensed under the SFO to carry on Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities; and (c) Innovax Asset Management Limited, a company incorporated in Hong Kong with limited liability and licensed under the SFO to carry on Type 9 (asset management) regulated activity
“Relevant Period”	the period from 10 April 2025, being the date falling six months preceding the commencement of the Offer Period, up to and including the Latest Practicable Date

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## DEFINITIONS

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“Sale and Purchase Agreement”	the sale and purchase agreement dated 25 September 2025 and entered into among the Vendor and the Offeror in relation to the sale and purchase of the Sale Shares
“Sale Shares”	110 shares in Billion Shine, representing the entire issued share capital of Billion Shine
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of par value HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Special Deal”	the Disposal, as more particularly set out in the section headed “Special Deal and Connected Transaction” in the Circular, which constitutes a “special deal” under Rule 25 of the Takeovers Code
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Vendor” or “Mr. Chung”	Mr. Chung Chi Man, the chairman of the Board, an executive Director and the sole legal and beneficial owner of the Sale Shares immediately before Completion
“%”	per cent

\* For identification purpose only



Unit B, 15/F.  
Two Chinachem Plaza  
135 Des Voeux Road  
Central  
Hong Kong

8 April 2026

*To the Offer Shareholders:*

Dear Sir or Madam

**UNCONDITIONAL MANDATORY CASH OFFER BY  
AFG SECURITIES LIMITED  
FOR AND ON BEHALF OF  
MR. WANG TINGFA  
TO ACQUIRE ALL THE ISSUED SHARES OF  
INNOVAX HOLDINGS LIMITED  
(OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE  
ACQUIRED BY THE OFFEROR AND PARTIES ACTING IN  
CONCERT WITH HIM)**

**INTRODUCTION**

References are made to (i) the Joint Announcement jointly published by the Offeror and the Company dated 10 October 2025 in relation to, among other things, the Sale and Purchase Agreement and the Offer; (ii) the joint announcements jointly published by the Offeror and the Company dated 31 October 2025, 28 November 2025, 28 December 2025, 28 January 2026, 27 February 2026 and 25 March 2026 in relation to the monthly update on the Offer; and (iii) the joint announcement jointly published by the Offeror and the Company dated 31 March 2026 in relation to, among other things, the Completion and the Offer.

As stated in the Joint Announcement, the making of the Offer was conditional upon Completion (which in turn was conditional upon satisfaction or waiver (as may be applicable) of the Conditions Precedent), including but not limited to the Offeror and/or any other person(s) who will become a substantial shareholder of the Regulated Group Companies having applied to the SFC for approval to become a substantial shareholder of each of the Regulated Group Companies and the SFC having approved the Offeror to become a substantial shareholder of each of the Regulated Group Companies.

As disclosed in the joint announcement dated 31 March 2026, the Conditions Precedent have been fulfilled on 24 March 2026 and the Completion took place on the Completion Date, whereas the said consideration was fully settled in cash on the same date.

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## LETTER FROM ALPHA FINANCIAL

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Immediately upon Completion, the Offeror (through Billion Shine) and parties acting in concert with him own an aggregate of 45,000,000 Shares, representing 75% of the entire issued share capital of the Company. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with him). AFG Securities is, on behalf of the Offeror and in compliance with the Takeovers Code, making the Offer on the terms set out in this Composite Document.

This letter forms part of this Composite Document and sets out, among other things, details of the terms of the Offer, the information of the Offeror and the intention of the Offeror in relation to the Group. Further details of the terms and the procedures of acceptance of the Offer are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

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

### THE OFFER

AFG Securities, for and on behalf of the Offeror and in compliance with the Takeovers Code, is making the Offer on the following basis:

**For each Offer Share . . . . . HK\$6.00 in cash**

Given the sole asset of Billion Shine is the 45,000,000 Shares held by it, the Offer Price of HK\$6.00 per Offer Share under the Offer is equivalent to the Consideration of HK\$270,000,000 divided by 45,000,000 Shares held by Billion Shine, which was arrived after arm’s length negotiations between the Offeror and the Vendor.

The Offer is extended to all Offer Shareholders in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer shall be fully paid and free from all encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of this Composite Document.

The Offer is unconditional in all respects.

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## LETTER FROM ALPHA FINANCIAL

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Immediately upon Completion, the Offeror (through Billion Shine) and parties acting in concert with him own an aggregate of 45,000,000 Shares, representing 75% of the entire issued share capital of the Company. The Completion took place on the Completion Date.

As at the Latest Practicable Date, there were no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company in issue other than the Shares.

As disclosed in the “Letter from the Board”, as at the Latest Practicable Date, (i) no outstanding dividend declared by the Company remained unpaid; and (ii) the Board advised that the Company has no intention to make, declare or pay any future dividend or make other distributions until after the close of the Offer. If, after the date of despatch of this Composite Document, any dividend or other distribution is made or paid in respect of the Offer Shares, the Offeror reserves the right to reduce the Offer Price by an amount equal to the gross amount of such dividend or other distribution received or receivable by the Shareholders pursuant to Note 3 to Rule 26.3 and Note 11 to Rule 23.1 of the Takeovers Code.

Further details of the terms of the Offer and the procedures for acceptance of the Offer are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

### **Comparison of value of the Offer Price**

The Offer Price of HK\$6.00 per Offer Share represents:

- (i) a discount of approximately 50.4% to the closing price of HK\$12.1 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a premium of approximately 6.0% over the closing price of HK\$5.66 per Share as quoted on the Stock Exchange on 25 September 2025, being the Last Trading Day;
- (iii) a premium of approximately 19.2% over the average closing price of approximately HK\$5.03 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a premium of approximately 20.8% over the average closing price of approximately HK\$4.97 per Share as quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a premium of approximately 25.9% over the average closing price of approximately HK\$4.76 per Share as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day;

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## LETTER FROM ALPHA FINANCIAL

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- (vi) a premium of approximately 37.1% over the average closing price of approximately HK\$4.38 per Share as quoted on the Stock Exchange for the last 60 trading days immediately prior to and including the Last Trading Day;
- (vii) a premium of approximately 92.6% over the audited consolidated net asset value attributable to the owners of the Company of approximately HK\$3.115 per Share as at 28 February 2025 calculated based on audited equity attributable to owners of the Company of approximately HK\$186,873,000 as at 28 February 2025 and 60,000,000 Shares in issue as at the Latest Practicable Date; and
- (viii) a premium of approximately 75.5% over the unaudited consolidated net asset value attributable to the owners of the Company of approximately HK\$3.419 per Share as at 31 August 2025 calculated based on audited equity attributable to owners of the Company of approximately HK\$205,152,000 as at 31 August 2025 and 60,000,000 Shares in issue as at the Latest Practicable Date.

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

During the Relevant Period, the highest closing price of the Shares quoted on the Stock Exchange was HK\$16.31 per Share on 16 January 2026 and the lowest closing price of the Shares quoted on the Stock Exchange was HK\$1.2 per Share during the period from 14 April 2025 to 22 April 2025.

### **Value of the Offer**

As at the Latest Practicable Date, the Company had 60,000,000 Shares in issue. On the basis of the Offer Price of HK\$6.00 per Offer Share, the entire issued share capital of the Company would be valued at approximately HK\$360,000,000.

Upon Completion and as at the Latest Practicable Date, assuming no new Shares are issued on or before the Offer is closed, the aggregate value of the Offer is HK\$90,000,000 based on the Offer Price of HK\$6.00 per Offer Share.

### **Confirmation of financial resources available for the Offer**

The Offeror intends to finance and satisfy the maximum consideration payable under the Offer by his own financial resources.

Alpha Financial, being the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror to satisfy the maximum consideration payable upon full acceptance of the Offer.

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## LETTER FROM ALPHA FINANCIAL

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### **Effect of accepting the Offer**

Acceptance of the Offer by any Shareholders will be deemed to constitute a warranty by such person that all the Shares to be sold by such person under the Offer are free from all encumbrances and with all rights and benefits at any time accruing and attached to them, including the rights to receive all dividends and distributions declared, made or paid on or after the date on which the Offer is made, that is, the date of posting of the Composite Document. As disclosed in the “Letter from the Board”, as at the Latest Practicable Date, (i) no outstanding dividend declared by the Company remained unpaid; and (ii) the Board advised that the Company has no intention to make, declare or pay any future dividend or make other distributions until after the close of the Offer.

The Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of Offer Shares or any other conditions. Acceptances of the Offer will be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code, details of which are set out in the paragraph headed “6. Right of Withdrawal” in Appendix I to this Composite Document.

### **Payment**

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

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

### **Hong Kong Stamp duty**

The seller’s ad valorem stamp duty at a rate of 0.1% of the market value of the Shares or consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, will be deducted from the cash amount payable to the relevant Shareholder on acceptance of the Offer. The Offeror will arrange for payment of the seller’s ad valorem stamp duty on behalf of accepting Offer Shareholders and pay the buyer’s ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares.

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## LETTER FROM ALPHA FINANCIAL

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### **Overseas Shareholders**

The Offeror intends to make the Offer available to all the Offer Shareholders.

As the Offer to persons not being resident in Hong Kong may be affected by the laws and regulations of the relevant jurisdiction in which they are resident, Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice. It is the sole responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental, exchange control or other consents which may be required, or compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in respect of such jurisdictions).

Based on the register of members of the Company, as at the Latest Practicable Date, there were no Overseas Shareholders.

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

### **Taxation advice**

Offer Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, parties acting in concert with the Offeror, the Company, the Vendor, AFG Securities, Alpha Financial, the Independent Financial Adviser, the Registrar and their respective ultimate beneficial owners, directors, advisers, officers, agents or associates, or any other person involved in the Offer accepts responsibility for any taxation or other effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

### **Dealing and interests in the Company's Securities**

Save for the acquisition of the Sale Shares, neither the Offeror nor the parties acting in concert with him had dealt in any Shares, convertible securities, warrants or options of the Company or any derivatives in respect of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company during the Relevant Period.

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## LETTER FROM ALPHA FINANCIAL

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### INFORMATION OF THE GROUP

The Company is incorporated in the Cayman Islands with limited liability and its issued shares have been listed on the Stock Exchange since 14 September 2018. The Company is an investment holding company and its subsidiaries are principally engaged in provision of financial and securities services including corporate finance advisory services, placing and underwriting services, securities dealing and brokerage services, securities financing services and asset management services. The Group is an integrated financial and securities services provider licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO. Prior to the Disposal Completion, the Group engaged in money lending services. Upon Disposal Completion and as at the Latest Practicable Date, the Group ceased its money lending services.

Further information on the Group is set out in the paragraph headed “Information on the Group” in the “Letter from the Board” as contained in this Composite Document. Financial Information on the Group is set out in Appendix II to this Composite Document.

### INFORMATION OF THE OFFEROR

Mr. Wang has over 8 years of experience in quantitative trading and the financial sector. He served as the investment director and fund manager for Beijing Beiao Hi-Tech Investment Management Co., Ltd\* (北京北翱高科投資管理有限公司), an asset management firm in the PRC focusing on quantitative investment, established in February 2016 with the private securities investment fund manager license issued by the Asset Management Association of China, from 2017 to 2023. He was responsible for sourcing prospective investments, portfolio management and relationship management. He also served as a director for Golden Hen Investment Management Limited, a corporation licensed to carry out Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO from 2023 to 2025, where he was involved in board-level strategic guidance and oversight as a director. Mr. Wang holds a Bachelor’s degree in Safety Engineering from South China University of Technology in 2009 and a Master’s degree in Information and Operations Management from National Taipei University of Technology in 2013.

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## LETTER FROM ALPHA FINANCIAL

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### THE OFFEROR'S INTENTION ON THE GROUP

Upon Completion, the Offeror became the controlling shareholder of the Company and be interested in 45,000,000 Shares, representing 75% of the total issued share capital of the Company.

As at Latest Practicable Date, save for the Disposal, the intention of the Offeror is that the Company's existing principal activities will be maintained and continued after completion of the Offer. The Offeror confirms that there is no intention to divest the existing businesses of the Company during the Offer Period and after the end of the Offer Period unless appropriate opportunities arise. Leveraging Mr. Wang's experience, industry knowledge and network, the Offeror intends to maintain the current business of the Group and to explore related business opportunities in the future. The Offeror will conduct a review of the existing principal businesses, operations, financial position, investments, proposed investments of the Group for the purpose of formulating long-term business plans and strategies for the future business development of the Group.

Based on the information of Mr. Wang as set out above, it is expected that Mr. Wang's experience in the financial business sector in the PRC and in Hong Kong, where he acted as the investment director and fund manager of a PRC asset management firm and a director of a Hong Kong SFC Type 4 and Type 9 licenced firm and his past responsibilities to source potential investment opportunities and provision of strategic guidance, will bring in a positive impact and benefit to the business operation of the Group. Subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, business rationalization, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group. Save for the Offeror's intention regarding the Group as set out above, as at the Latest Practicable Date, no investment or business opportunity has been identified nor has the Offeror entered into any agreements, arrangements, understandings or negotiation in relation to the injection of any assets or business into the Group.

As at the Latest Practicable Date, the Offeror has no intention to introduce major changes to the business of the Group, including any redeployment of fixed assets other than those in its ordinary and usual course of business. The Offeror may make some changes to the composition of the Board by nominating new Directors (at a time no earlier than permitted under the Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate) so as to facilitate the business operation and management of the Group. As at the Latest Practicable Date, the Offeror has not identified any potential candidate(s) to be appointed as new Director(s) of the Company. Any changes to the members of the Board will be made in compliance with the Takeovers Code and the Listing Rules and further announcement(s) will be made as and when appropriate.

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## LETTER FROM ALPHA FINANCIAL

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As at the Latest Practicable Date, the Offeror has no plan to terminate the employment of any senior management personnel of the Group. Instead, the Offeror is inclined to work together with the senior management of the Company and to leverage on their expertise and experience to further promote the growth of the Group. The Offeror will, depending on the business operations and development of the Group in the future, constantly review the employee structure of the Group so as to meet the needs of the Group from time to time. However, the Offeror reserves the right to make any changes that it deems necessary or appropriate to the Group's businesses and operations to increase the value of the Group.

### **PUBLIC FLOAT AND MAINTENANCE OF THE LISTING STATUS OF THE COMPANY**

The Stock Exchange has stated that:

(a) if, at the close of the Offer, the Stock Exchange believes that:

- a false market exists or may exist in the trading of the Shares; or
- an orderly market does not exist or may not exist;

it will consider exercising its discretion to suspend dealings in the Shares; and

(b) if, at the close of the Offer, the Company has a Significant Public Float Shortfall (as defined in Rule 13.32F of the Listing Rules), then:

- the Stock Exchange will add a designated marker to the stock name of the Shares; and
- the Stock Exchange will cancel the listing of the Shares if the Company fails to re-comply with Rule 13.32B of the Listing Rules for a continuous period of 18 months from the commencement of the Significant Public Float Shortfall.

