
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of the Offers, this Composite Document and/or the accompanying Forms 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 securities in Somerley Capital Holdings Limited, you should at once hand this Composite Document and the accompanying Forms of Acceptance to the purchaser(s) or to the transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s). This Composite Document should be read in conjunction with the accompanying Forms of Acceptance, the contents of which form part of the terms of the Offers.

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 Forms 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 Forms of Acceptance.

This document has not been approved by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000. This document is being communicated to persons in the United Kingdom in reliance upon exemptions contained in the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended). This document does not constitute an offer to the public in the United Kingdom within the meaning of the Companies Act 2006.



SOMERLEY CAPITAL HOLDINGS LIMITED

Sky Links Group Limited

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

Somerley Capital Holdings Limited

新百利融資控股有限公司
*(incorporated in the Cayman Islands
with limited liability)*
(Stock Code: 8439)

**COMPOSITE DOCUMENT RELATING TO
MANDATORY UNCONDITIONAL CASH OFFERS BY
EDDID CAPITAL LIMITED AND RED SUN CAPITAL LIMITED
FOR AND ON BEHALF OF THE OFFEROR
TO ACQUIRE ALL THE ISSUED SHARES OF THE COMPANY
(OTHER THAN THOSE ALREADY OWNED AND/OR AGREED
TO BE ACQUIRED BY THE OFFEROR
AND THE PARTIES ACTING IN CONCERT WITH IT) AND
TO CANCEL ALL OUTSTANDING OPTIONS OF THE COMPANY**

Joint financial advisers to the Offeror

**Financial adviser to
the Company**

Eddid.



紅日資本有限公司
RED SUN CAPITAL LIMITED



SOMERLEY CAPITAL LIMITED

Eddid Capital Limited

Red Sun Capital Limited

Somerley Capital Limited

Independent financial adviser to the Independent Board Committee

AMASSE CAPITAL
寶 積 資 本

Capitalised terms used on this cover page shall have the same meanings as those defined in the section headed "Definitions" in this Composite Document.

A letter from Red Sun Capital and Eddid Capital containing, among others, the details of the terms and conditions of the Offers is set out on page 15 to page 32 of this Composite Document. A letter from the Board is set out on page 33 to page 40 of this Composite Document. A letter from the Independent Board Committee containing its recommendation in respect of the Offers to the Offer Shareholders and Optionholders is set out on page 41 to page 43 of this Composite Document. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee in respect of the Offers is set out on page 44 to page 71 of this Composite Document.

The procedures for acceptance and settlement of the Offers are set out on pages 72 to 86 in Appendix I to this Composite Document and in the accompanying Forms of Acceptance. Acceptances of the Offers must be received by the Registrar by no later than 4:00 p.m. on Thursday, 12 November 2026, or such later time and/or date as the Offeror may determine and announce with the consent of the Executive and 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 Forms of Acceptance to any jurisdiction outside Hong Kong should read the details in this regard which are contained in the paragraph headed "Overseas Shareholders" in the letter from Red Sun Capital and Eddid Capital contained in this Composite Document before taking any action. It is the responsibility of each Overseas Shareholder wishing to accept the Offers to satisfy himself, herself or itself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required and the compliance with other necessary formalities or legal requirements and the payment of any transfer or other taxes due in respect of such jurisdiction. Overseas Shareholders are advised to seek professional advice on deciding whether to accept the Offers.

This Composite Document will remain on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (www.somerleycapital.com) as long as the Offers remain open.

22 October 2026

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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EXPECTED TIMETABLE

The expected timetable set out below is indicative only and may be subject to changes. Any changes to the timetable will be announced by the Offeror and the Company as and when appropriate.

2026

Record date of Special Cash Dividend	Wednesday, 14 October
Despatch date of this Composite Document and the accompanying Forms of Acceptance	Thursday, 22 October
Offers open for acceptance (<i>Note 1</i>)	Thursday, 22 October
Latest time and date for acceptance of the Offers (<i>Note 2</i>)	4:00 p.m. on Thursday, 12 November
Closing Date (<i>Notes 2 and 3</i>)	Thursday, 12 November
Announcement of the results of the Offers (or its extension or revision, if any) on the website of the Stock Exchange.	at or before 7:00 p.m. on Thursday, 12 November
Latest date for posting of remittances for the amounts due in respect of valid acceptances received under the Offers (<i>Notes 3 and 4</i>)	Monday, 23 November

Notes:

1. The Offers, which are unconditional in all respects, are made on the date of posting of this Composite Document, and are capable of acceptance on and from Thursday, 22 October 2026 until the Closing Date. Beneficial owners of Shares who hold their Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements for causing instructions to be made to CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures. Acceptances of the Offers shall be irrevocable and not capable of being withdrawn, except in the circumstances set out in the paragraph headed “Right of withdrawal” in Appendix I to this Composite Document.
2. In accordance with the Takeovers Code, the Offers must initially be open for acceptance for at least 21 days following the date on which this Composite Document is posted. The latest time and date for acceptance of the Offers is 4:00 p.m. on Thursday, 12 November 2026 unless the Offeror revises or extends the Offers in accordance with the Takeovers Code. The Offeror reserves the right to extend the Offers until such date as it may determine pursuant to the Takeovers Code. In the event that the Offeror decides to extend the Offers, the announcement will state the next closing date of the Offers or that the Offers will remain open until further notice. In the latter case, at least 14 calendar days’ notice in writing will be given, before the extended Offers are closed, to those Offer Shareholders and Optionholders who have not accepted the Offers.

EXPECTED TIMETABLE

In the event that the Offeror, in the course of the Offers, decides to revise the terms of the Offers, all Offer Shareholders and the Optionholders, whether or not they have already accepted the Offers, will be entitled to accept the revised Offers under the revised terms. The revised Offers must be kept open for at least 14 days after the date on which the revised offer document is posted and shall not close earlier than the Closing Date.