The Offeror intends the Company to remain listed on the Stock Exchange. The Offeror has undertaken to the Stock Exchange that if, at the close of the Offer, the Company fails to comply with the requirement of Rule 13.32B of the Listing Rules, he will take appropriate steps to ensure the Company's compliance with Rule 13.32B of the Listing Rules at the earliest possible moment. The steps that the Offeror may take include but not limited to placing down or selling sufficient number of accepted Shares which it will acquire from the Offer to selected Independent Third Parties, or in the market. No arrangements have been confirmed or put in place as at the Latest Practicable Date.

Therefore, it should be noted that upon close of the Offer, there may be insufficient public float of the Shares and the trading in the Shares may be suspended until sufficient public float exists for the Shares. Further announcement(s) regarding the restoration of public float (if any) will be made by the Company as and when appropriate.

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## LETTER FROM ALPHA FINANCIAL

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### ACCEPTANCE AND SETTLEMENT

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

### COMPULSORY ACQUISITION

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

### GENERAL

This Composite Document has been prepared for the purposes of complying with the laws of Hong Kong, the Takeovers Code and the Listing Rules and the information disclosed may not be the same as which would have been disclosed if this Composite Document had been prepared in accordance with the laws of jurisdictions outside Hong Kong.

To ensure equality of treatment of all Offer Shareholders, those Offer Shareholders who hold Shares as nominee on behalf of more than one beneficial owner should, as far as practicable, treat the holding of such beneficial owner separately. It is essential for the beneficial owners of the Shares whose investments are registered in the names of nominees to provide instructions to their nominees of their intentions with regard to the Offer.

Attention of the Overseas Shareholders is drawn to the paragraph headed “7. Overseas Shareholders” in Appendix I to this Composite Document. All communications, notices, Form of Acceptance, share certificate(s), transfer receipt(s), other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and remittances to settle the consideration payable under the Offer to be delivered by or sent to or from the Offer Shareholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk. None of the Offeror, the Company, the Vendor, AFG Securities, Alpha Financial, the Independent Financial Adviser, the Registrar or (as the case may be) their respective ultimate beneficial owners, directors, officers, agents and associates nor any other person involved in the Offer will be responsible for any loss or delay in postage or any other liabilities that may arise as a result thereof or in connection therewith. Further details have been set out in Appendix I to this Composite Document and in the accompanying Form of Acceptance.

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## LETTER FROM ALPHA FINANCIAL

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### ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this Composite Document and the accompanying Form of Acceptance, which form part of this Composite Document. You are reminded to carefully read the “Letter from the Board”, the “Letter from the Independent Board Committee”, the “Letter from the Independent Financial Adviser” and other information about the Group, which are set out in this Composite Document and the accompanying Form of Acceptance before deciding whether or not to accept the Offer.

In considering what action to take in connection with the Offer, you should consider your own tax or financial position and if you are in any doubt, you should consult your professional advisers.

Yours faithfully,  
For and on behalf of  
**Alpha Financial Group Limited**  
**Cheng Chi Ming, Andrew**  
*Managing Director*

Yours faithfully,  
For and on behalf of  
**Alpha Financial Group Limited**  
**Irene Ho**  
*Vice President*

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LETTER FROM THE BOARD

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**INNOVAX HOLDINGS LIMITED**

**創陸控股有限公司**

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

**(Stock Code: 2680)**

*Executive Directors:*

Mr. Chung Chi Man (*Chairman*)

Mr. Poon Siu Kuen, Calvin (*Chief Executive Officer*)

*Independent non-executive Directors:*

Dr. Wu Kwun Hing

Mr. Kwong Hon Nan, Eric

Ms. Chan Ka Lai, Vanessa

*Registered Office:*

Cricket Square Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Headquarters and Principal place of*

*Business in Hong Kong:*

Unit A to C, 20/F Neich Tower

128 Gloucester Road Wanchai

Hong Kong

8 April 2026

*To the Offer Shareholders*

Dear Sir or Madam,

**UNCONDITIONAL MANDATORY CASH OFFER BY  
AFG SECURITIES LIMITED FOR AND ON BEHALF OF  
MR. WANG TINGFA TO ACQUIRE ALL THE ISSUED SHARES OF  
INNOVAX HOLDINGS LIMITED (OTHER THAN THOSE ALREADY  
OWNED OR AGREED TO BE ACQUIRED BY THE OFFEROR AND  
PARTIES ACTING IN CONCERT WITH HIM)**

**INTRODUCTION**

References are made to (i) the Joint Announcement jointly published by the Offeror and the Company dated 10 October 2025 in relation to, among other things, the Sale and Purchase Agreement and the Offer; (ii) the joint announcements jointly published by the Offeror and the Company dated 31 October 2025, 28 November 2025, 28 December 2025, 28 January 2026, 27 February 2026 and 25 March 2026 in relation to the monthly update on the Offer; and (iii) the joint announcement jointly published by the Offeror and the Company dated 31 March 2026 in relation to, among other things, the Completion and the Offer.

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## LETTER FROM THE BOARD

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As disclosed in the joint announcement dated 31 March 2026, Completion took place on the Completion Date. Pursuant to the Sale and Purchase Agreement, the Offeror (through Billion Shine) acquired 45,000,000 Shares, representing 75% of the total issued share capital of the Company as at the date of the Joint Announcement and at Completion. Immediately before Completion, the Offeror and parties acting in concert with him did not hold any Shares, convertible securities, warrants, options or derivatives in issue which may confer any rights to subscribe for, convert or exchange into the Shares.

Immediately upon Completion, the Offeror (through Billion Shine) and parties acting in concert with him held 45,000,000 Shares, representing 75% of the entire issued share capital of the Company. Accordingly, the Offeror is required to make a mandatory general offer in cash for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with him). Therefore, AFG Securities, on behalf of the Offeror, makes the Offer pursuant to Rule 26.1 of the Takeovers Code.

The purpose of this Composite Document is to provide you with, among others, details of the Offer, the recommendation from the Independent Board Committee to the Offer Shareholders, and the advice from the Independent Financial Adviser in respect of the Offer, together with the Form of Acceptance.

### THE OFFER

As set out in the “Letter from Alpha Financial” in this Composite Document:

AFG Securities, for and on behalf of the Offeror and in compliance with the Takeovers Code, is making the Offer on the following basis:

**For each Offer Share . . . . . HK\$6.00 in cash**

Given the sole asset of Billion Shine is the 45,000,000 Shares held by it, the Offer Price of HK\$6.00 per Offer Share under the Offer is equivalent to the Consideration of HK\$270,000,000 divided by 45,000,000 Shares held by Billion Shine, which was arrived after arm’s length negotiations between the Offeror and the Vendor.

The Offer is extended to all Offer Shareholders in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer shall be fully paid and free from all encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of this Composite Document.

As at the Latest Practicable Date, no outstanding dividend declared by the Company remained unpaid, and the Board advised that the Company has no intention to make, declare or pay any future dividend or make other distributions until after the close of the Offer.

The Offer is unconditional in all aspects when made, and is not conditional upon any minimum level of acceptances being received or any other conditions.

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## LETTER FROM THE BOARD

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### Comparison of value

The Offer Price of HK\$6.00 per Offer Share represents:

- (i) a discount of approximately 50.4% to the closing price of HK\$12.1 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a premium of approximately 6.0% over the closing price of HK\$5.66 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a premium of approximately 19.2% over the average closing price of approximately HK\$5.03 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a premium of approximately 20.8% over the average closing price of approximately HK\$4.97 per Share as quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a premium of approximately 25.9% over the average closing price of approximately HK\$4.76 per Share as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day;
- (vi) a premium of approximately 37.1% over the average closing price of approximately HK\$4.38 per Share as quoted on the Stock Exchange for the last 60 trading days immediately prior to and including the Last Trading Day;
- (vii) a premium of approximately 92.6% over the audited consolidated net asset value attributable to the owners of the Company of approximately HK\$3.115 per Share as at 28 February 2025 calculated based on audited equity attributable to owners of the Company of approximately HK\$186,873,000 as at 28 February 2025 and 60,000,000 Shares in issue as at the Latest Practicable Date; and
- (viii) a premium of approximately 75.5% over the unaudited consolidated net asset value attributable to the owners of the Company of approximately HK\$3.419 per Share as at 31 August 2025 calculated based on audited equity attributable to owners of the Company of approximately HK\$205,152,000 as at 31 August 2025 and 60,000,000 Shares in issue as at the Latest Practicable Date.

### Highest and lowest Share prices

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$16.31 per Share on 16 January 2026, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$1.2 per Share during the period from 14 April 2025 to 22 April 2025.

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## LETTER FROM THE BOARD

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### Value of the Offer

Your attention is drawn to the section headed “Value of the Offer” in the “Letter from Alpha Financial” contained in this Composite Document which sets out the value of the Offer.

### INFORMATION ON THE GROUP

The Company is incorporated in the Cayman Islands with limited liability and its issued shares have been listed on the Stock Exchange since 14 September 2018. The Company is an investment holding company and its subsidiaries are principally engaged in provision of financial and securities services including corporate finance advisory services, placing and underwriting services, securities dealing and brokerage services, securities financing services and asset management services. The Group is an integrated financial and securities services provider licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO. Prior to the Disposal Completion, the Group engaged in money lending services. Upon Disposal Completion and as at the Latest Practicable Date, the Group ceased its money lending services.

Your attention is drawn to Appendices II and III to this Composite Document which contain financial information and general information of the Group.

### SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) immediately prior to Completion; and (ii) immediately after Completion and as at the Latest Practicable Date.

Shareholders	Immediately prior to Completion		Immediately after Completion and as at the Latest Practicable Date	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Billion Shine (Note)	45,000,000	75.00	45,000,000	75.00
<b>Subtotal of the Offeror and parties acting in concert with him (Note)</b>	<b>–</b>	<b>–</b>	<b>45,000,000</b>	<b>75.00</b>
Other Shareholders	<u>15,000,000</u>	<u>25.00</u>	<u>15,000,000</u>	<u>25.00</u>
Total	<u>60,000,000</u>	<u>100.00</u>	<u>60,000,000</u>	<u>100.00</u>

Note: Immediately prior to Completion, Billion Shine was wholly and beneficially owned by the Vendor. Immediately upon Completion, Billion Shine is wholly and beneficially owned by the Offeror.

### INFORMATION ON THE OFFEROR

Your attention is drawn to the section headed “Information of the Offeror” in the “Letter from Alpha Financial” contained in this Composite Document.

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## LETTER FROM THE BOARD

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### INTENTION OF THE OFFEROR ON THE GROUP

Your attention is drawn to the section headed “The Offeror’s Intention on the Group” in the “Letter from Alpha Financial” contained in this Composite Document.

The Board noted that, save for the Disposal, it is the intention of the Offeror that the Company’s existing principal business activities will be maintained and continued after completion of the Offer. The Offeror confirms that there is no intention to divest the existing businesses of the Company during the Offer Period and after the end of the Offer Period unless appropriate opportunities arise. Leveraging Mr. Wang’s experience, industry knowledge and network, the Offeror intends to maintain the current business of the Group and to explore related business opportunities in the future. The Offeror will conduct a review of the existing principal businesses, operations, financial position, investments, proposed investments of the Group for the purpose of formulating long-term business plans and strategies for the future business development of the Group.

The Board is aware of the Offeror’s intentions in respect of the Group and its employees and is willing to cooperate with the Offeror and act in the best interests of the Company and the Shareholders as a whole.

Save for the Offeror’s intention as set out above, as at the Latest Practicable Date, the Offeror had no intention (i) to make any significant changes to any key employees of the Group (except for the proposed changes, if any, to the members of the Board at a time no earlier than that permitted under the Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate); (ii) to introduce any major changes to the existing operations and business of the Group, including any redeployment of fixed assets other than those in its ordinary and usual course of business; and (iii) to dispose of the Group’s fixed assets which are not in the ordinary and usual course of business of the Group as a result of completion of the Offer. However, the Offeror reserved the right to make any changes that it deems necessary or appropriate to the Group’s business and operations to optimise the value of the Group.

### OFFEROR’S INTENTION REGARDING THE GROUP’S SENIOR MANAGEMENT AND EMPLOYEES

Your attention is drawn to the section headed “The Offeror’s Intention on the Group” in the “Letter from Alpha Financial” contained in this Composite Document.

As at the Latest Practicable Date, the Offeror has no plan to terminate the employment of any senior management personnel of the Group. Instead, the Offeror is inclined to work together with the senior management of the Company and to leverage on their expertise and experience to further promote the growth of the Group. The Offeror will, depending on the business operations and development of the Group in the future, constantly review the employee structure of the Group so as to meet the needs of the Group from time to time. However, the Offeror reserves the right to make any changes that it deems necessary or appropriate to the Group’s businesses and operations to increase the value of the Group.

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## LETTER FROM THE BOARD

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### **PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY**

Your attention is drawn to the section headed “Public Float and Maintenance of the Listing Status of the Group” in the “Letter from Alpha Financial” contained in this Composite Document. The Board notes that the Offeror intends to remain listed on the Stock Exchange and the Offeror has undertaken to the Stock Exchange that if, at the close of the Offer, the Company fails to comply with the requirement of Rule 13.32B of the Listing Rules, he will take appropriate steps to ensure the Company’s compliance with Rule 13.32B of the Listing Rules at the earliest possible moment.

### **RECOMMENDATIONS**

Your attention is drawn to the “Letter from the Independent Board Committee” and the “Letter from the Independent Financial Adviser” in this Composite Document, which contain, among others, the advice of the Independent Financial Adviser and the Independent Board Committee in relation to the Offer and the principal factors considered by them in arriving at their recommendations, and in particular, as to whether the Offer is fair and reasonable and as to the acceptance of the Offer.

### **ADDITIONAL INFORMATION**

Your attention is drawn to additional information set out in the appendices to this Composite Document. You are also recommended to read carefully the “Letter from Alpha Financial” in this Composite Document and the accompanying Form of Acceptance.

If you are in doubt about your position in connection with the Offer, you should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

By order of the Board  
**Innovax Holdings Limited**  
**Chau Lok Yi**  
*Company Secretary*



**INNOVAX HOLDINGS LIMITED**

**創陞控股有限公司**

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

**(Stock Code: 2680)**

8 April 2026

*To the Offer Shareholders*

Dear Sir or Madam,

**UNCONDITIONAL MANDATORY CASH OFFER BY  
AFG SECURITIES LIMITED FOR AND ON BEHALF OF  
MR. WANG TINGFA TO ACQUIRE ALL THE ISSUED SHARES OF  
INNOVAX HOLDINGS LIMITED (OTHER THAN THOSE  
ALREADY OWNED OR AGREED TO BE ACQUIRED BY  
THE OFFEROR AND PARTIES ACTING IN CONCERT WITH HIM)**

We refer to this Composite Document dated 8 April 2026 jointly issued by the Offeror and the Company, of which this letter forms part. Unless specified otherwise, terms used herein shall have the same meanings as those defined in this Composite Document.

We have been appointed by the Board to form the Independent Board Committee to consider the Offer and to advise the Offer Shareholders as to whether, in our opinion, the Offer is fair and reasonable and to make a recommendation as to acceptance of the Offer.