An announcement will be jointly issued by the Company and the Offeror on the websites of the Stock Exchange and the Company by 7:00 p.m. on the Closing Date stating the results of the Offers and whether the Offers have been revised or extended or has closed for acceptance.

3. If there is a tropical cyclone warning signal number 8 or above, or “Extreme Conditions” or a “black rainstorm warning signal” as issued by the Hong Kong Observatory and/or the Government of Hong Kong (collectively, “**severe weather conditions**”) on any of the following deadlines (“**Key Deadlines**”): (a) the Closing Date and the latest time for acceptance of the Offers and the submission and publication deadline for a closing announcement under Rule 19.1 of the Takeovers Code; and (b) the latest date for posting of remittances for the amounts due under the Offers in respect of valid acceptances,
 - (a) in case any severe weather condition is in force in Hong Kong at any local time before 12:00 noon but no longer in force at 12:00 noon and/or thereafter on any Key Deadline, such Key Deadline will remain on the same Business Day; or
 - (b) in case any severe weather condition is in force in Hong Kong at any local time at 12:00 noon and/or thereafter on any Key Deadline, such Key Deadline will be rescheduled to the following Business Day which does not have any of those warnings or conditions in force in Hong Kong at any time at 12:00 noon and/or thereafter or such other day as the Executive may approve in accordance with the Takeovers Code.
4. Remittances in respect of the cash consideration (after deducting the seller’s ad valorem stamp duty in respect of acceptances of the Share Offer) payable for the Share Offer will be posted to the accepting Offer Shareholders by ordinary post at their own risk.

Cheques in respect of the cash consideration payable for the Options surrendered for cancellation under the Option Offer will be delivered to the registered office of the Company at 20/F., China Building, 29 Queen’s Road Central, Hong Kong for collection by the Optionholders.

Payment will be made as soon as possible, but in any event no later than seven Business Days following the date of receipt by the Registrar of all relevant documents to render each acceptance under the relevant Offers complete and valid in accordance with the Takeovers Code, this Composite Document and the relevant accompanying Form(s) of Acceptance.

5. Beneficial owners of the Offer Shares who hold their Offer Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant and who wish to accept the Share Offer should note the timing requirements (as set out in Appendix I to this Composite Document) for causing instructions to be made to CCASS in accordance with the General Rules of HKSCC and HKSCC Operational Procedures.

EXPECTED TIMETABLE

All time and date references contained in this Composite Document and accompanying Forms of Acceptance are to Hong Kong times and dates.

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

IMPORTANT NOTICES

NOTICE TO THE OVERSEAS SHAREHOLDERS

To the extent practicable and permissible under applicable laws and regulations, the Offeror is making the Share Offer available to all Shareholders and the Option Offer available to all Optionholders, including those who are citizens, residents or nationals of a jurisdiction outside Hong Kong. The making and the implementation of the Offers to Shareholders and Optionholders (as the case may be) with a registered address or ordinary residential address (as applicable) outside or otherwise not residing in Hong Kong may be subject to the laws and regulations of the relevant overseas jurisdictions in which they are resident. Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe, at their own responsibility, any applicable legal or regulatory requirements and, where necessary, seek legal advice in respect of the Offers.

The acceptance of the Offers by the Overseas Shareholders may be subject to the laws and regulations of the relevant jurisdictions and may or may not be prohibited. It is the sole responsibility of the Overseas Shareholders who wish to accept the relevant Offers to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the relevant Offers (including the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required and the compliance with all 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 Offers in such jurisdictions) and, where necessary, seek legal advice.

Any acceptance by any Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholders to the Offeror, the Company and their respective advisers (including Red Sun Capital, Eddid Capital and Somerley Capital Limited) that those relevant local laws and regulatory requirements have been complied with and such acceptance shall be lawful, valid and binding in accordance with all applicable laws.

The Offeror, its parties acting in concert, Red Sun Capital, Eddid Capital, the Company, Somerley Capital Limited, the Independent Financial Adviser, the Registrar, their respective ultimate beneficial owners, directors, officers, employees, advisers, agents and associates and any other persons involved in the Offers shall be entitled to be fully indemnified and held harmless by such person for any taxes or duties as such person may be required to pay. Please refer to the paragraph headed “Overseas Shareholders” in the “Letter from Red Sun Capital and Eddid Capital” and Appendix I to this Composite Document for further information.

Overseas Shareholders should consult their professional advisers if in doubt.

IMPORTANT NOTICES

NOTICE TO SHAREHOLDERS IN THE UNITED KINGDOM

This Composite Document and the accompanying Forms of Acceptance have been prepared in accordance with the laws of Hong Kong, the Takeovers Code and the GEM Listing Rules. They have not been prepared in accordance with the laws of the United Kingdom, including the City Code on Takeovers and Mergers (as administered by the Panel on Takeovers and Mergers), the Financial Services and Markets Act 2000 (“FSMA”), the Financial Conduct Authority Handbook, or any other regulatory requirement applicable in the United Kingdom. No application has been made to the Financial Conduct Authority, the Panel on Takeovers and Mergers, or any other regulatory authority in the United Kingdom in connection with the Offers.

The communication of this Composite Document and the accompanying Forms of Acceptance to persons in the United Kingdom is made in reliance upon exemptions available under the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended), including without limitation Article 62 (sale of body corporate). Accordingly, this Composite Document has not been approved by an authorised person for the purposes of section 21 of FSMA.

The Offers are not being made, and will not be made, directly or indirectly, in or into the United Kingdom by any means constituting an offer to the public within the meaning of the Companies Act 2006, except that this Composite Document and the accompanying Forms of Acceptance are being sent to Shareholders with registered addresses in the United Kingdom in reliance upon the exemptions referred to above.

This Composite Document does not constitute a prospectus for the purposes of UK law. No transferable securities are being offered to UK Shareholders. The Offers are cash offers only.