Merdeka has been appointed as the Independent Financial Adviser to advise us in respect of the Offer and as to whether the Offer is fair and reasonable, and as to acceptance of the Offer. Details of its advice and the principal factors considered by it in arriving at its advice and recommendations are set out in the “Letter from the Independent Financial Adviser” in the Composite Document.

We also wish to draw your attention to “Letter from Alpha Financial”, “Letter from the Board” and the additional information set out in this Composite Document, including the appendices to the Composite Document and the accompanying Form of Acceptance in respect of the terms of the Offer and the acceptance and settlement procedures for the Offer.

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## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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### RECOMMENDATION

Having considered the terms of the Offer, the information contained in this Composite Document and the principal factors and reasons considered by, and the independent advice of Merdeka, as set out in its letter of advice, we consider that the Offer is not fair and not reasonable so far as the Offer Shareholders are concerned. Therefore, we recommend the Offer Shareholders not to accept the Offer.

The Offer Shareholders who wish to realise part or all their investments in the Company are reminded to monitor the trading price and liquidity of the Shares during the Offer Period and should, having regard to their own circumstances, consider selling their Shares in the open market instead of accepting the Offer, respectively, if the net proceeds obtained from such disposal of the Shares (after deducting all transaction costs) would be higher than the net proceeds from accepting the Offer.

Notwithstanding our recommendations, the Offer Shareholders are strongly recommended to read the full text of the “Letter from the Independent Financial Adviser” as set out in the Composite Document before making their decisions. Further, the Offer Shareholders are strongly advised that the decision to release or hold their investments is subject to individual circumstances and investment objectives. If in doubt, the Offer Shareholders should consult their own professional advisers for advice.

Yours faithfully,

For and on behalf of the Independent Board Committee,

**Dr. Wu Kwun Hing**

**Mr. Kwong Hon Nan, Eric**

**Ms. Chan Ka Lai, Vanessa**

*Independent non-executive Directors*

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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*The following is the full text of a letter of advice from the Independent Financial Adviser setting out the advice to the Independent Board Committee in respect of the Offer, which has been prepared for the purpose of inclusion in the Composite Document.*



Room 1108-1110, 11/F.  
Wing On Centre  
111 Connaught Road Central  
Hong Kong

8 April 2026

*To: The Independent Board Committee of  
Innovax Holdings Limited*

Dear Sirs or Madams,

**UNCONDITIONAL MANDATORY CASH OFFER BY  
AFG SECURITIES LIMITED  
FOR AND ON BEHALF OF  
MR. WANG TINGFA  
TO ACQUIRE ALL THE ISSUED SHARES OF  
INNOVAX HOLDINGS LIMITED  
(OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED  
BY THE OFFEROR AND PARTIES ACTING IN CONCERT WITH HIM)**

### INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to the Independent Board Committee in relation to the Offer, details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the composite offer and response document dated 8 April 2026 (the “**Composite Document**”) jointly issued by Mr. Wang Tingfa (the “**Offeror**”) and Innovax Holdings Limited (the “**Company**”) to the Shareholders, of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Composite Document unless the context requires otherwise.

As disclosed in the Joint Announcement, on 25 September 2025 (after trading hours), the Vendor (as vendor) and the Offeror (as purchaser) entered into the Sale and Purchase Agreement, pursuant to which the Vendor has conditionally agreed to sell, and the Offeror has conditionally agreed to purchase, 110 Sale Shares, representing the entire issued share capital of Billion Shine as at the date of the Sale and Purchase Agreement, for a total consideration of HK\$270,000,000. The making of the Offer was conditional upon Completion (which in turn was conditional upon satisfaction or waiver (as may be applicable) of the Conditions Precedent), including but not limited to the Offeror and/or any other person(s) who will become a substantial shareholder of the Regulated Group Companies having applied to the SFC for approval to become a substantial shareholder of each of the Regulated Group Companies and the SFC having approved the Offeror to become a substantial shareholder of each of the Regulated Group Companies.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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As disclosed in the joint announcements dated 25 March 2026 and 31 March 2026, the Conditions Precedent have been fulfilled on 24 March 2026 and the Completion took place on 31 March 2026 (i.e. the Completion Date), whereas the said consideration was fully settled in cash on the same date.

Immediately upon Completion, the Offeror (through Billion Shine) and parties acting in concert with him own 45,000,000 Shares, representing 75% of the entire issued share capital of the Company. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make a mandatory general offer in cash for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with him). Therefore, AFG Securities is, on behalf of the Offeror and in compliance with the Takeovers Code, making the Offer.

### THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all the independent non-executive Directors, namely Dr. Wu Kwun Hing, Mr. Kwong Hon Nan, Eric and Ms. Chan Ka Lai, Vanessa, has been established in accordance with Rule 2.1 of the Takeovers Code to advise and give a recommendation to the Offer Shareholders as to whether the Offer is fair and reasonable and as to the acceptance of the Offer. In our capacity as the Independent Financial Adviser, our role is to give an independent opinion to the Independent Board Committee as to whether the Offer is fair and reasonable and as to acceptance so far as the Offer Shareholders are concerned, and such appointment has been approved by the Independent Board Committee.

### OUR INDEPENDENCE

We, Merdeka, have been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee in this respect, and our opinion herein is solely for the assistance of the Independent Board Committee in connection with its consideration of the Offer pursuant to Rule 2.1 of the Takeovers Code. The appointment of Merdeka as the Independent Financial Adviser has been approved by the Independent Board Committee. Our role as the Independent Financial Adviser is to give our recommendation to the Independent Board Committee as to (i) whether the Offer is fair and reasonable so far as the Offer Shareholders are concerned; and (ii) whether the Offer should be accepted.

We are independent of and not connected with the Company, the Vendor, the Offeror, CPL, MSL, and any of their respective substantial shareholders, or any party acting, or presumed to be acting, in concert with any of them. During the past two years immediately preceding and up to the date of our appointment as the Independent Financial Adviser, we acted as the independent financial adviser to the then independent board committee of the Company and issued an opinion letter relating to the connected and discloseable transaction involving disposal of Innovax Credit Limited and Innovax Management Limited and the special deal (the “**Previous Engagement**”), details of which have been set out in the circular of the Company dated 17 November 2025. Save for the Previous Engagement and this appointment as the Independent Financial Adviser in respect of the Offer, there were no other engagements between Merdeka Corporate Finance Limited and the Group or the Offeror. Apart from the normal advisory fee payable to us in connection with our

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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appointment as the Independent Financial Adviser to advise the Independent Board Committee, no arrangement exists whereby we shall receive any other fees or benefits from the Offeror and the Company or any of their respective substantial shareholders or any person acting, or deemed to be acting, in concert with any of them. Accordingly, we are considered eligible to give independent advice on the Offer.

### **BASIS OF OUR ADVICE**

In formulating our advice and recommendation to the Independent Board Committee, we have relied on the statements, information, opinions, and representations contained in or referred to in the Composite Document and the information and representations as provided to us by the Directors and the management of the Company (the “**Management**”). Our review procedures include, among others, review of the interim report of the Company for the six months ended 31 August 2025 (the “**2025 Interim Report**”) and the annual reports of the Company for the years ended 28 February 2025 (the “**2024/2025 Annual Report**”) and 28 February 2024 (the “**2023/2024 Annual Report**”), the Composite Document, relevant announcements published by the Company, the industry trends of the Group’s principal business, the historical Share price performance and the trading liquidity of the Company, and comparable companies to the Company. We have assumed that all information and representations that have been provided by the Directors and the Management are true, complete and accurate in all material respects at the time when they were made and up to the date throughout the Offer Period and should there be any material changes thereto, Shareholders would be notified as soon as possible in accordance with Rule 9.1 of the Takeovers Code. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Composite Document were reasonably made after due enquiries and careful considerations.

We consider that we have been provided with sufficient information on which to form a reasonable basis for our opinion. We have no reason to suspect that any relevant information has been withheld, nor are we aware of any fact or circumstance which would render the information provided and representations made to us untrue, inaccurate or misleading. We consider that we have performed all the necessary steps to enable us to reach an informed view and to justify our reliance on the information provided so as to provide a reasonable basis for our opinion. The Offer Shareholders will be notified of any material changes to such information provided in the Composite Document and our opinion as soon as possible. We have also assumed that all statements of opinion made by the Directors and the Management in the Composite Document were reasonably made after due enquiries and careful consideration.

The Directors have confirmed that, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in the Composite Document have been arrived at after due and careful consideration and there are no other facts not contained in the Composite Document, the omission of which would make any statement in the Composite Document misleading.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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While we have taken reasonable steps to satisfy the requirements under the Takeovers Code and the Listing Rules, we have not carried out any independent verification of the information, opinions or representations given or made by or on behalf of the Company or the Offeror as set out in the Composite Document, nor have we conducted an independent investigation into the business affairs or assets and liabilities of the Group or any of the other parties involved in the Offer.

We have not considered the tax and regulatory implications on the Offer Shareholders of acceptance or non-acceptance of the Offer since these depend on their individual circumstances. In particular, the Offer Shareholders who are resident overseas or subject to overseas taxes or Hong Kong taxation on securities dealings should consider their own tax positions, and if in any doubt, should consult their own professional adviser.

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

### PRINCIPAL FACTORS AND REASONS CONSIDERED

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

#### 1. Background information on the Group

##### *1.1 Principal business*

The Company is incorporated in the Cayman Islands with limited liability and its issued Shares have been listed on the Stock Exchange since 14 September 2018. The Company is an investment holding company and its subsidiaries are principally engaged in the provision of financial and securities services, including corporate finance advisory services, placing and underwriting services, securities dealing and brokerage services, securities financing services, and asset management services. The Group is an integrated financial and securities services provider licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO. Prior to the Disposal Completion, the Group engaged in money lending services. Upon Disposal Completion and as at the Latest Practicable Date, the Group ceased its money lending services.

As disclosed in the circular of the Company dated 17 November 2025 (the “**Disposal Circular**”) in relation to the Disposal, on 25 September 2025, CPL, a wholly-owned subsidiary of the Company, and MSL, which is wholly-owned by the Vendor, entered into the Disposal Agreement, pursuant to which MSL has conditionally agreed to acquire and CPL has conditionally agreed to sell, or procure the sale of, the entire issued share capital of Innovax Credit and Innovax Management for a total consideration of HK\$58.2 million (subject to adjustment). As stated in the announcement of the Company dated 31 March 2026 in respect

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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of the Disposal Completion, completion of the Disposal took place on 31 March 2026, following which the Group ceased to (i) engage in the money lending business; and (ii) hold the securities held by Innovax Management. Please refer to the Disposal Circular for further details of the Disposal.

### **1.2 Historical financial information**

Set out below is a summary of (i) the audited consolidated financial statements of the Group for the years ended 28 February 2023 (“**FY2022/2023**”), 29 February 2024 (“**FY2023/2024**”) and 28 February 2025 (“**FY2024/2025**”) as extracted from the 2024/2025 Annual Report and the 2023/2024 Annual Report; and (ii) the unaudited consolidated financial statements of the Group for the six months ended 31 August 2024 (“**HY2024**”) and 2025 (“**HY2025**”) as extracted from the 2025 Interim Report.

	For the six months ended		For the year ended		
	31 August 2025	31 August 2024	28 February 2025	29 February 2024	28 February 2023
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)	(audited)	(audited)	(audited)
Revenue					
Corporate finance advisory services	4,815	4,347	8,495	11,734	17,446
– Placing and underwriting services	1,441	85,701	151,467	10,913	9,531
– Securities dealing and brokerage services	2,581	1,270	2,866	3,002	3,132
– Asset management services	1,202	205	492	427	455
– Interest income from securities financing services	896	1,409	2,611	5,525	14,808
– Interest income from money lending services	1,058	772	1,746	1,126	163
	<u>11,993</u>	<u>93,704</u>	<u>167,677</u>	<u>32,727</u>	<u>45,535</u>
<b>Total revenue</b>	<b>11,993</b>	<b>93,704</b>	<b>167,677</b>	<b>32,727</b>	<b>45,535</b>
Other income	1,910	2,445	5,408	4,638	4,412
Other (losses) and gains	24,092	(18,301)	(26,088)	22,424	625
	<u>37,995</u>	<u>77,848</u>	<u>146,997</u>	<u>59,789</u>	<u>50,572</u>
Total income	37,995	77,848	146,997	59,789	50,572
<b>(Loss)/profit before tax</b>	<b>18,279</b>	<b>(22,889)</b>	<b>(35,287)</b>	<b>1,775</b>	<b>(6,577)</b>
<b>(Loss)/profit and total comprehensive income/ (expense) for the period/year</b>	<b>18,279</b>	<b>(22,889)</b>	<b>(35,287)</b>	<b>1,775</b>	<b>(6,577)</b>

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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*For the six months ended 31 August 2024 and 2025*

During HY2025, the Group's total revenue was approximately HK\$12.0 million, representing a decrease of approximately 87.2%, as compared to HY2024. Notwithstanding that the revenue derived from the Group's corporate finance advisory business, securities dealing and brokerage business, asset management business and money lending business increased by approximately 10.8%, 103.2%, 485.4% and 37.0% respectively, as compared to HY2024, the decrease in the Group's total revenue was mainly attributable to (i) the significant decrease in the income generated from the placing and underwriting business, and as advised by the Management, as the investors became selective and showed a preference for higher-yields investments and issuers with stronger credit profiles, to compensate for rising risks associated with their investment, resulting in a reduction in demand and interest from the Group's clients in bond products, the Group did not participate in bond underwriting activities during HY2025 and (ii) the decrease in the interest income generated from the securities financing business given the Group's continuous prudent approach and strategy to reduce its risk exposure under the highly volatile market conditions during HY2025.

With reference to the 2025 Interim Report, we noted that the increase in other gains for HY2025 was mainly attributable to the increase in realised gain on financial assets at fair value through profit or loss ("FVTPL"), which amounted to a gain of approximately HK\$23.8 million for HY2025 whereas there was a loss of approximately HK\$2.9 million for HY2024. As advised by the Management, the financial assets of the Group mainly comprised equity securities listed in and outside Hong Kong, unlisted fund investments in Hong Kong, and unlisted equity investments in Hong Kong. The turnaround to a realised gain of approximately HK\$23.8 million for HY2025 from a realized loss of approximately HK\$2.9 million for HY2024 was primarily attributable to the gain on the Group's disposal of certain financial assets during HY2025.