NOTICE TO SHAREHOLDERS IN THE UNITED STATES

This Composite Document and the accompanying Forms of Acceptance have been prepared in accordance with the laws of Hong Kong, the Takeovers Code and the GEM Listing Rules. They have not been prepared in accordance with the disclosure standards set forth in the United States Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), and related tender offer rules in the United States. The financial statements and financial information included in the offer documents have been prepared in accordance with Hong Kong Financial Reporting Standards or International Financial Reporting Standards and may not be comparable to financial statements of United States companies prepared in accordance with United States generally accepted accounting principles.

The Offers are being conducted in accordance with the Tier I exemption provided by Rule 14d-1(c) under the Exchange Act, and are therefore exempt from certain provisions of the Exchange Act that would otherwise be applicable to tender offers made to U.S. holders, including, without limitation, Sections 14(d)(1) through 14(d)(7) of the Exchange Act and Regulation 14D and Schedule TO thereunder (except for Rule 14d-1(c) itself and Rule 14e-5). Accordingly, the Offers are subject to disclosure and other procedural requirements,

IMPORTANT NOTICES

including with respect to withdrawal rights, offer timetable, settlement procedures, and timing of payments, that are different from those applicable under U.S. domestic tender offer procedures.

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 meanings, 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 Offeror and the Company assume no obligation and do not intend to update these forward-looking statements, except as required pursuant to applicable laws or regulations, including without limitation the Takeovers Code and the GEM Listing Rules.

DEFINITIONS

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

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“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”	Thursday, 12 November 2026, the first closing date of the Offers which is no less than 21 days following the date on which this Composite Document is posted, or (if so extended) any subsequent closing date as may be announced by the Offeror in accordance with the Takeovers Code and approved by Executive
“Company” or “Somerley”	Somerley Capital Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the GEM of the Stock Exchange (stock code: 8439)
“Completion Announcement”	the announcement jointly published by the Offeror and the Company dated 15 October 2026 in relation to, among other things, the SPA Completion pursuant to the fulfilment (or waiver if applicable) of conditions precedent to the Sale and Purchase Agreement
“Composite Document”	this composite offer and response document combining the offer document jointly issued by the Offeror and the Company in respect of the Offers in accordance with the Takeovers Code
“Director(s)”	the director(s) of the Company
“Eddid Capital”	Eddid Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO, being one of the joint financial advisers to the Offeror
“Executive”	the Executive Director of the Corporate Finance Division of the SFC and any delegate of the Executive Director

DEFINITIONS

“Facility Agreement”	the facility agreement dated 24 April 2026 entered into by Eddid Securities and Futures Limited as the lender, the Offeror as the borrower and Mr. Ng as the guarantor in relation to a loan facility of up to HK\$42,000,000 for financing the consideration payable by the Offeror pursuant to the Offers
“Final Dividend”	the final dividend of HK\$0.02 per Share for the Financial Year 2026 paid on 12 August 2026 to Shareholders whose names are on the register of members of the Company on 31 July 2026
“Financial Year 2026”	the financial year ended 31 March 2026 of the Company
“Form of Option Offer Acceptance”	the PINK form of acceptance and cancellation in respect of the Option Offer accompanying this Composite Document
“Form of Share Offer Acceptance”	the WHITE form of acceptance and transfer in respect of the Share Offer accompanying this Composite Document
“Form(s) of Acceptance”	the WHITE Form of Share Offer Acceptance and/or the PINK Form of Option Offer Acceptance
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“Group”	collectively, the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing 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 Mr. CHENG Yuk Wo, Mr. YUEN Kam Tim Francis and Ms. KHOO Pui Wun, each an independent non-executive Director, who have no direct or indirect interest in the Offers, which has been established to make recommendations to the Offer Shareholders and the Optionholders in respect of the Offers
“Independent Financial Adviser”	Amasse Capital Limited, the independent financial adviser appointed by the Independent Board Committee to advise the Independent Board Committee in respect of the Offers, a licensed corporation under the SFO, licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

DEFINITIONS

“Independent Third Party(ies)”	person(s) or entity(ies) which is(are) not connected person(s) (as defined in the GEM Listing Rules) of the Company
“Irrevocable Undertaking(s)”	irrevocable undertakings, each given by an IU Shareholder in favour of the Offeror and dated 30 April 2026
“IU Shareholders”	the Seller, Mr. Sabine, Mr. Sabine Anthony James, Mr. Sabine Peter Robert and Mr. Sabine Christopher Richard all being sons of Mr. Sabine, Mr. Cheung and Mr. Chow
“IU Shares”	in aggregate 19,515,026 Shares held by the IU Shareholders
“Joint Announcement”	the announcement jointly published by the Offeror and the Company dated 4 May 2026 in relation to, among other things, the Sale and Purchase Agreement and the Offers pursuant to Rule 3.5 of the Takeovers Code
“Joint Financial Advisers”	Red Sun Capital and Eddid Capital
“Last Trading Day”	28 April 2026, being the last trading day of the Shares on the Stock Exchange immediately prior to the halt of trading in the Shares pending the release of the Joint Announcement
“Latest Acceptance Time”	the latest time for receipt by the Registrar of the Forms of Acceptance submitted by the Offer Shareholders and the Optionholders in respect of the Share Offer and the Option Offer, respectively, being 4:00 p.m., Hong Kong time, on Thursday, 12 November 2026, or such later time and date as the Company may announce in accordance with the requirements of the Takeovers Code
“Latest Practicable Date”	20 October 2026, being the latest practicable date prior to the printing of this Composite Document for ascertaining certain information contained herein
“Licensed Corporations”	Environmental Investment Services Asia Limited and Somerley Capital Limited, both being subsidiaries of the Company
“Mr. Cheng”	Mr. CHENG Yuk Wo, an independent non-executive Director of the Company
“Mr. Cheung”	Mr. CHEUNG Tei Sing Jamie, one of the substantial shareholders of the Seller and an executive Director of the Company
“Mr. Chow”	Mr. CHOW Wai Hung Kenneth, an executive Director of the Company

DEFINITIONS

“Mr. Fletcher”	Mr. FLETCHER John Wilfred Sword, one of the substantial shareholders of the Seller
“Mr. Ng”	Mr. NG Hoi Kam, the sole shareholder and sole director of the Offeror
“Mr. Sabine”	Mr. SABINE Martin Nevil, one of the substantial shareholders of the Seller, and the Chairman and executive Director of the Company
“Mr. Wong”	Mr. WONG C-Tsun, and executive Director of the Company
“Mr. Yuen”	Mr. YUEN Kam Tim Francis, an independent non-executive Director of the Company
“Ms. Khoo”	Ms. KHOO Pui Wun, an independent non-executive Director of the Company
“Ms. Leung”	Ms. LEUNG Lim Ng Jenny, and executive Director of the Company
“Offer Period”	has the meaning ascribed to it under the Takeovers Code, being the period from 13 April 2026 (being the date of the Rule 3.7 announcement in relation to the Offers) until the date on which the Offers close, lapse or are withdrawn
“Offer Share(s)”	all the Share(s) in issue, other than those already owned or agreed to be acquired by the Offeror and the parties acting in concert with it
“Offer Shareholder(s)”	Shareholder(s) other than the Offeror and the parties acting in concert with it
“Offeror” or “Purchaser”	Sky Links Group Limited, a company incorporated in the British Virgin Islands with limited liability which is wholly and beneficially owned by Mr. Ng
“Offers”	the Share Offer and the Option Offer
“Option Offer”	the offer made by Eddid Capital and Red Sun Capital for and on behalf of the Offeror in compliance with Rule 13 of the Takeovers Code to cancel all the outstanding Options in accordance with the terms and conditions set out in this Composite Document
“Option Offer Price”	HK\$0.098 per Option

DEFINITIONS

“Option(s)”	share option(s) which were granted by the Company pursuant to the Share Option Scheme and remain outstanding as at the Latest Practicable Date
“Optionholders”	the holders of the Options
“Overseas Shareholders”	Offer Shareholders whose addresses as shown on the register of members of the Company are outside Hong Kong
“PRC”	the People’s Republic of China, which, for the purpose of this Composite Document, shall exclude Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Red Sun Capital”	Red Sun Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO, being one of the joint financial advisers to the Offeror
“Registrar”	Union Registrars Limited, being the Hong Kong branch share registrar and transfer office of the Company and the agent for receiving and processing acceptances of the Offers in respect of the Offer Shares and the Options, located at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong
“Relevant Period”	During the six-month period immediately preceding 13 April 2026, being the date of the announcement made by the Company pursuant to Rule 3.7 of the Takeovers Code, and up to and including the Latest Practicable Date
“Sale and Purchase Agreement”	the sale and purchase agreement dated 28 April 2026 entered into by the Purchaser and the Seller in relation to the sale and purchase of the Sale Shares
“Sale Share(s)”	the aggregate of 75,959,948 Shares acquired by the Purchaser from the Seller pursuant to the terms of the Sale and Purchase Agreement
“Seller” or “SGL”	Somerley Group Limited, a limited liability company incorporated in Hong Kong and owned by Mr. Sabine, Mr. Fletcher and Mr. Cheung and Ms. FONG Sau Man Cecilia as to approximately 57.1%, 20.5%, 12.9% and 9.5%, respectively
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

DEFINITIONS

“Share Offer”	the unconditional mandatory cash offer made by Red Sun Capital and Eddid Capital for and on behalf of the Offeror for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and the parties acting in concert with it) pursuant to Rule 26.1 of the Takeovers Code
“Share Offer Price”	HK\$0.818 per Offer Share
“Share Option Scheme”	the share option scheme adopted by the Company on 15 September 2023, as amended from time to time
“Shares(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“SPA Completion”	completion of the Sale and Purchase Agreement
“Special Cash Dividend”	HK\$0.08 per Share, being HK\$0.10 per Share less the Final Dividend of HK\$0.02 per Share paid on 12 August 2026
“Special Dividend Record Date”	Wednesday, 14 October 2026, being the record date for determining the entitlement of the Shareholders to the Special Cash Dividend
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers
“Undisturbed Date”	8 April 2026, being the last trading day prior to which there were irregular trading volumes and price movements in the Shares
“%”	per cent.

Certain amounts and percentage figures included in this Composite Document have been subject to rounding adjustments. Accordingly, figures shown as totals in certain paragraphs and tables in this Composite Document may not be an arithmetic aggregation of the figures preceding them.

LETTER FROM THE CHAIRMAN



SOMERLEY GROUP LIMITED

20/F., China Building, 29 Queen's Road Central, Hong Kong

Telephone: 2869 9090

Fax: 2526 2032

E-Mail: somerley@somerley.com.hk

22 October 2026

Dear Fellow Shareholders,

As the Chairman and founder of the Somerley group, I am writing to explain to you why I decided to initiate the sale of a controlling stake in the Company, to which I have devoted most of my professional life.

I am proud of what the Somerley team has achieved over these years. We have built what is arguably the leading corporate finance advisory business in Hong Kong. This is no mean feat in the context of a rigorous and highly competitive market where periods of growth have been balanced by periods where conditions have been extremely challenging. As I write, Somerley is in a strong position, with increased revenue and a return to profitability in 2025/26, combined with liquid assets of over HK\$50 million and no bank borrowings. A positive profit alert in respect of the six months ended 30 September 2026 was issued on 22 September 2026.

At the same time, as far as sponsorship and underwriting positions are concerned, we have not participated meaningfully in the recent record-breaking run of the Hong Kong's initial public offering market, although we have benefitted from follow-on compliance adviser roles. We maintain Types 4 and 9 licences for fund management for which we have a small but experienced team, but we have not so far attracted a critical mass of assets under management. I believe there are important opportunities where the potential of Somerley is not being fully realised.