During HY2025, the Group recorded a profit and total comprehensive income of approximately HK\$18.3 million, as compared with a loss and total comprehensive expense of approximately HK\$22.9 million for HY2024. The change from loss to profit was mainly attributable to the total net realised gain and unrealised gain on financial assets at FVTPL of approximately HK\$24.1 million for HY2025, as compared with the total net realised loss and unrealised loss on financial assets at FVTPL of approximately HK\$18.3 million for HY2024. Such turnaround mainly arose from the realized gain from the Group's disposal of certain financial assets during HY2025.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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*For the years ended 29 February 2024 and 28 February 2025*

During FY2024/2025, the Group's total revenue was approximately HK\$167.7 million, representing an increase of approximately 412.4%, as compared to FY2023/2024. Such increase was mainly attributable to successfully (i) expanding the product and service coverage of its placing and underwriting business to include debt capital markets; (ii) engaging as investment manager for more investment funds and increasing the size of assets under management; and (iii) increasing secured personal loan services and corporate loan services under its money lending business, resulting in the increase in the revenue derived from the Group's placing and underwriting business, asset management business and money lending business of approximately 1,288%, approximately 15.2% and approximately 55.1% respectively, as compared to FY2023/2024, notwithstanding that the revenue derived from the Group's corporate finance business, securities dealing and brokerage business and securities financing business decreased by approximately 27.6%, approximately 4.5% and approximately 52.7% respectively, as compared to FY2023/2024. As referred to the above, we noted that the substantial increase in the revenue for FY2024/2025 is mainly attributable to the substantial increase in revenue generated from placing and underwriting business to include debt capital markets. As advised by the Management, such increased participation in debt capital markets also resulted in a substantial increase in related operating expenses (i.e. sub-underwriting expenses arising from the Group's participation in bond underwriting during FY2024/2025).

During FY2024/2025, the Group recorded a loss and total comprehensive expense of approximately HK\$35.3 million, as compared with a profit and total comprehensive income of approximately HK\$1.8 million for FY2023/2024. The change from profit to loss was mainly attributable to the net unrealised loss on financial assets at fair value through profit or loss of approximately HK\$16.3 million and the net realised loss on financial assets at fair value through profit or loss of approximately HK\$9.8 million for FY2024/2025, as compared with the net unrealised gain on financial assets at fair value through profit or loss of approximately HK\$2.6 million and the net realised gain on financial assets at fair value through profit or loss of approximately HK\$19.8 million for FY2023/2024.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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*For the years ended 28 February 2023 and 29 February 2024*

During FY2023/2024, the Group's revenue generated from its corporate finance advisory business, securities dealing and brokerage business, securities financing business and asset management business recorded a decrease of approximately 32.7%, 4.2%, 62.7% and 6.2% respectively as compared to FY2022/2023. Consequently, during FY2023/2024, the Group's total revenue decreased by approximately 28.1% to approximately HK\$32.7 million from approximately HK\$45.5 million for FY2022/2023, notwithstanding that the revenue generated from the placing and underwriting business and the money lending business recorded an increase of approximately 14.5% and 590.8% respectively as compared to FY2022/2023. Driven by the Group's strategy to diversify its businesses from the provision of financial and securities services into capital investment leveraging on its internal resources and capital, the Group achieved a gain (unrealised and realised) from equity investment of approximately HK\$22.4 million during FY2023/2024.

With the Group's continuous effort in cost control, during FY2023/2024, the Group's total cost and expenses increased slightly by approximately 1.5% to approximately HK\$58.0 million from approximately HK\$57.1 million for FY2022/2023. The Group recorded a profit and total comprehensive income of approximately HK\$1.8 million for FY2023/2024, which significantly improved from a loss and total comprehensive expense of approximately HK\$6.6 million for FY2022/2023.

### Financial position as at 29 February 2024 and 28 February 2025 and 31 August 2025

	<b>As at 31 August 2025</b>	<b>As at 28 February 2025</b>	<b>As at 29 February 2024</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>Unaudited</i>	<i>Audited</i>	<i>Audited</i>
Total non-current assets	2,474	2,544	1,509
Total current assets	354,079	350,483	282,091
<b>Total assets</b>	<b>356,553</b>	<b>353,027</b>	<b>283,600</b>
Current liabilities	151,146	165,905	73,111
Non-current liabilities	255	249	–
<b>Total liabilities</b>	<b>151,401</b>	<b>166,154</b>	<b>73,111</b>
<b>Net assets</b>	<b>205,152</b>	<b>186,873</b>	<b>210,489</b>

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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Total assets of the Group increased slightly by 1.0% from approximately HK\$353.0 million as at 28 February 2025 to approximately HK\$356.6 million as at 31 August 2025. The total liabilities of the Group amounted to approximately HK\$151.4 million as at 31 August 2025, representing a decrease of approximately 8.9% as compared to approximately HK\$166.2 million as at 28 February 2025. The net assets of the Group amounted to approximately HK\$205.2 million, representing an increase of approximately 9.8% as compared to approximately HK\$186.8 million.

The total assets of the Group increased by 24.5% from approximately HK\$283.6 million as at 29 February 2024 to approximately HK\$353.0 million as at 28 February 2025. As advised by the Management, the increase in the total assets is mainly attributable to the increase in the current assets, which was mainly attributable to the increase in cash and bank balances – held on behalf of customers from approximately HK\$48.9 million as at 29 February 2024 to approximately HK\$133.2 million as at 28 February 2025. The total liabilities of the Group amounted to approximately HK\$166.2 million as at 28 February 2025, representing an increase of approximately 127.3% as compared to approximately HK\$73.1 million as at 29 February 2024. As advised by the Management, the increase in total liabilities is mainly due to the increase in amount payable by the Group to its clearing house and securities trading clients, representing clients' monies placed in their respective accounts maintained with the Group for the Group's securities dealing and brokerage services, which corresponded with the increase in current assets as illustrated above. The net assets of the Group decreased to approximately HK\$186.9 million as at 28 February 2025, as compared to approximately HK\$210.5 million as at 29 February 2024.

## **2. Background and intention of the Offeror**

### ***2.1 Background information on the Offeror***

Mr. Wang has over 8 years of experience in quantitative trading and the financial sector. He served as the investment director and fund manager for Beijing Beiao Hi-Tech Investment Management Co., Ltd\* (北京北翱高科投資管理有限公司), an asset management firm in the PRC focusing on quantitative investment, established in February 2016 with the private securities investment fund manager license issued by the Asset Management Association of China, from 2017 to 2023. He was responsible for sourcing prospective investments, portfolio management and relationship management. He also served as a director for Golden Hen Investment Management Limited, a corporation licensed to carry out Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO from 2023 to 2025 where he was involved in board-level strategic guidance and oversight as a director. Mr. Wang holds a Bachelor's degree in Safety Engineering from South China University of Technology in 2009 and a Master's degree in Information and Operations Management from National Taipei University of Technology in 2013.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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Having considered Mr. Wang's background in quantitative trading and asset management as mentioned above, we are of the view that Mr. Wang's experience in investment management and regulated financial services would contribute to enhancing the Group's asset management capabilities. In particular, his experience in quantitative investment strategies would strengthen the Group's investment expertise and potentially expand the range of products offered by the Group. Accordingly, it is expected that Mr. Wang's experience in the financial business sector in the PRC and in Hong Kong will bring in a positive impact and benefit to the business operation of the Group.

### ***2.2 Intentions of the Offeror regarding the Group***

Upon Completion, the Offeror became the controlling shareholder of the Company and has been interested in 45,000,000 Shares, representing 75% of the total issued share capital of the Company.

As at the Latest Practicable Date, save for Disposal, the intention of the Offeror is that the Company's existing principal activities will be maintained and continued after completion of the Offer. The Offeror confirms that there is no intention to divest the existing businesses of the Company during the Offer Period and after the end of the Offer Period unless appropriate opportunities arise. Leveraging Mr. Wang's experience, industry knowledge and network, the Offeror intends to maintain the current business of the Group and to explore related business opportunities in the future. The Offeror will conduct a review of the existing principal businesses, operations, financial position, investments, proposed investments of the Group for the purpose of formulating long-term business plans and strategies for the future business development of the Group.

Based on the information of Mr. Wang as set out above, it is expected that Mr. Wang's experience in the financial business sector in the PRC and in Hong Kong, where he acted as the investment director and fund manager of a PRC asset management firm and a director of a Hong Kong SFC Type 4 and Type 9 licensed firm and his past responsibility to source potential investment opportunities and provision of strategic guidance, will bring in a positive impact and benefit to the business operation of the Group. Subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, business rationalization, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group. Save for the Offeror's intention regarding the Group as set out above, as at the Latest Practicable Date, no investment or business opportunity has been identified nor has the Offeror entered into any agreements, arrangements, understandings or negotiation in relation to the injection of any assets or business into the Group.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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As at the Latest Practicable Date, the Offeror has no intention to introduce major changes to the business of the Group, including any redeployment of fixed assets other than those in its ordinary and usual course of business. The Offeror may make some changes to the composition of the Board by nominating new Directors (at a time no earlier than permitted under the Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate) so as to facilitate the business operation and management of the Group. As at the Latest Practicable Date, the Offeror has not identified any potential candidates to be appointed as new Director(s) of the Company. Any changes to the members of the Board will be made in compliance with the Takeovers Code and the Listing Rules and further announcement(s) will be made as and when appropriate.

As at the Latest Practicable Date, the Offeror has no plan to terminate the employment of any senior management personnel of the Group. Instead, the Offeror is inclined to work together with the senior management of the Company and to leverage on their expertise and experience to further promote the growth of the Group. The Offeror will, depending on the business operations and development of the Group in the future, constantly review the employee structure of the Group so as to meet the needs of the Group from time to time. However, the Offeror reserves the right to make any changes that it deems necessary or appropriate to the Group's businesses and operations to increase the value of the Group.

### **3. Prospects and outlook of the Group**

As referred to in the section headed "1. Background Information on the Group" in this letter and the 2024/2025 Annual Report, approximately 97.4% of the Group's revenue for FY2024/2025 was derived from regulated activities under the SFO in Hong Kong, which continues to be the core business of the Group upon Disposal Completion. In view of the Group's principal business upon Disposal Completion, we have reviewed the outlook of both the initial public offering ("IPO") market and the secondary market in Hong Kong, which are relevant to the operating environment of the Group.

In addition, given that income from underwriting and placing bonds issued by PRC private enterprises and state-owned enterprises constituted a significant portion of the Group's revenue, we also reviewed the PRC macroeconomic environment and bond market environment, which represent the principal market and issuers of the bonds underwritten and placed by the Group.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### *Hong Kong capital markets*

According to official statistics published by the Stock Exchange, a total of 119 companies completed IPOs in Hong Kong in 2025, representing an increase of approximately 67.6% as compared with 71 IPOs recorded in 2024, reflecting a recovery in overall IPO market activity. In terms of fundraising scale, the total funds raised from IPOs as at the end of December 2025 amounted to approximately HK\$285.8 billion, representing an increase of approximately 225% from approximately HK\$88 billion during the same period in 2024.

With respect to the secondary market, based on the annual report published by the SFC for the year ended 31 March 2025, the number of Takeovers-related transactions and applications amounted to 395 during the 2024/2025 financial year, representing an increase of approximately 24.6% as compared to 2023/2024 financial year. In particular, the number of general offers and partial offers conducted under the Takeovers Code reached 44 cases during the 2024/2025 financial year, representing an increase of 37.5% and 33.3% as compared with 32 cases and 33 cases recorded in the 2023/2024 and 2022/2023 financial years, respectively.

In addition, in order to strengthen Hong Kong's position as an international financial centre, the Hong Kong Government and relevant regulators have introduced a series of policy measures and initiatives. These include, among others, initiatives outlined in the Hong Kong Government's 2025 Policy Address aimed at promoting market development and improving capital-raising efficiency, such as enhancing main board listing and structured product issuance mechanisms, studying the optimisation of dual-class share listing arrangements, promoting overseas secondary listings in Hong Kong and facilitating the return of China concept stocks. Furthermore, the Stock Exchange and the Securities and Futures Commission jointly announced on 6 May 2025 the launch of a dedicated Technology Enterprises Channel (TECH) to further facilitate new listing applications from prospective Specialist Technology Companies and Biotech Companies.

In light of the above, it is demonstrated that the overall IPO market in Hong Kong is showing clear signs of recovery, as evidenced by the increase in the number of IPOs and the substantial growth in fundraising. Together with the increasing number of general and partial offers conducted under the Takeovers Code and the supportive policy environment, this indicates improving market activity and confidence across both the primary and secondary markets in Hong Kong.

With reference to the financial information of the Group for HY2025 as set out above in this letter, we noted that revenue generated from corporate finance advisory services, securities dealing and brokerage services, and asset management services, which are primarily generated from the Hong Kong and thereby closely linked to the IPO and secondary markets in Hong Kong, recorded an increase as compared to HY2024. Accordingly, the Group's financial performance has benefited from the recovery of the Hong Kong capital market during HY2025 and is expected to continue to benefit from improving market conditions in Hong Kong following the Disposal Completion.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### ***PRC bond market***

According to the National Bureau of Statistics of China, over the past decade from 2016 to 2025, the PRC's real GDP growth exhibited an overall moderating trend from 6.7% in 2016 to 5.0% in 2025, representing a net decrease of 1.7 percentage points, with a temporary contraction to 2.3% in 2020 due to the pandemic and a rebound to 8.1% in 2021, before stabilising at around 5% in during the period from 2023 to 2025. According to the International Monetary Fund's January 2026 World Economic Outlook Update published on 19 January 2026, the IMF has raised its forecast for the PRC's real GDP growth to around 4.5% in 2026, reflecting lingering policy support and structural dynamics, with growth expected to moderate further to around 4.0% in 2027.

As further referred to statistics issued by the People's Bank of China, we noted that the annual issuance amount of corporate bonds recorded a consistent increase over the past three years. Corporate bond issuance increased from approximately RMB16,255 billion in 2023 to RMB23,917 billion in 2025, representing an increase of approximately 47.1%.

In light of the above, despite the moderating economic growth in the PRC over the past decade, the bond market has continued to expand in recent years, as reflected by the increase in bond issuance. This indicates that bond financing remains an important funding channel for the PRC corporates, which may be beneficial to the Group's bond placing and underwriting business in the future.

#### **4. Principal terms of the Offer**

AFG Securities, for and on behalf of the Offeror and in compliance with the Takeovers Code, is making the Offer to acquire all the Offer Shares on the following basis:

**Offer Price for each Offer Share. . . . . HK\$6.00 in cash**

Given the sole asset of Billion Shine is the 45,000,000 Shares held by it, the Offer Price of HK\$6.00 per Offer Share under the Offer is equivalent to the Consideration of HK\$270,000,000 divided by 45,000,000 Shares held by Billion Shine, which was arrived after arm's length negotiations between the Offeror and the Vendor.

The Offer is extended to all Offer Shareholders in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer shall be fully paid and free from all encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of the Composite Document.

The Offer is unconditional in all respects.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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Immediately upon Completion, the Offeror (through Billion Shine) and parties acting in concert with him is interested in an aggregate of 45,000,000 Shares, representing 75% of the entire issued share capital of the Company. The Completion took place on the Completion Date.

As at the Latest Practicable Date, there were no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company in issue other than the Shares.

As disclosed in the Board Letter, as at the Latest Practicable Date, (i) no outstanding dividend declared by the Company remained unpaid; and (ii) the Board advised that the Company has no intention to make, declare or pay any future dividend or make other distributions until after the close of the Offer. If, after the date of despatch of the Composite Document, any dividend or other distribution is made or paid in respect of the Offer Shares, the Offeror reserves the right to reduce the Offer Price by an amount equal to the gross amount of such dividend or other distribution received or receivable by the Shareholders pursuant to Note 3 to Rule 26.3 and Note 11 to Rule 23.1 of the Takeovers Code.