The Offeror has summarised its intentions for Somerley in the letter from their advisers and you should read their own words. Personally, I am convinced that the Offeror can materially assist Somerley in building an equity capital markets capability (initial public offerings and placings) and in expanding our fund management business. These would be significant steps in my long-held goal for Somerley to become a better balanced and more dynamic financial services group. Meanwhile, I believe our financial advisory business will go from strength to strength, having recently completed several landmark financial adviser/independent financial adviser deals. I will stay as Chairman as stated in the Composite Document.

LETTER FROM THE CHAIRMAN

As Chairman of a listed company, it is also my duty to keep in mind the interests of our loyal Shareholders. Somerley has paid dividends every year since its 2017 initial public offering, in addition to conducting share buy-backs from time to time. Nevertheless, when discussions with the Offeror started, the share price was trading in the range of HK\$0.30–0.40 per Share, which I do not believe reflects the value of the Company or is fair to Shareholders. As practitioners, our team is well aware of the premium which an active listed company in good standing can attract if the majority Shareholder is willing to cede control. Since our initial public offering, we have been approached regularly with such proposals but until now I have not felt confident that a potential purchaser could both thoroughly understand our existing core business and bring a strong capability to help us diversify and expand from that base.

I believe there is great potential for the future and that the current share price, while significantly above the Share Offer Price, is not out of line with our ambitions. SGL has undertaken not to accept the Share Offer for the balance of its holding not covered by the Sale and Purchase Agreement, as have I and my sons. You should of course be guided by the objective advice of the Independent Board Committee and Independent Financial Adviser as set out in their letters contained in this Composite Document. Whether you decide to accept the Share Offer or not, you will receive the Special Cash Dividend of HK\$0.08 per Share.

As the Independent Board Committee and Independent Financial Adviser advise, Optionholders in particular should be alert to the fact that any remaining Options not exercised or assented to the Option Offer will lapse at the close of the Offers.

I am excited about the next chapter of Somerley's story and thank all Shareholders for their consistent support in the past.

Kind regards,

A handwritten signature in black ink, reading "Martin Sabine". The signature is written in a cursive, flowing style.

Martin Sabine
Chairman

Eddid.



EDDID CAPITAL LIMITED

21/F., CITIC Tower
1 Tim Mei Avenue
Central
Hong Kong

Red Sun Capital Limited

Room 2703, 27/F,
China Insurance Group Building,
141 Des Voeux Road Central,
Hong Kong

22 October 2026

To the Offer Shareholders and Optionholders

Dear Sir/Madam,

**MANDATORY UNCONDITIONAL CASH OFFERS BY
EDDID CAPITAL LIMITED AND RED SUN CAPITAL LIMITED
FOR AND ON BEHALF OF THE OFFEROR
TO ACQUIRE ALL THE ISSUED SHARES OF THE COMPANY
(OTHER THAN THOSE ALREADY OWNED AND/OR AGREED
TO BE ACQUIRED BY THE OFFEROR
AND THE PARTIES ACTING IN CONCERT WITH IT) AND
TO CANCEL ALL OUTSTANDING OPTIONS OF THE COMPANY**

INTRODUCTION

Reference is made to (i) the Joint Announcement in relation to, among others, the Sale and Purchase Agreement entered into by the Offeror and the Seller on 28 April 2026 for the sale and purchase of 75,959,948 Shares (representing approximately 51.9% of the issued share capital of the Company as at the date of the Joint Announcement); (ii) the joint announcement dated 30 September 2026 in relation to, among others, fulfillment of conditions precedent to the Sale and Purchase Agreement; (iii) the Completion Announcement in relation to the SPA Completion; and (iv) the Company's announcement dated 29 June 2026 in relation to the declaration of the Final Dividend of HK\$0.02 per Share and the Special Cash Dividend of HK\$0.08 per Share, both of which were approved at the annual general meeting of the Company held on 28 July 2026.

On 29 September 2026, all the conditions precedent to the Sale and Purchase Agreement had been fulfilled and SPA Completion took place on 15 October 2026. The total consideration for the Sale Shares of HK\$62,132,430, or approximately HK\$0.818 per Sale Share, less the initial deposit of HK\$3,000,000 already paid, had been settled by the Offeror upon SPA Completion.

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Immediately following SPA Completion and as at the Latest Practicable Date, the Offeror and its parties acting in concert were interested in 75,959,948 Shares, representing approximately 50.1% of the issued share capital of the Company. The Offeror is therefore required to make the mandatory unconditional general offers in cash to (i) acquire all the issued Shares, other than those already owned and/or agreed to be acquired by the Offeror and the parties acting in concert with it pursuant to Rule 26.1 of the Takeovers Code; and (ii) to cancel all the outstanding Options at an appropriate price in compliance with Rule 13 of the Takeovers Code. We, Red Sun Capital and Eddid Capital, have been appointed by the Offeror to jointly make the Offers for and on behalf of it.

This letter forms part of the Composite Document and sets out, among others, details of the Offers, information on the Offeror and the Offeror's intentions in relation to the Company. Further details on the terms and the procedures for acceptance of the Offers are set out in Appendix I to the Composite Document and the accompanying Forms of Acceptance. The Offer Shareholders and Optionholders are strongly advised to carefully consider the information contained in the sections headed "Letter from the Board", "Letter from the Independent Board Committee", "Letter from the Independent Financial Adviser", and the appendices to, the Composite Document and the accompanying Forms of Acceptance, and to consult their own professional advisers before reaching a decision as to whether or not to accept the Offers.

THE OFFERS

Red Sun Capital and Eddid Capital are, for and on behalf of the Offeror, jointly making the mandatory unconditional cash offers to (i) acquire all the issued Shares, other than those already owned and/or agreed to be acquired by the Offeror and the parties acting in concert with it pursuant to Rule 26.1 of the Takeovers Code; and (ii) to cancel all the outstanding Options at an appropriate price in compliance with Rule 13 of the Takeovers Code on the following terms:

The Share Offer

For each Offer Share HK\$0.818 in cash

The Share Offer Price of HK\$0.818 per Offer Share is based on the purchase price per Sale Share paid by the Offeror under the Sale and Purchase Agreement by rounding up to 3 decimal places.