### ***4.1 Analysis on the Offer Price***

The Offer Price of the Offer of HK\$6.00 per Offer Share represents:

- (i) a discount of approximately 50.4% to the closing price of HK\$12.10 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a premium of approximately 6.0% over the closing price of HK\$5.66 per Share as quoted on the Stock Exchange on 25 September 2025, being the Last Trading Day;
- (iii) a premium of approximately 19.2% over the average closing price of approximately HK\$5.03 per Share as quoted on the Stock Exchange for the 5 consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a premium of approximately 20.8% over the average closing price of approximately HK\$4.97 per Share as quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a premium of approximately 25.9% over the average closing price of approximately HK\$4.76 per Share as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day;
- (vi) a premium of approximately 37.1% over the average closing price of approximately HK\$4.38 per Share as quoted on the Stock Exchange for the last 60 trading days immediately prior to and including the Last Trading Day;

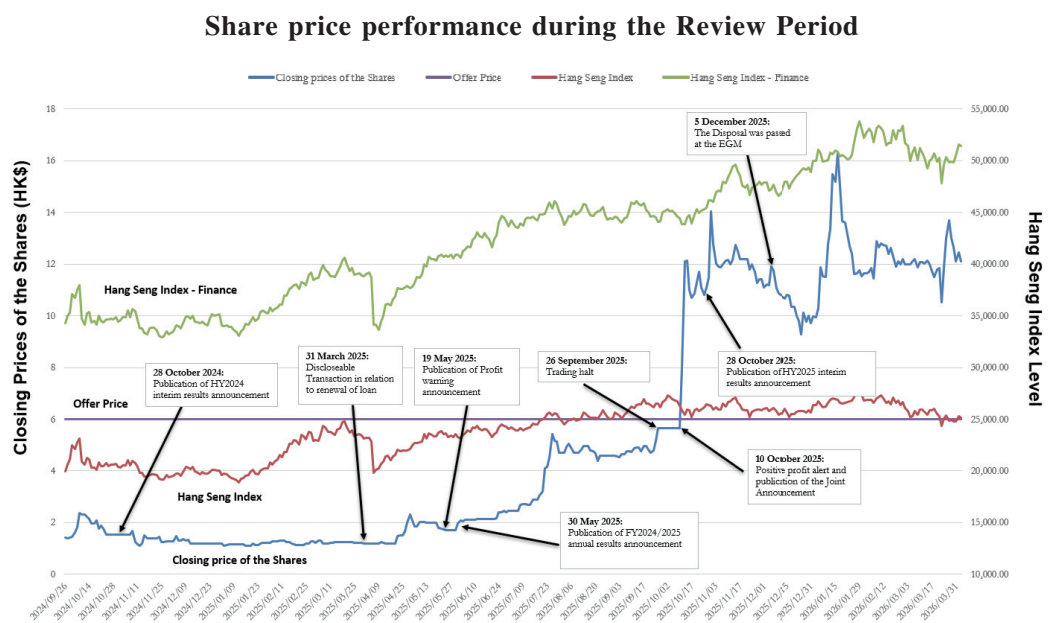
## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

(vii) a premium of approximately 92.6% over the audited consolidated net asset value attributable to the owners of the Company of approximately HK\$3.115 per Share as at 28 February 2025 calculated based on audited equity attributable to owners of the Company of approximately HK\$186,873,000 as at 28 February 2025 and 60,000,000 Shares in issue as at the Latest Practicable Date; and

(viii) a premium of approximately 75.5% over the unaudited consolidated net asset value attributable to the owners of the Company of approximately HK\$3.419 per Share as at 31 August 2025 calculated based on unaudited equity attributable to owners of the Company of approximately HK\$205,152,000 as at 31 August 2025 and 60,000,000 Shares in issue as at the Latest Practicable Date.

### 4.2 Historical performance of the Shares

Set out below is the chart showing the daily closing price of the Shares as quoted on the Stock Exchange during the period commencing from 26 September 2024, being the twelve-month period prior to the Last Trading Day (i.e. 25 September 2025), up to and including the Latest Practicable Date (the “**Review Period**”) and the comparison of the trend of Hang Seng Indices:



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

Note: The trading of the Shares on the Stock Exchange was suspended at 9:00 a.m. on 26 September 2025 pending the release of the Joint Announcement. Trading of the Shares on the Stock Exchange was resumed at 9:00 a.m. on 13 October 2025.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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We have reviewed the movements in the closing price of the Shares for the Review Period. We consider the length of the Review Period to be reasonably long enough to illustrate the relationship between the historical trend of the closing price of the Shares and the Offer Price.

As illustrated above, the highest and lowest closing prices of the Shares during the Review Period were HK\$16.31 per Share recorded on 16 January 2025 and HK\$1.10 per Share recorded on various dates, including 12 November 2024, 3 January 2025, 16 and 17 January 2025, as quoted on the Stock Exchange. The average daily closing price of the Shares during the Review Period is approximately HK\$5.313 per Share. The Offer Price of HK\$6.0 per Share represents (i) a discount of approximately 63.21% to the highest closing price of HK\$16.31 per Share; (ii) a premium of approximately 445.45% over the lowest closing price of HK\$1.10 per Share; and (iii) a premium of approximately 12.94% over the average daily closing price of approximately HK\$5.313 per Share during the Review Period.

After taking into account that (i) the Disposal was first announced in the Joint Announcement dated 10 October 2025, and further details, including the financial effects of the Disposal on the Group, were disclosed in the Disposal Circular dated 17 November 2025; (ii) the Disposal was approved by the then independent shareholders at the extraordinary general meeting held on 5 December 2025; and (iii) the Disposal Completion took place on 31 March 2026, being approximately 2 trading days prior to the Latest Practicable Date, we consider that information relating to the Disposal had been publicly available to the market since the date of the Joint Announcement and the market had a reasonable period of approximately 118 trading days to assimilate the relevant information and incorporate such information into the Share prices. Accordingly, we are of the view that the closing price of the Shares as at the Latest Practicable Date generally reflects the investor's valuation of the Company's financial position and business profile following Disposal Completion, and the comparison between the closing prices of the Shares as at the Latest Practicable Date with the Offer Price is relevant in assessing the fairness and reasonableness of the Offer Price.

### *Pre-Announcement Period*

During the period under review from 26 September 2024 to 25 September 2025 (being the Last Trading Day) (the "**Pre-Announcement Period**"), the highest closing price of the Shares was HK\$5.66 per Share recorded on 25 September 2025 (i.e. the Last Trading Day) and the lowest closing price of the Shares was HK\$1.10 recorded on various dates, including 12 November 2024, 3 January 2025, 16 and 17 January 2025, as quoted on the Stock Exchange. The Offer Price of HK\$6.0 per Share represents (i) a premium of approximately 6.01% over the highest closing price of HK\$5.66 per Share; (ii) a premium of approximately 445.45% over the lowest closing price of HK\$1.10 per Share; and (iii) a premium of approximately 171.36% to the average daily closing price of approximately HK\$2.211 per Share during the Pre-Announcement Period.

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As illustrated in the above chart, the closing prices of the Share demonstrated a general upward trend throughout the Pre-Announcement Period. The Share prices commenced from HK\$1.411 on 26 September 2024 and subsequently declined to its lowest closing level of HK\$1.10 on 12 November 2024. Thereafter, the Share price rebounded and entered a sustained upward trend from late 2024 onwards, and reached its highest level during the Pre-Announcement Period at HK\$5.66 per Share on 26 September 2025. We have observed that the Company (i) published its interim results announcement for HY2024 on 28 October 2024; (ii) announced the renewal of loan on 31 March 2025; (iii) published a profit warning announcement on 19 May 2025; and (iv) announced its annual results announcement for FY2024/2025 on 30 May 2025. We have made inquiries with the Management and were advised that, save for the publication of announcements of the Company as described above, the Directors were not aware of any specific reasons that may have an impact on the fluctuations of Share prices during the Pre-Announcement Period.

### *Post-Announcement Period*

During the period under review from 13 October 2025 (i.e. day of resumption of trading after publication of the Joint Announcement) up to and including the Latest Practicable Date (the “**Post-Announcement Period**”), the Offer Price of HK\$6.0 per Share represents (i) a discount of approximately 63.21% to the highest closing price of HK\$16.31 per Share; (ii) a discount of approximately 25.00% to the lowest closing price of HK\$8.0 per Share during the Post-Announcement Period; and (iii) a discount of approximately 47.33% to the average daily closing price of approximately HK\$11.39 per Share during the Post-Announcement Period. We have enquired with the Directors and were advised that save for the publication of the Joint Announcement and the announcement in relation to Disposal Completion and Completion, the Directors were not aware of any specific reasons or information which may lead to the surge in the share prices of the Shares during the Post-Announcement Period. The Offer Shareholders should note that there is no guarantee that the prevailing level of market price of the Shares will sustain during and after the Offer Period.

We have also compared the pricing trend of the Shares with the trend of each of the Hang Seng Index and Hang Seng Index – Finance (“**HSI-Finance**”), a sector sub-index comprising companies principally engaged in financial services (including banking, insurance and other financial services), to assess whether movements in the Shares were broadly consistent with the wider market and the financial sector. The comparison is to assess whether the movements in the Shares are in line with the broader market and the finance sector, and if so, whether the movement in the Share price could be explained by reference to factors affecting the Hang Seng Index and HSI-Finance.

As illustrated in the chart above, although the closing price trend of the Shares generally moved in line with the Hang Seng Index during the period prior to the commencement of the Review Period to early November 2024 and from April 2025

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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onwards, the closing price trend of the Shares did not move in line with the Hang Seng Index during the period from mid-November 2024 to early April 2025. According to the official website of Hang Seng Indexes, as the HSI-Finance exhibited a trend broadly similar to that of the Hang Seng Index during the relevant period, the closing price trend of the Shares also deviated from that of the HSI-Finance during the aforesaid period.

As advised by the Company, apart from the aforesaid announcements, they were not aware of any specific reasons or information relating to the Group that would have led to the historical movements in the closing price of the Shares or the divergence from the trend of the Hang Seng Index and HSI-Finance. Given the Hang Seng Index is a free-float market capitalisation weighted index comprising only the largest companies listed on the Stock Exchange and the HSI-Finance mainly comprises 10 largest financial companies listed on the Stock Exchange, it is considered that the difference in pricing trend with the Hang Seng Index and HSI-Finance is not uncommon for smaller-cap listed companies, including the Company, to exhibit price movements that differ from the Hang Seng Index and HSI-Finance. Hence, a comparison with the Hang Seng Index and HSI-Finance is considered not relevant in assessing the fairness and reasonableness of the Offer Price. Based on the observation above, it is considered that the investors may not buy or sell the Shares at a price principally with reference to the news or the trend of the Hang Seng Index and HSI-Finance.

Whilst the trading prices of the Shares were generally below the Offer Price during the Pre-Announcement Period, we consider that comparing the Offer Price against the trend of the closing prices of the Shares during the Post-Announcement Period and the closing price of the Shares as at the Latest Practicable Date remains a relevant reference for evaluating the fairness and reasonableness of the Offer Price, after considering that the Post-Announcement Period represents a substantial period of over five months and includes a sufficient number of trading days (i.e. being approximately 118 trading days prior to the Latest Practicable Date), we are of the view that the market has had adequate time to digest the information contained in the Joint Announcement and reflect such information in the Share prices.

Having considered: (i) a discount of approximately 50.4% to the closing price of HK\$12.10 on the Latest Practicable Date; (ii) a premium of approximately 12.94% over the average closing price of approximately HK\$5.313 during the Review Period; and (iii) the Shares have consistently traded at a price higher than the Offer Price during the Post-Announcement Period, we are of the view that the Offer Price is unattractive and therefore not fair and not reasonable.

**Offer Shareholders should note that the information set out above is not an indicator of the future performance of the Shares and that the price of the Shares may increase or decrease after the Latest Practicable Date.**

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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In addition, Offer Shareholders considering realising their investment in the Company should (i) note that realising a sizeable volume of Shares in the open market may potentially impose downward pressure on the price of the Shares given the low trading volume of the Company as mentioned in the sub-section headed “4.3 Historical trading volume of the Shares” below; and (ii) only realise their Shares in the open market when the net proceeds after transaction costs from the sale of such Share in the open market are not less than that receivable by the Offer Shareholders upon acceptance of the Offer.

### 4.3 Historical trading volume of the Shares

The following table sets out the historical monthly trading volumes of the Shares and the percentage of the number of Shares traded as compared to the total number of Shares in issue during the Review Period.

Month/Period	Total trading volume for month/period (number of Shares)	Number of trading days during the month (days)	Average daily trading volume for month/period (number of Shares)	Percentage of average daily trading volume to total number of the Shares in issue as at the Latest Practicable Date (note 3)	Percentage of average daily trading volume to total number of the Shares held by public Shareholders as at the Latest Practicable Date (note 4)
<b>2024</b>					
26-30 September	47,479	3	15,826	0.0264%	0.1055%
October	660,212	21	31,439	0.0524%	0.2096%
November	738,400	21	35,162	0.0586%	0.2344%
December	203,400	20	10,170	0.0170%	0.0678%
<b>2025</b>					
January	84,600	18	4,700	0.0078%	0.0313%
February	175,960	20	8,798	0.0147%	0.0587%
March	143,600	21	6,838	0.0114%	0.0456%
April	676,100	19	35,584	0.0593%	0.2372%
May	242,400	20	12,120	0.0202%	0.0808%
June	379,100	21	18,052	0.0301%	0.1203%
July	1,143,942	22	51,997	0.0867%	0.3466%
August	149,600	21	7,124	0.0119%	0.0475%
September	736,300	19	38,753	0.0646%	0.2584%
October	12,720,700	14	908,621	1.5144%	6.0575%
November	1,718,900	20	85,945	0.1432%	0.5730%
December	988,900	21	47,090	0.0785%	0.3139%

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Month/Period	Total trading volume for month/period <i>(number of Shares)</i>	Number of trading days during the month <i>(days)</i>	Average daily trading volume for month/period <i>(number of Shares)</i>	Percentage of average daily trading volume to total number of the Shares in issue as at the Latest Practicable Date <i>(note 3)</i>	Percentage of average daily trading volume to total number of the Shares held by public Shareholders as at the Latest Practicable Date <i>(note 4)</i>
<b>2026</b>					
January	5,026,583	21	239,361	0.3989%	1.5957%
February	1,013,100	17	59,594	0.0993%	0.3973%
March	2,190,630	22	99,574	0.1660%	0.6638%
April (up to the Latest Practicable Date)	63,600	2	31,800	0.0530%	0.2120%
		<b>Maximum</b>	<b>908,621</b>	<b>1.5144%</b>	<b>6.0575%</b>
		<b>Minimum</b>	<b>4,700</b>	<b>0.0078%</b>	<b>0.0313%</b>
		<b>Average</b>	<b>87,427</b>	<b>0.1457%</b>	<b>0.5828%</b>

Source: [www.hkex.com.hk](http://www.hkex.com.hk)

Notes:

1. The Review Period commenced on 26 September 2024.
2. The trading of the Shares on the Stock Exchange was suspended at 9:00 a.m. on 26 September 2025 pending the release of the Joint Announcement. Trading of the Shares on the Stock Exchange was resumed at 9:00 a.m. on 13 October 2025.
3. Based on 60,000,000 Shares in issue as at the Latest Practicable Date.
4. Based on 15,000,000 Shares held by public Shareholders as at the Latest Practicable Date.

As illustrated above, the average daily trading volume of the Shares as a percentage of the total number of the Shares in issue as at the Latest Practicable Date ranged from the lowest of approximately 0.0078% in January 2025 to the highest of approximately 1.5144% in October 2025, with an average daily trading volume of approximately 0.1457% of the total number of issued Shares as at the Latest Practicable Date.

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If only Shares held by public Shareholders (the “**Free Float Shares**”) are considered in calculating the percentage of average daily trading volume of the Shares as at the Latest Practicable Date, the average trading volume of the Free Float Shares during the Review Period ranged from the lowest of approximately 0.0313% in January 2025 to the highest of approximately 6.0575% in October 2025 with an average daily trading volume of approximately 0.5828% of the total number of Free Float Shares. We noted that the trading volume in October 2025 was relatively higher than that of the rest of the other months during the Review Period. In this regard, we made enquiries with the Management and were advised that the Company is not aware of any particular reason that led to the higher trading volume of the Shares.

Taking into account the fact that the average daily trading volume of the Shares during the Review Period was approximately 0.1457% of the total issued Shares and approximately 0.5828% of the Free Float Shares, we are of the view that the trading volume of Shares are considered as low, and in normal circumstances, if the Offer Shareholders are to dispose of a large number of Shares in the market, it may exert downward pressure on the market price of Shares.

### **4.5 Comparable Analysis**

In assessing the fairness and reasonableness of the Offer Price, we have considered using the price-to-earnings ratio (the “**P/E ratio**”) analysis, the price-to-sales ratio (the “**P/S ratio**”) analysis, the price-to-book ratio (the “**P/B ratio**”) analysis, and dividend yield analysis, which are commonly adopted valuation methods for comparing the market valuation of companies.

Given that (i) the Group was loss-making for FY2024/2025 and the turnaround from loss to profit for HY2025 was mainly attributable to other gain arising from the disposal of certain securities held by the Group, which was a one-off gain and not part of the Group’s principal business, rendering the P/E ratio not meaningful; (ii) upon Disposal Completion, the Group will principally engage in provision of financial and securities services including corporate finance advisory services, placing and underwriting services, securities dealing and brokerage services, securities financing services and asset management services, the revenue of which are generally transaction-driven and subject to market fluctuations and may not represent stable or sustainable income, rendering the P/S ratio not meaningful; (iii) the Group conducts its business under Type 1, Type 4, Type 6 and Type 9 regulated activities under the SFO; (iv) approximately 97.4% of the Group’s revenue for FY2024/2025 was generated from the regulated activities under the SFO; and (v) and no dividend was announced by the Group for FY2024/2025, rendering dividend yield analysis not meaningful, we consider that the P/E ratio analysis, P/S ratio analysis and the dividend yield analysis are not applicable.

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On the other hand, given that (i) the Group principally engages in the provision of regulated financial services under the SFO, which are capital-driven in nature; (ii) the Group maintains a substantial portion in its assets in liquid financial assets and cash balance, which represents an aggregate amount of approximately HK\$262.8 million, representing approximately 73.7% of its total assets as at 31 August 2025, which directly support its regulated business operations and capital requirements; and (iii) having regard to the nature of the Group's business as mentioned above, its net asset value largely reflects its available capital resources and financial strength, which in turn determine its operational capacity and ability to generate revenue from regulated activities, we consider that the Group's net asset value represents a meaningful indicator of its financial strength and capital available for its businesses. Accordingly, we have adopted the P/B ratio analysis as the most appropriate valuation approach.

Based on the Offer Price of HK\$6.0 per Offer Share and the total number of issued Shares of 60,000,000 as at the Latest Practicable Date, the implied market capitalization of the Company would be HK\$360.0 million. The P/B Ratio of the Company implied by the Offer Price is approximately 1.75 times (the “**Implied P/B Ratio**”), calculated based on the unaudited consolidated net assets of the Group of approximately HK\$205.1 million as at 31 August 2025 and the implied market capitalization.

Given that the principal business of the Group is the provision of financial and securities services, with approximately 97.4% of the Group's revenue being generated from regulated activities under the SFO, for the purpose of our comparable analysis, we have identified comparable companies based on the following criteria: (i) the shares of which are listed on the Stock Exchange; (ii) holds Type 1, 4, 6 and 9 licenses for the regulated activities under the SFO, of which all licenses remained active as at the Last Trading Day; (iii) more than 50% of its revenue from generated from the regulated activities under the SFO in most recent financial year, which ensures that the identified comparable companies are principally engaged in business sectors similar to those of the Company; and (iv) the market capitalisation as at the Latest Practicable Date was not more than HK\$1,000 million. Based on such criteria, we have identified an exhaustive list of 2 comparable companies (the “**Comparable Companies**”).

Despite differences in market capitalisation between the Company and the Comparable Companies, we consider the Comparable Companies to be fair and representative after taking into account that: (i) the Comparable Companies engage in similar principal business activities; and (ii) the Comparable Companies' shares are listed on the Stock Exchange.

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

No.	Company name (stock code)	Principal activity	Revenue contribution of the Regulated activities under the SFO (Note 1)	Market capitalisation as at the Latest Practicable Date (Note 2) (HK\$' million)	P/B ratio (Note 3) (times)
1	Da Yu Financial Holdings Limited (stock code: 1073)	The group was principally engaged in the provision of corporate finance advisory services and asset management services, in investment in securities, in securities broking and placing of securities, and in money lending business in Hong Kong.	96.7%	430.7	0.645
2	Somerley Capital Holdings Limited (stock code: 8439)	The group was principally engaged in providing corporate finance advisory services and asset management services.	100.0%	51.3	0.854
				<b>Maximum</b>	<b>0.854</b>
				<b>Minimum</b>	<b>0.645</b>
				<b>Average</b>	<b>0.749</b>
<b>The Company</b>				<b>360.0</b> (Note 4)	<b>1.75</b> (Note 5)

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

Notes:

- The proportion of revenue attributable to regulated activities under the SFO of each of the Comparable Companies was referred to the information set out in their respective latest available annual reports.
- The market capitalisation of the Comparable Companies was calculated based on the closing share prices and the total issued shares of the Comparable Companies as at the Latest Practicable Date.
- The P/B ratio was based on the then market capitalisation of Comparable Companies as at the Latest Practicable Date, divided by the net asset value of the Comparable Companies as stated in their respective latest available annual report or interim report.
- The implied market capitalisation of the Company is calculated based on the Offer Price of HK\$6.0 and the number of issued Shares as at the Latest Practicable Date (i.e. 60,000,000 Shares).
- The Implied P/B Ratio of approximately 1.75 times is based on (a) the implied market capitalization of the Company of approximately HK\$360.0 million based on the Offer Price and the issued number of Shares as at the Latest Practicable Date; and (b) the unaudited consolidated net assets of the Group of approximately HK\$205.1 million as at 31 August 2025.

As set out in the table above, the P/B ratios of the Comparable Companies ranged from approximately 0.645 times to approximately 0.854 times, with an average of approximately 0.749 times. The Implied P/B Ratio of approximately 1.75 times, based on the Offer Price, falls above the range and the average of the Comparable Companies, respectively.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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In this regard, the Offer Price represents a premium to the average market valuation of the Comparable Companies. Nevertheless, we consider the Offer Price to be unattractive given that the Offer Price represents a discount of approximately 50.4% to the closing price of HK\$12.10 on the Latest Practicable Date. Taking into account the prevailing market price level of the Shares, we consider that the Offer is not fair and not reasonable.

### 5. Public float and maintaining the listing status of the Company

As stated in the “Letter from AFG Securities” contained in the Composite Document, the Stock Exchange has stated that:

- (a) if, at the close of the Offer, the Stock Exchange believes that:
  - a false market exists or may exist in the trading of the Shares; or
  - an orderly market does not exist or may not exist;it will consider exercising its discretion to suspend dealings in the Shares; and
- (b) if, at the close of the Offer, the Company has a Significant Public Float Shortfall (as defined in Rule 13.32F of the Listing Rules), then:
  - the Stock Exchange will add a designated marker to the stock name of the Shares; and
  - the Stock Exchange will cancel the listing of the Shares if the Company fails to re-comply with Rule 13.32B of the Listing Rules for a continuous period of 18 months from the commencement of the Significant Public Float Shortfall.

The Offeror intends the Company to remain listed on the Stock Exchange. The Offeror has undertaken to the Stock Exchange that if, at the close of the Offer, the Company fails to comply with the requirement of Rule 13.32B of the Listing Rules, he will take appropriate steps to ensure the Company’s compliance with Rule 13.32B of the Listing Rules at the earliest possible moment. The steps that the Offeror may take include but not limited to placing down or selling sufficient number of accepted Shares which it will acquire from the Offer to selected Independent Third Parties, or in the market. No arrangements have been confirmed or put in place as at the Latest Practicable Date.

Therefore, it should be noted that upon close of the Offer, there may be insufficient public float of the Shares and the trading in the Shares may be suspended until sufficient public float exists for the Shares. Further announcement(s) regarding the restoration of public float (if any) will be made by the Company as and when appropriate.

### RECOMMENDATION

Taking into consideration the aforementioned principal factors and reasons, in particular:

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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- (i) the Group's total revenue for HY2025 decreasing by approximately 87.2% as compared to HY2024, which was mainly attributable to a decrease in revenue generated from the underwriting and placing of bonds issued by PRC organisations, as the investor sentiment remained selective, with a stronger preference for higher-yield bonds and issuers with stronger credit profiles, resulting in a reduction in demand and interest from the Group's clients in bond products. Accordingly, notwithstanding the continued expansion of the overall PRC bond market as mentioned in paragraph (iii) below, the Group did not participate in such business during HY2025. In comparison, the revenue derived from other SFO-regulated business segments recorded a year-on-year increase, primarily due to the recovery of the Hong Kong capital markets, as referred to the paragraph (iv) below;
- (ii) the closing prices of the Shares were traded below the Offer Price for the Pre-Announcement Period, whereas the closing prices of the Shares have been trading above the Offer Price during the Post-Announcement Period; and the Offer Price represents a discount of approximately 50.4% to the closing price of HK\$12.10 on the Latest Practicable Date. As the Joint Announcement was published in October 2025, being approximately 118 trading days prior to the Latest Practicable Date, we consider that the market has had a sufficient period of time to digest the information relating to the Disposal and the Offer and to reflect such information in the Share price. Accordingly, a comparison between the closing price of the Shares as at the Latest Practicable Date and the Offer Price is relevant in assessing the fairness and reasonableness of the Offer Price as detailed in the section headed "4.2 Historical performance of the Shares" above;
- (iii) as further discussed in the section headed "3. Prospects and Outlook of the Group", notwithstanding the moderating macroeconomic growth in the PRC, the PRC bond market has continued to expand in recent years, as reflected by the increase in corporate bond issuance. Given the Group was principally engaged in the underwriting and placing of the bonds issued by the private and state-owned enterprises in the PRC, the expansion in the PRC bond market may continue to provide potential opportunities for the Group's bond placing and underwriting business in future;
- (iv) official statistics demonstrated that the overall IPO market in Hong Kong is in recovery. Together with the increasing number of general and partial offers conducted under the Takeovers Code and the supportive policy environment, this indicates improving market activity and confidence across both the primary and secondary markets in Hong Kong, which is relevant to the operating environment of the Group; and
- (v) it is expected that Mr. Wang's experience in the financial business sector in the PRC and in Hong Kong will bring a positive impact and benefit to the business operation of the Group,

we are of the view that the Offer Price is unattractive and the Offer is not fair and not reasonable, and thereby we recommend the Independent Board Committee to advise the Offer Shareholders not to accept the Offer.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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For those Offer Shareholders who wish to realise their investments, we recommend that they consider disposing of their Shares in the open market. Nevertheless, the Offer Shareholders should also note that (i) there is no guarantee that the Share price will sustain at a level above the Offer Price and/or after the Offer Period; and (ii) the Offer Shareholders (regardless to their amount of shareholdings) may not be able to realise their investments in the Shares at a price higher than the Offer Price when they are going to dispose of their partial or entire holdings. In such circumstances, the Offer might provide an exit alternative for the Shareholders who would like to realise their investments in the Shares at the Offer Price of HK\$6.0. However, for those Offer Shareholders who intend to accept the Offer, we would remind them to closely monitor the market price and liquidity of the Shares during the Offer Period, and having regard to their own circumstances, consider selling the Shares in the open market, instead of accepting the Offer, if the net proceeds from such sale of Shares would be higher than that receivable under the Offer. For those Offer Shareholders who intend to dispose of large blocks of Shares in the open market, we would also remind them of the possible difficulty in disposing of their Shares in the open market without creating downward pressure on the market prices of the Shares as a result of the thin trading in the Shares.

Those Offer Shareholders who decide to retain part or all of their investments in the Shares should carefully monitor the financial performance of the Group and be aware of the potential difficulties they may encounter in disposing of their investments in the Shares at a price higher than the Offer Price after the Offer Period, given the generally low trading volume during the Review Period.

Yours faithfully,  
For and on behalf of  
**Merdeka Corporate Finance Limited**  
**Wallace So**  
*Managing Director*

*Mr. Wallace So is a licensed person registered with the Securities and Futures Commission of Hong Kong, a responsible officer of Merdeka Corporate Finance Limited to carry out type 6 (advising on corporate finance) regulated activity under the SFO and a licensed representative of Merdeka Investment Management Limited to carry out type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO. Mr. Wallace So has over 13 years of experience in corporate finance industry.*

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

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

- (a) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in your name, and you wish to accept the Offer, you must send the Form of Acceptance duly completed and signed together with the relevant share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Registrar, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, by post or by hand, marked "Innovax Holdings Limited – Offer" on the envelope, in any event not later than 4:00 p.m., on the Closing Date or such later time and/or date as the Offeror may determine and announce in accordance with the Takeovers Code.
  