The Share Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of Shares and in respect of a minimum number of Options to be cancelled or any other conditions.

The Share Offer is extended to all Offer Shareholders in accordance with the Takeovers Code. The Share Offer applies to all Shares in issue on the date on which the Share Offer is made, being the date of despatch of this Composite Document, other than those Shares already held by and/or agreed to be acquired by the Offeror and the parties acting in concert with it.

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The Offer Shares to be acquired under the Share Offer shall be fully paid and shall be acquired free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attaching to them, including the rights to receive all dividends (except for the Special Cash Dividend and the Final Dividend) and distributions, if any, declared, made or paid on or after the date on which the Share Offer is made, being the date of despatch of this Composite Document.

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

Comparison of value

The following table sets out the premium/discount represented by (i) Share Offer Price of HK\$0.818 per Offer Share; and (ii) total amount receivable per Offer Share of HK\$0.918 factoring in the aggregate amount of the Special Cash Dividend and the Final Dividend, respectively as compared with the historical closing price and average closing price per Share:

	Historical closing price/ average closing price per Share (HK\$)	Premium/ (discount) represented by the Share Offer Price	Premium/ (discount) represented by total amount receivable per Share
(i) On 8 April 2026, being the Undisturbed Date	0.330	147.9%	178.2%
(ii) For the five (5) trading days immediately prior to and including the Undisturbed Date	0.348	135.1%	163.8%
(iii) For the ten (10) trading days immediately prior to and including the Undisturbed Date	0.354	131.1%	159.3%
(iv) For the thirty (30) trading days immediately prior to and including the Undisturbed Date	0.356	129.8%	157.9%
(v) For the sixty (60) trading days immediately prior to and including the Undisturbed Date	0.345	137.1%	166.1%

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	Historical closing price/ average closing price per Share (HK\$)	Premium/ (discount) represented by the Share Offer Price	Premium/ (discount) represented by total amount receivable per Share
(vi) On 28 April 2026, being the Last Trading Day	0.860	(4.9)%	6.7%
(vii) For the five (5) trading days up to and including the Last Trading Day	0.870	(6.0)%	5.5%
(viii) For the ten (10) trading days up to and including the Last Trading Day	0.890	(8.1)%	3.1%
(ix) For the thirty (30) trading days up to and including the Last Trading Day	0.581	40.8%	58.0%
(x) For the sixty (60) trading days up to and including the Last Trading Day	0.464	76.3%	97.8%
(xi) The Latest Practicable Date	1.440	(43.2)%	(36.3)%

The Share Offer Price of HK\$0.818 per Offer Share also represents:

- (i) a premium of approximately 100.0% over the audited consolidated net assets value attributable to equity holders as at 31 March 2026 of approximately HK\$0.409 per Share based on the audited consolidated net assets of the Company as at 31 March 2026 and the number of Shares in issue as at the Latest Practicable Date; and
- (ii) a premium of approximately 164.7% over the audited net assets per Share stated in (i) above less the Final Dividend and the Special Cash Dividend, of HK\$0.309 per Share.

Highest and lowest Shares prices

During the Relevant Period, the highest closing price of the Shares (on an ex-dividend basis) as quoted on the Stock Exchange was HK\$2.263 per Share on 12 May 2026, and the lowest closing price of the Shares (on an ex-dividend basis) as quoted on the Stock Exchange was HK\$0.632 per Share on 13 April 2026 respectively.

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During the six-month period immediately up to and including the Undisturbed Date, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.36 per Share on 27 February 2026, 2 to 6, 9, 13, 16 to 20, 23 to 27 and 30 March 2026 respectively, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.31 per Share on 19, 22 and 23 December 2025 respectively.

The Option Offer

For the cancellation of each Option HK\$0.098 in cash

As at the Latest Practicable Date, the Company has 2,497,000 outstanding Options granted under the Share Option Scheme with an exercise price of HK\$0.72, comprising 66,000 vested Options and 2,431,000 unvested Options which are exercisable from 18 December 2026. Save as disclosed in this section, there are no other outstanding Shares, warrants, options, derivatives or securities that are convertible into Shares or other types of equity interest in the Company.

The Option Offer Price at which the Option Offer is made represents the “see-through” price, being the Share Offer Price minus the exercise price of the Options (being HK\$0.72).

Following acceptance of the Option Offer, all the relevant Options (together with all rights attaching to the Options) will be cancelled and renounced.

It is noted that in accordance with the terms and conditions of the Share Option Scheme, if a general offer is made to all the Shareholders and such general offer becomes or is declared unconditional, the Optionholders shall, notwithstanding any other terms on which Options were granted, be entitled to exercise the Options (to the extent vested but not already exercised) to the full extent or to the extent specified in the Optionholders’ notice to the Company in accordance with the provisions of the Share Option Scheme at any time thereafter and up to the close of such offer (or any revised offer). In the event that an Optionholder exercises any outstanding Options before the close of the Share Offer, the Shares issued pursuant to the exercise of such Options shall form part of the Offer Shares and be subject to the Share Offer. **Any vested and unvested Options (to the extent not already exercised) will lapse at the close of the Offers.**

REMINDER TO OPTIONHOLDERS: If you do not either: (i) exercise your Options before the close of the Share Offer; or (ii) accept the Option Offer before the Closing Date, your Options will automatically and immediately lapse after the close of the Offers.