- (b) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in the name of a nominee company or a name other than your own, and you wish to accept the Offer whether in full or in part of your Shares, you must either:
  - (i) lodge your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) with the nominee company, or other nominee, with instructions authorising it to accept the Offer on your behalf and requesting it to deliver in an envelope marked "Innovax Holdings Limited – Offer" the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Registrar; or
  
  - (ii) arrange for the Shares to be registered in your name by the Company through the Registrar, and deliver in an envelope marked "Innovax Holdings Limited – Offer" the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Registrar; or

- (iii) if your Shares have been lodged with your licensed securities dealer/registered institution in securities/custodian bank through CCASS, instruct your licensed securities dealer/registered institution in securities/custodian bank to authorise HKSCC Nominees Limited to accept the Offer on your behalf on or before the deadline set by HKSCC Nominees Limited. In order to meet the deadline set by HKSCC Nominees Limited, you should check with your licensed securities dealer/registered institution in securities/custodian bank for the timing on the processing of your instruction, and submit your instruction to your licensed securities dealer/registered institution in securities/custodian bank as required by them; or
  - (iv) if your Shares have been lodged with your investor participant's account maintained with CCASS, authorise your instruction via the CCASS Phone System or CCASS Internet System on or before the deadline set by HKSCC Nominees Limited.
- (c) If the share certificate(s) and/or transfer receipts and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are not readily available and/or is/are lost and you wish to accept the Offer in respect of your Shares, the Form of Acceptance should nevertheless be duly completed and signed and delivered in an envelope marked "Innovax Holdings Limited – Offer" to the Registrar together with a letter stating that you have lost one or more of your share certificate(s) and/or transfer receipts and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) or that it/they is/are not readily available. If you find such document(s) or if it/they become(s) available, it/they should be forwarded to the Registrar as soon as possible thereafter. If you have lost your share certificate(s), you should also write to the Registrar for a letter of indemnity which, when completed in accordance with the instructions given, should be returned to the Registrar.
- (d) If you have lodged transfer(s) of any of your Shares for registration in your name and have not yet received your share certificate(s), and you wish to accept the Offer in respect of your Shares, you should nevertheless complete and sign the Form of Acceptance and deliver it in an envelope marked "Innovax Holdings Limited – Offer" to the Registrar together with the transfer receipt(s) duly signed by yourself. Such action will be deemed to be an irrevocable instruction and authority to AFG Securities and/or the Offeror and/or any of their respective agent(s) to collect from the Company or the Registrar on your behalf the relevant share certificate(s) when issued and to deliver such certificate(s) to the Registrar and to authorise and instruct the Registrar to hold such share certificate(s), subject to the terms and conditions of the Offer, as if it was/they were delivered to the Registrar with the Form of Acceptance.

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

If the Form of Acceptance is executed by a person other than the registered Offer Shareholders, appropriate documentary evidence of authority (e.g. grant of probate or certified copy of a power of attorney) to the satisfaction of the Registrar must be produced.

- (f) In Hong Kong, seller's ad valorem stamp duty arising in connection with acceptances of the Offer will be payable by relevant Offer Shareholders at a rate of 0.1% of the market value of the Offer Shares or consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, will be deducted from the cash amount payable by the Offeror to the relevant Offer Shareholder accepting the Offer (where the amount of stamp duty is a fraction of a dollar, the stamp duty will be rounded up to the nearest dollar). The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of relevant Offer Shareholders accepting the Offer and will pay the buyer's ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares.
- (g) No acknowledgement of receipt of any Form of Acceptance, share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given.
- (h) The address of the Registrar is Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong.

**2. SETTLEMENT OF THE OFFER**

- (a) Provided that valid Form of Acceptance and the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title and/or transfer receipt(s) (and/or any satisfactory indemnity or indemnities required in respect thereof) have been received by the Registrar no later than the latest time for acceptance, a cheque for the amount due to each accepting Shareholder, less the seller's ad valorem stamp duty payable by him/her/it, will be despatched to such Shareholder by ordinary post at his/her/its own risk as soon as possible but in any event no later than seven (7) Business Days after the date on which all the relevant documents are received by the Registrar to render such acceptance complete and valid.
- (b) Settlement of the consideration to which any Offer Shareholders are entitled under the Offer will be implemented in full in accordance with the terms of the Offer (save with respect of the payment of seller's ad valorem stamp duty), without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such Offer Shareholders.

**3. ACCEPTANCE PERIOD AND REVISIONS**

- (a) Unless the Offer has previously been revised or extended with the consent of the Executive, all acceptances of the Offer must be received by the Registrar by 4:00 p.m. on Wednesday, 29 April 2026, being the Closing Date. The Offer is unconditional.
- (b) If the Offer is extended or revised, the announcement of such extension or revision shall state the next Closing Date or that the Offer will remain open until further notice. For the latter case, at least 14 days' notice in writing will be given to the Shareholders who have not accepted the Offer before the Offer is closed, and an announcement in respect thereof shall be released. If the Offeror revises the terms of the Offer, all Offer Shareholders, whether or not they have already accepted the Offer, will be entitled to accept the revised Offer under the revised terms. The execution by or on behalf of any Offer Shareholder who has previously accepted the Offer shall be deemed to constitute acceptance of the revised Offer unless such holder becomes entitled to withdraw his/her/its acceptance and duly does so.
- (c) If the Closing Date is extended, any reference in this Composite Document and in the Form of Acceptance to the Closing Date shall, except where the context otherwise requires, be deemed to refer to the Closing Date so extended.

#### **4. NOMINEE REGISTRATION**

To ensure equality of treatment of all Offer Shareholders, those registered Offer Shareholders who hold the Shares as nominees for more than one beneficial owner should, as far as practicable, treat the holding of each beneficial owner separately. It is essential for the beneficial owners of the Shares whose investments are registered in the names of nominees to provide instructions to their nominees of their intentions with regard to the Offer.

#### **5. ANNOUNCEMENTS**

- (a) By 6:00 p.m. on Wednesday, 29 April 2026 (or such later time and/or date as the Executive may in exceptional circumstances permit) which is the Closing Date, the Offeror must inform the Executive and the Stock Exchange of its decision in relation to the expiry, revision or extension of the Offer. The Offeror must post an announcement on the Stock Exchange's website by 7:00 p.m. on the Closing Date stating the results of the Offer and whether the Offer has been revised or extended.

The announcement will state the total number of Shares and rights over Shares:

- (i) for which acceptances of the Offer have been received;
- (ii) held, controlled or directed by the Offeror and parties acting in concert with him before the Offer Period; and
- (iii) acquired or agreed to be acquired during the Offer Period by the Offeror and parties acting in concert with him.

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

- (b) In computing the total number of Shares represented by acceptances, only valid acceptances that are complete, in good order and fulfill the acceptance conditions set out in paragraph 1(e) of this Appendix, and which have been received by the Registrar by no later than 4:00 p.m. on the Closing Date, being the latest time and date for acceptance of the Offer, shall be included.
- (c) As required under the Takeovers Code, all announcements in respect of the Offer must be made in accordance with the requirements of the Takeovers Code and the Listing Rules, where appropriate.

**6. RIGHT OF WITHDRAWAL**

- (a) Acceptance of the Offer tendered by any Offer Shareholder shall be irrevocable and cannot be withdrawn, except in the circumstances set out in paragraph (b) and (c) below.
- (b) If the Offeror is unable to comply with the requirements set out in the paragraph headed “Announcements” above, as set out in Rule 19.2 of the Takeovers Code, the Executive may require that the Offer Shareholders who have tendered acceptances to the Offer be granted a right of withdrawal on terms that are acceptable to the Executive until the requirements set out in that rule are met.
- (c) In such case, if the Offer Shareholders withdraw their acceptances, the Offeror and Registrar shall, as soon as possible but in any event no later than seven (7) Business Days thereof, return by ordinary post the share certificate(s), and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the Shares lodged with the Form of Acceptance to the relevant Offer Shareholders.

**7. OVERSEAS SHAREHOLDERS**

The Offeror intends to make the Offer available to all Offer Shareholders. As the Offer to persons with a registered address in a jurisdiction outside Hong Kong may be affected by the laws of the relevant overseas jurisdictions, the Overseas Shareholders and beneficial owners of the Shares who are citizens, residents or nationals of a jurisdiction outside Hong Kong should inform themselves about and observe any applicable legal or regulatory requirements and, where necessary, seek legal advice in respect of the Offer. It is the responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer, including but not limited to the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required or the compliance with other necessary formalities, legal and/or regulatory requirements and the payment of any issue, transfer, cancellation or other taxes and duties due by such Overseas Shareholders in respect of the acceptance of the Offer in such jurisdictions.

The Offeror, the Company, the Vendor, AFG Securities, Alpha Financial, the Independent Financial Adviser, the Registrar or any of their respective ultimate beneficial owners, directors, officers, agents, advisers and associates and any other person involved in the Offer shall be entitled to be fully indemnified and held harmless by the Overseas Shareholders for any taxes or duties as such persons may be required to pay.

Any acceptance by the Offer Shareholders with a registered address in a jurisdiction outside Hong Kong will be deemed to constitute a representation and warranty from such Overseas Shareholders to the Offeror that the local laws and requirements have been complied with and such acceptance shall be valid and binding in accordance with all applicable laws and regulations. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above representation and warranty. Such Overseas Shareholders should consult their respective professional advisers if in doubt.

## **8. TAXATION ADVICE**

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

## **9. GENERAL**

- (a) All communications, notices, Form of Acceptance, share certificate(s), transfer receipt(s), other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and remittances to settle the consideration payable under the Offer to be delivered by or sent to or from the Offer Shareholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk, and none of the Offeror, the Company, the Vendor, AFG Securities, Alpha Financial, the Independent Financial Adviser, the Registrar and any of their respective directors nor other parties involved in the Offer or any of their respective agents accept any liability for any loss in postage, delay in transmission or any other liabilities that may arise as a result thereof.
- (b) The provisions set out in the Form of Acceptance form part of the terms and conditions of the Offer.
- (c) The accidental omission to despatch this Composite Document and/or Form of Acceptance or any of them to any person to whom the Offer is made will not invalidate the Offer in any way.
- (d) The Offer is, and all acceptances will be, governed by and construed in accordance with the laws of Hong Kong.
- (e) Due execution of the Form of Acceptance will constitute an authority to the Offeror, AFG Securities, Alpha Financial and/or such person or persons as the Offeror may direct to complete, amend and execute any document on behalf of the person or persons accepting the Offer and to do any other act that may be necessary or expedient for the purposes of vesting in the Offeror, or such person or persons as they may direct, the Shares in respect of which such person or persons has/have accepted the Offer.

- (f) Acceptance of the Offer by any person or persons will be deemed to constitute a representation and warranty by such person or persons to the Offeror and AFG Securities that the Offer Shares are sold to the Offeror free from all encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of this Composite Document. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above representation and warranty.
- (g) Acceptance of the Offer by any nominee will be deemed to constitute a warranty by such nominee to the Offeror that the number of Shares in respect of which as indicated in the Form of Acceptance is the aggregate number of Shares held by such nominee for such beneficial owner who is accepting the Offer.
- (h) Any Offer Shareholders accepting the Offer will be responsible for payment of any other transfer or cancellation or other taxes or duties payable in respect of the relevant jurisdiction due by such persons.
- (i) Unless otherwise expressly stated in this Composite Document and/or the Form of Acceptance, no person other than the Offeror and the accepting Offer Shareholders may enforce any terms of the Offer that will arise out of complete and valid acceptances under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong).
- (j) Reference to the Offer in this Composite Document and in the Form of Acceptance shall include any extension and/or revision thereof.
- (k) All acceptance, instructions, authorities and undertakings given by the Offer Shareholders in the Form of Acceptance shall be irrevocable except as permitted under the Takeovers Code.
- (l) The English text of this Composite Document and the Form of Acceptance shall prevail over their respective Chinese text for the purpose of interpretation in case of inconsistency.
- (m) In making their decisions, the Offer Shareholders must rely on their own examination of the Offeror, the Group and the terms of the Offer, including the merits and risks involved. The contents of this Composite Document, including any general advice or recommendation contained herein together with the Form of Acceptance, shall not be construed as any legal or business advice on the part of the Offeror, the Company, AFG Securities, Alpha Financial, the Independent Financial Adviser, the Registrar or any of their respective ultimate beneficial owners, directors, officers, agents or associates or any other persons involved in the Offer. The Offer Shareholders should consult their own professional advisers for professional advice.
- (n) The Offer is made in accordance with the Takeovers Code.

## 1. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

Set out below is a summary of the financial information of the Group (i) for the years ended 28 February 2023, 29 February 2024 and 28 February 2025 as extracted from the published annual reports of the Company; and (ii) for the six months ended 31 August 2025, which are extracted from the interim report of the Company for the six months ended 31 August 2025.

	<b>For the six months ended</b>	<b>For the year ended</b>		
	<b>31 August 2025</b>	<b>28 February 2025</b>	<b>29 February 2024</b>	<b>28 February 2023</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(audited)	(audited)	(audited)
Revenue	11,993	167,677	32,727	45,535
(Loss)/profit before tax	18,279	(35,287)	1,775	(6,577)
Income tax expense	–	–	–	–
(Loss)/profit and total comprehensive (expense)/ income for the year	18,279	(35,287)	1,775	(6,577)
(Losses)/earnings per share Basic and diluted (HK cents)	30.47	(68.78)	3.66 <sup>Note</sup>	(1.64)

*Note: Restated*

Save for disclosed above, there were no other items of income or expense which are material in respect of the audited consolidated financial statements of the Group for the years ended 28 February 2023, 29 February 2024 and 28 February 2025 and the unaudited consolidated financial statements of the Group for the six months ended 31 August 2025.

No qualified opinion had been issued by the auditor of the Company, BDO Limited, in respect of the Company's audited consolidated financial statements for the years ended 28 February 2023, 29 February 2024 and 28 February 2025.

No dividend was declared, distributed or paid by the Company during the years ended 28 February 2023, 29 February 2024 and 28 February 2025, and the six months ended 31 August 2025.

There was no change in the Group's accounting policy during the years ended 28 February 2023, 29 February 2024 and 28 February 2025 which would result in the figures in its consolidated financial statements being not comparable to a material extent.