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

Special Cash Dividend and Final Dividend

The Company has declared a Final Dividend and Special Cash Dividend of HK\$0.02 in cash per Share and HK\$0.08 in cash per Share with the Record Dates of 31 July 2026 and 14 October 2026 respectively, which have been approved by the Shareholders in the annual

LETTER FROM RED SUN CAPITAL AND EDDID CAPITAL

general meeting held on 28 July 2026. As at the Latest Practicable Date, the Final Dividend has been paid and the Special Cash Dividend will be paid on 23 October 2026. As disclosed in the Joint Announcement, the amount of the Final Dividend shall be deducted from the Special Cash Dividend and, as such, the total amount paid under Final Dividend and Special Cash Dividend is HK\$0.10 per Share in cash. Shareholders will receive the Special Cash Dividend whether or not they accept the Share Offer.

Value and total consideration of the Offers

As at the Latest Practicable Date, the Company has 151,623,894 Shares in issue, and 2,497,000 outstanding Options. On the basis of the Share Offer Price of HK\$0.818 per Offer Share and the Option Offer Price of HK\$0.098 per Option, the entire issued share capital of the Company would be valued at approximately HK\$124,273,052.

Based on the maximum aggregate consideration payable by the Offeror under the Offers and the assumptions that (a) no further share options in accordance with the Share Option Scheme are granted and there are no other changes to the share capital of the Company except that all the Options are exercised before they lapse prior to the close of the Offers, and (b) all Shares issued on the exercise of the Options are tendered for acceptance, the maximum consideration payable under the Offers is approximately HK\$47,972,363.

Confirmation of financial resources available for the Offers

The Offeror intends to finance the entire consideration payable under the Offers by its internal resources and a term loan facility provided by Eddid Securities and Futures Limited under the Facility Agreement. Pursuant to the Facility Agreement, (i) Shares representing the then approximately 51% of the total issued Shares acquired by the Offeror under the Sale and Purchase Agreement and the Offer Shares that may be acquired by the Offeror pursuant to the Offers will be deposited into the Offeror's securities account maintained with Eddid Securities and Futures Limited, the lender under the Facility Agreement; and (ii) the Shares deposited into such securities account will be treated as collateral under the Facility Agreement if any amount of the facility is utilised.

The Offeror confirms that the payment of interest on, repayment of or security for any liability (contingent or otherwise) in relation to the Facility Agreement does not depend to any significant extent on the business of the Group. Red Sun Capital and Eddid Capital, the joint financial advisers to the Offeror, are satisfied that there are sufficient financial resources available to the Offeror to satisfy full acceptance of the Offers.

Condition to the Offers

The Offers are unconditional in all respects and are not conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions.

Effect of accepting the Offers

By accepting the Share Offer, the Offer Shareholders will sell their Shares to the Offeror free from all encumbrances and together with all rights accruing or attaching to them, including, without limitation, the right to receive all dividends (except for the Special Cash Dividend and the Final Dividend) and distributions which may be recommended, declared, made or paid, if any, at any time on or after the date on which the Share Offer is made, being the date of despatch of this Composite Document. Acceptance of the Share Offer will be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Acceptance of the Option Offer by Optionholders will result in the cancellation of those outstanding Options, together with all rights attaching thereto. **Options will lapse automatically (to the extent not exercised or accepted under the Option Offer) on the date upon the close of the Offers.**

Overseas Shareholders

To the extent practicable and permissible under applicable laws and regulations, the Offeror is making the Share Offer available to all Offer Shareholders and the Option Offer available to all Optionholders, including those who are citizens, residents or nationals of a jurisdiction outside Hong Kong. The making of the Share Offer to the Offer Shareholders and the Option Offer to the Optionholders who are citizens, residents or nationals of jurisdictions outside Hong Kong may be subject to the laws of the relevant jurisdictions.

Such Offer Shareholders and Optionholders may be prohibited or affected by the laws of the relevant jurisdictions and it is the responsibility of each such Offer Shareholder and/or Optionholder who wishes to accept the Share Offer and/or the Option Offer respectively to satisfy himself/herself/itself as to the full observance of the laws and regulations of the relevant jurisdictions in connection therewith, including the obtaining of any governmental, exchange control or other consents, or filing and registration requirements which may be required to comply with all necessary formalities or legal or regulatory requirements and the payment of any transfer or other taxes due from such Offer Shareholder and/or Optionholder in such relevant jurisdictions.

Any acceptance by any overseas Offer Shareholders and/or Optionholders will be deemed to constitute a representation and warranty from such Offer Shareholder and/or Optionholder to the Offeror that all laws, regulations and requirements applicable to that Offer Shareholder and/or Optionholder have been complied with and that the Share Offer and the Option Offer can be lawfully accepted by such Offer Shareholder and/or Optionholder respectively under the laws and regulations of the relevant jurisdiction. Offer Shareholders and Optionholders should consult their own professional advisers if in doubt.

Based on the register of members of the Company, as at the Latest Practicable Date, there were two Overseas Shareholders with registered addresses located outside Hong Kong (namely the United Kingdom, and the United States). Having made reasonable enquiries, the Offeror is satisfied that there is no restriction under the laws or regulation of the United

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Kingdom, and the United States against despatching the Composite Document and the accompanying Forms of Acceptance to Shareholders with registered addresses in those countries, and will do so accordingly.

Procedures for acceptance

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

The duly completed and signed WHITE Form of Share Offer Acceptance should be sent, together with the relevant share certificate(s), 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, marked "Somerley Capital Holdings Limited — Share Offer" on the envelope, in any event not later than the Latest Acceptance Time.

The duly completed and signed PINK Form(s) of Option Offer Acceptance should be sent, together with the relevant certificate(s), document(s) of title or entitlement in respect of the Options and/or other document(s) (if applicable) evidencing the grant of the Options to you (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, marked "Somerley Capital Holdings Limited — Option Offer" on the envelope, in any event not later than the Latest Acceptance Time.

No acknowledgement of receipt of any Form(s) of Acceptance, share certificate(s), grant letter(s), certificate(s), transfer receipt(s), any other document(s) evidencing the grant of the outstanding Options (if applicable) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given. All such documents and remittances to be delivered by or sent to or from the Offer Shareholders and the Optionholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk.