## 2. FINANCIAL STATEMENTS OF THE GROUP

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

The unaudited condensed consolidated results of the Group for the six months ended 31 August 2025 are set out on pages 19 to 50 of the interim report of the Company for the six months ended 31 August 2025, which is posted on the websites of the Stock Exchange and the Company. Please also see below a direct link:

“<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/1125/2025112500469.pdf>”

The audited consolidated financial statements of the Group for the year ended 28 February 2025 are set out on pages 66 to 127 of the annual report of the Company for the year ended 28 February 2025, which is posted on the websites of the Stock Exchange and the Company. Please also see below a direct link:

“<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0626/2025062600600.pdf>”

The audited consolidated financial statements of the Group for the year ended 29 February 2024 are set out on pages 64 to 125 of the annual report of the Company for the year ended 29 February 2024, which is posted on the websites of the Stock Exchange and the Company. Please also see below a direct link:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0626/2024062600317.pdf>”

The audited consolidated financial statements of the Group for the year ended 28 February 2023 are set out on pages 64 to 127 of the annual report of the Company for the year ended 28 February 2023, which is posted on the websites of the Stock Exchange and the Company. Please also see below a direct link:

“<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0623/2023062300337.pdf>”

### 3. INDEBTEDNESS

As at 31 January 2026, being the most recent practicable date for the purpose of preparing this statement of indebtedness prior to the printing of the Composite Document, the details of the Group's indebtedness are as follows:

#### *Lease liabilities*

	<b>As at 31 January 2026</b> <i>HK\$'000</i>
Lease liabilities	
– Current	667
– Non-current	<u>114</u>
Total lease liabilities	<u><u>781</u></u>

### 4. NO MATERIAL CHANGE

Save as disclosed below, the Directors confirm that there was no material change in the financial or trading position or outlook of the Group since 28 February 2025 (being the date which the latest published audited consolidated financial statements of the Group were made up) up to and including the Latest Practicable Date:

- (a) on 25 September 2025, CPL, a wholly-owned subsidiary of the Company, and MSL, which is wholly-owned by the Vendor, entered into the Disposal Agreement, pursuant to which MSL has conditionally agreed to acquire and CPL has conditionally agreed to sell, or procure the sale of, the entire issued share capital of Innovax Credit and Innovax Management for a total consideration of HK\$58.2 million (subject to adjustment) (the “**Disposal**”). The Disposal Agreement and the transactions contemplated thereunder constitute a special deal for the Company under Rule 25 of the Takeovers Code, a discloseable transaction for the Company under the Chapter 14 of the Listing Rules and a connected transaction for the Company under Chapter 14A of the Listing Rules. Completion of the Disposal took place on 31 March 2026;

- (b) as disclosed in the interim report of the Company for the six months ended 31 August 2025 dated 25 November 2025 (the “**Interim Report**”):
- (i) the Group recorded total revenue of approximately HK\$12.0 million for the six months ended 31 August 2025 (the “**Period**”), as compared to a revenue of approximately HK\$93.7 million for the six months ended 31 August 2024 (the “**Corresponding Period**”). The decrease in the Group’s total revenue was mainly attributable to (i) as investors becoming more selective and demanding higher yields and stronger credit profiles to compensate for rising risks, the Group did not participate in the underwriting for issue of bonds during the Period, resulting in the significant decrease in the income generated from the placing and underwriting business from approximately HK\$85.7 million for the Corresponding Period to approximately HK\$1.4 million for the Period, and (ii) the decrease in the interest income generated from the securities financing business from approximately HK\$1.4 million for the Corresponding Period to approximately HK\$0.9 million for the Period given the Group’s continuous prudent approach and strategy to reduce its risk exposure under the highly volatile market conditions during the Period;
  - (ii) the operating expenses of the Group amounted to approximately HK\$7.1 million for the Period, representing a decrease of approximately 92.0% as compared to HK\$89.0 million for the Corresponding Period. Such decrease was mainly attributable to the sub-underwriting expenses recognised in relation to the participation in the underwriting for issue of bonds during the Corresponding Period of approximately HK\$84.3 million while no such participation and relevant expenses recognised during the Period; and
  - (iii) the Group recorded a profit and total comprehensive income of approximately HK\$18.3 million for the Period, as compared with a loss and total comprehensive expense of approximately HK\$22.9 million for the Corresponding Period. The change from loss to profit was mainly attributable to the total net realised gain and unrealised gain on financial assets at fair value through profit or loss of approximately HK\$24.1 million for the Period, as compared with the total net realised loss and unrealised loss on financial assets at fair value through profit or loss of approximately HK\$18.3 million for the Corresponding Period.

## 1. RESPONSIBILITY STATEMENT

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

## 2. SHARE CAPITAL

As at the Latest Practicable Date, the authorised share capital of the Company was HK\$10,000,000 divided into 100,000,000 Shares of HK\$0.1 each.

The number of issued and paid-up Shares of the Company as at the Latest Practicable Date was 60,000,000 Shares.

All the Shares in issue rank *pari passu* in all respects with each other, including as to the rights in respect of capital, dividends and voting.

The Shares are listed on the Main Board and no Shares are listed or dealt in on any other stock exchange and no such listing or permission to deal is being or is proposed to be sought.

Since 28 February 2025 (being the date to which the latest audited financial statements of the Group were made up), no Shares had been issued by the Company.

As at the Latest Practicable Date, the Company does not have other class of securities, outstanding options, derivatives, warrants or other securities which are convertible or exchangeable into Shares.

## 3. DISCLOSURE OF INTERESTS

### (a) Interests and short positions of the Directors and chief executive

As at the Latest Practicable Date, none of the Directors had, or were deemed to have, any interests or short positions in the Shares, underlying Shares and debentures of the Company or shares, underlying shares and debentures of any of the Company's associated corporations (within the meaning of Part XV of the SFO), which were (i) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or (ii) required, pursuant to Section 352 of the SFO, to be entered into the register referred to therein, or (iii) required, pursuant to the Model Code for Securities Transaction by Directors of Listed Companies contained in the Listing Rules, to be notified to the Company and the Stock Exchange, or (iv) required to be disclosed under the Takeovers Code.

**(b) Interests and short positions of substantial Shareholders**

As at the Latest Practicable Date, so far as was known to any Director or chief executive of the Company, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company, pursuant to Section 336 of the SFO:

***Long Positions in the Shares and the underlying Shares***

Name of Shareholder	Capacity/Nature of interest	Number of ordinary shares	Percentage of issued ordinary shares (%)
Offeror <sup>(Note)</sup>	Interest of controlled corporation	45,000,000	75.00
Billion Shine <sup>(Note)</sup>	Beneficial owner	45,000,000	75.00

*Note:* As at the Latest Practicable Date, the Offeror owns the entire issued share capital of Billion Shine. By virtue of the SFO, the Offeror is deemed to be interested in such shares held by Billion Shine.

As at the Latest Practicable Date, save as disclosed above, the Directors and the chief executive of the Company were not aware of any other persons or entities (other than the Directors or chief executives of the Company) who had interests or short position in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company, pursuant to Section 336 of the SFO.

**4. INTERESTS IN THE COMPANY AND THE OFFEROR AND ARRANGEMENTS IN CONNECTION WITH THE OFFER**

The Company confirms that:

- (i) none of the Directors had any interest in the Shares, derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into the Shares as at the Latest Practicable Date, and none of the Directors or companies owned or controlled by them had dealt for value in any Shares, options, derivatives, warrants or other securities convertible into the Shares or other types of equity interest in the Company during the Relevant Period;

- (ii) none of the subsidiaries of the Company or pension fund of the Company or of a subsidiary of the Company or a person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of “acting in concert” or an associate of the Company by virtue of class (2) of the definition of “associate” in the Takeovers Code (but excluding exempt principal traders and exempt fund managers) owned or controlled, or had dealt for value in the Shares or any convertible securities, warrants, options or derivatives in respect of any Shares during the Relevant Period;
- (iii) save for and except the Offeror, who entered into the Sale and Purchase Agreement and was (through Billion Shine) interested in 45,000,000 Shares as at the Latest Practicable Date, no persons had any arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Company or any person who is presumed to be acting in concert with the Company by virtue of classes (1), (2), (3) and (5) of the definition of “acting in concert” or who is an associate of the Company by virtue of classes (2), (3) or (4) of the definition of “associate” under the Takeovers Code, and no such person had dealt in the Shares or any convertible securities, warrants, options or derivatives in respect of any Shares during the Relevant Period;
- (iv) no Shares, convertible securities, warrants, options or derivatives of the Company were managed on a discretionary basis by fund managers (other than exempt fund managers, if any) connected with the Company, and no such person had dealt in the Shares or any convertible securities, warrants, options or derivatives in respect of any Shares during the Relevant Period;
- (v) none of the Directors held any beneficial shareholdings in the Company which would otherwise entitle them to accept or reject the Offer;
- (vi) none of the Company or the Directors had borrowed or lent any Shares or any convertible securities, warrants, options or derivatives or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in respect of any Shares;
- (vii) there was no arrangement in place for any benefit (other than statutory compensation) to be given to any Director as compensation for loss of office or otherwise in connection with the Offer;
- (viii) save for the Disposal, there was no agreement or arrangement between any Director and any other person which was conditional on or dependent upon the outcome of the Offer or otherwise connected with the Offer; and
- (ix) there was no material contracts entered into by the Offeror in which any Director has a material personal interest.

## 5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group which does not expire or is not determinable by such member of the Group within one year without payment of compensation (other than statutory compensation).

## 6. EXPERT'S QUALIFICATION AND CONSENT

In addition to the Offeror's experts listed in the section headed "4. Experts' Qualifications and Consents" in Appendix IV to this Composite Document, the following is the qualification of the expert who has given opinions or advice which are contained or referred to in this Composite Document:

<b>Name of expert</b>	<b>Qualification</b>
Merdeka	a corporation licensed to carry on Type 6 regulated activity under the SFO

Merdeka has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion therein a copy of its advice and/or references to its name, in the form and context in which it appears.

## 7. LITIGATION

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

## 8. MATERIAL CONTRACT

Save as the Disposal Agreement, as at the Latest Practicable Date, the members of the Group had not entered into any material contracts (being a contract not entered into in the ordinary course of business carried or intended to be carried on by any member of the Group) within two years before the commencement of the Offer Period up to and including the Latest Practicable Date.

## 9. GENERAL

- (a) The registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.
- (b) The headquarters and principal place of business of the Company in Hong Kong is Unit A to C, 20/F, Neich Tower, 128 Gloucester Road, Wanchai, Hong Kong.

- (c) The share registrar of the Company in Hong Kong is Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong.
- (d) The English text of this Composite Document and the accompanying Form of Acceptance shall prevail over the Chinese text in case of inconsistency.

#### 10. DOCUMENTS ON DISPLAY

Copies of the following documents are published on the respective websites of the Company ([www.innovax.hk](http://www.innovax.hk)) and the SFC ([www.sfc.hk](http://www.sfc.hk)), all from the date of this Composite Document up to and including the Closing Date:

- (a) the third amended and restated memorandum and articles of association;
- (b) the 2024 Annual Report and the 2023 Annual Report;
- (c) the 2025 Interim Report;
- (d) the “Letter from the Board”, the text of which is set out in this Composite Document;
- (e) the “Letter from the Independent Board Committee”, the text of which is set out in this Composite Document;
- (f) the “Letter from the Independent Financial Adviser”, the text of which is set out in this Composite Document;
- (g) the consent letter referred to in the section headed “6. Expert’s Qualification and Consent” in this appendix; and
- (h) the material contract (i.e. the Disposal Agreement) referred to in the section headed “8. Material Contract” of this appendix.

## 1. RESPONSIBILITY STATEMENT

This Composite Document includes particulars given in compliance with the Takeovers Code for the purpose of giving information with regard to the Offer, the Offeror and the Group.

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

## 2. MARKET PRICES

The table below shows the closing prices of the Shares quoted on the Stock Exchange on (a) the last day on which trading took place in each of the calendar months during the Relevant Period; (b) the Last Trading Day; and (c) the Latest Practicable Date:

Date	Closing price per Share (HK\$)
30 April 2025	2.3
30 May 2025	1.96
30 June 2025	2.46
31 July 2025	4.7
29 August 2025	4.6
25 September 2025 (Last Trading Day)	5.66
30 September 2025	5.66
31 October 2025	12.77
28 November 2025	11.4
31 December 2026	9.7
30 January 2026	11.52
27 February 2026	12.2
31 March 2026	12.1
2 April 2026 (Latest Practicable Date)	12.1

During the Relevant Period:

- a. the highest closing price of the Shares quoted on the Stock Exchange was HK\$16.31 per Share on 16 January 2026; and
- b. the lowest closing price of the Shares quoted on the Stock Exchange was HK\$1.2 per Share during the period from 14 April 2025 to 22 April 2025.

**3. DISCLOSURE OF INTERESTS AND DEALINGS OF SECURITIES OF THE COMPANY**

As at the Latest Practicable Date:

- (i) save for the Sale Shares under the Sale and Purchase Agreement, none of the Offeror nor any person acting in concert with him owns or has control or direction over any voting rights or rights over the Shares or convertible securities, warrants, options of the Company or any derivatives in respect of such securities;
- (ii) save for the Sale Shares under the Sale and Purchase Agreement, none of the Offeror nor any person acting in concert with him had dealt for value in any Shares, convertible securities, warrants or options of the Company or any derivatives in respect of such securities during the Relevant Period;
- (iii) save for the Sale and Purchase Agreement, there are no arrangements (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Shares and which might be material to the Offer;
- (iv) none of the Offeror nor any person acting in concert with him has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (v) none of the Offeror nor any person acting in concert with him has received any irrevocable commitment to accept the Offer;
- (vi) save for the Consideration, there is no consideration, compensation or benefit in whatever form paid or to be paid by the Offeror or any parties acting in concert with him to either of the Vendor or any party acting in concert with him in connection with the sale and purchase of the Sale Shares;
- (vii) there are no agreements or arrangements in relation to outstanding derivative in respect of the securities in the Company which has been entered into by the Offeror or any person acting in concert with him;
- (viii) save for the Sale and Purchase Agreement and the Disposal, there is no understanding, arrangement or agreement or special deal (as defined in Rule 25 of the Takeovers Code) between (1) any Shareholder or other person (including but not limited to the Vendor) and (2) the Offeror and parties acting in concert with him;
- (ix) there are no conditions to which the Offer is subject to;

- (x) save for the Sale and Purchase Agreement, there was no agreement or arrangement to which the Offeror or any parties acting in concert with him was a party which relates to circumstances in which the Offeror may or may not invoke or seek to invoke a pre-condition or a condition to the Offer;
- (xi) there are no agreements, arrangements or understanding that any securities acquired in pursuance of the Offer would be transferred, charged or pledged to any other persons; and
- (xii) save for the Sale and Purchase Agreement, there are no agreements, arrangements, or understanding (including any compensation arrangement) existing between the Offeror or any party acting in concert with him and any of the Directors, recent Directors, Shareholders or recent Shareholders having any connection with or dependence upon the Offer.

#### 4. EXPERTS' QUALIFICATIONS AND CONSENTS

In addition to the Company's expert listed in the section headed "6. Expert's Qualification and Consent" in Appendix III to this Composite Document, the following are the qualifications of the experts who have given their opinion and advice which are contained in this Composite Document:

<b>Name</b>	<b>Qualification</b>
AFG Securities Limited	a corporation licensed by the SFC to carry out Type 1 (dealing in securities) regulated activity under the SFO
Alpha Financial Group Limited	a corporation licensed by the SFC to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

Each of the above experts has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion therein a copy of its advice and/or references to its name, in the form and context in which it appears.

#### 5. MISCELLANEOUS

- a. The correspondence address of the Offeror is Room E, 21/F, Neich Tower, 128 Gloucester Road, Wan Chai, Hong Kong.
- b. The main business address of AFG Securities is Room B, 17/F., Fortune House, 61 Connaught Road Central, Central, Hong Kong.
- c. The main business address of Alpha Financial is Unit B, 15/F., Two Chinachem Plaza, 135 Des Voeux Road Central, Hong Kong.

- d. In case of inconsistency, the English texts of this Composite Document and the Form of Acceptance shall prevail over their respective Chinese texts.

## **6. DOCUMENTS ON DISPLAY**

Copies of the following documents are available for inspection on the websites of the SFC ([www.sfc.hk](http://www.sfc.hk)) and the Company ([www.innovax.hk](http://www.innovax.hk)) from the date of this Composite Document up to and including the Closing Date:

- a. the “Letter from Alpha Financial”, the text of which is set out on pages 9 to 19 of this Composite Document; and
- b. the written consents as referred to in the section headed “4. Experts’ Qualifications and Consents” in this Appendix IV.