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

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

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The attention of the Overseas Shareholders are drawn to the section headed “Important Notices” contained in this Composite Document and the section headed “Overseas Shareholders” in Appendix I to this Composite Document.

Hong Kong stamp duty

The seller’s Hong Kong ad valorem stamp duty 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 Share Offer, whichever is higher, will be deducted from the amount payable to the relevant Offer Shareholder on acceptance of the Share 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 the accepting Offer Shareholders and pay the buyer’s ad valorem stamp duty in connection with acceptances of the Share Offer and transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

No stamp duty is payable in connection with acceptance of the Option Offer.

Payment

Payment in cash in respect of acceptances of the Share Offer, net of the seller’s Hong Kong ad valorem stamp duty, will be made as soon as possible but in any event no later than seven (7) Business Days after the date on which the duly completed Forms of Share Offer Acceptance and the relevant documents of title to the Shares in respect of such acceptances are received by or on behalf of the Offeror to render each such acceptance complete and valid pursuant to Rule 20.1 and Note 1 to Rule 30.2 of the Takeovers Code.

Settlement of the consideration in respect of acceptances of the Option Offer will be also made as soon as possible but in any event no later than seven (7) Business Days after the date of receipt of a complete and valid Form of Option Offer Acceptance in respect of the Option Offer.

No fractions of a cent will be payable and the amount of the consideration payable to an accepting Offer Shareholder or Optionholder who accepts respectively the Share Offer or Option Offer (as the case may be) will be rounded up to the nearest cent.

All documents and cheques for payment to the Offer Shareholders who accept the Share Offer will be sent to them by ordinary post at their own risk to their respective addresses as they appear in the register of members or, in the case of joint holders, to the Offer Shareholder whose name appears first in the said register of members, unless otherwise specified in the accompanying Form of Share Offer Acceptance completed, returned and received by the Registrar.

All documents and cheques for payment to the Optionholders who accept the Option Offer will be delivered to the registered office of the Company at 20/F., China Building, 29 Queen’s Road Central, Hong Kong for collection by such Optionholders.

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None of the Offeror, its ultimate beneficial owner, its parties acting in concert with any of them, Red Sun Capital, Eddid Capital, the Company, Somerley Capital Limited, the Registrar or any of their respective directors or any other person involved in the Offers will be responsible for any loss or delay in transmission of such documents and remittances or any other liabilities that may arise as a result thereof or in connection therewith.

Taxation advice

Offer Shareholders and Optionholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Share Offer and/or the Option Offer. None of the Offeror, its ultimate beneficial owner, parties acting in concert with any of them, the Company, Eddid Capital, Red Sun Capital, Somerley Capital Limited and their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Offers accepts responsibility for any taxation or other effects on, or liabilities of, any persons as a result of their acceptances or rejections of the Share Offer and/or the Option Offer.

IRREVOCABLE UNDERTAKINGS

On 30 April 2026, IU Shareholders including the Seller, Mr. Sabine, Mr. Sabine Anthony James, Mr. Sabine Peter Robert and Mr. Sabine Christopher Richard all being sons of Mr. Sabine, Mr. Cheung and Mr. Chow, executed the Irrevocable Undertakings in favour of the Offeror pursuant to which, each IU Shareholder has irrevocably undertaken to the Offeror, among other things, that it/he will (a) not sell, transfer, charge, pledge or grant any option over or otherwise dispose of or create any encumbrances in respect of the relevant IU Shares prior to the expiry of the Offer Period in respect of the Offers except to give effect to the following point (b); and (b) not tender the relevant IU Shares for acceptance under the Share Offer.

The IU Shares comprise 19,515,026 Shares in total, representing approximately 12.9% of the issued share capital of the Company as at the Latest Practicable Date. A breakdown of the IU Shares is as follows:

Name of IU Shareholders	Number of IU Shares (Shares)	Percentage to total issued Shares (%)*
Seller	8,978,242	5.9
Mr. Sabine	342,000	0.2
Mr. Sabine Anthony James	1,500,000	1.0
Mr. Sabine Peter Robert	1,500,000	1.0
Mr. Sabine Christopher Richard	1,500,000	1.0
Mr. Cheung	2,879,157	1.9
Mr. Chow	2,815,627	1.9
Total	19,515,026	12.9

* Subject to rounding differences

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Each Irrevocable Undertaking shall terminate upon the Offers closing, lapsing or being withdrawn.

INFORMATION OF THE OFFEROR

The Offeror is a company incorporated in the British Virgin Islands with limited liability. The Offeror is principally engaged in investment holding and is not engaged in any other business operations. It is legally, beneficially and wholly owned by Mr. Ng, who is also the sole director of the Offeror.

Mr. Ng, aged 53, has over 25 years of experience in the investment banking and financial industry focusing on the areas of initial public offerings, mergers and acquisitions, corporate restructuring and other financial advisory services to listed companies and listing applicants in Hong Kong. Mr. Ng is currently the executive director of Hong Kong Gold Industry Group Limited (formerly known as Add New Energy Investment Holding Group Limited) (stock code: 2623). Mr. Ng also served as an executive director of CMBC Capital Holdings Limited (stock code: 1141, “**CMBC**”) between October 2017 and October 2025. He served as the managing director of corporate finance in Haitong International Capital Limited before joining CMBC. From July 1997 to December 2000, he worked in Arthur Anderson & Co. Mr. Ng is a member of the Hong Kong Institute of Certified Public Accountants. He received his Master of Economics from the University of Hong Kong and Bachelor of Business Administration from the Chinese University of Hong Kong. Mr. Ng was a Responsible Officer and a director of each of CMBC International Capital Limited (a company licensed by the SFC to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities) and CMBC Securities Company Limited (a company licensed by the SFC to carry out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities), both of which are wholly-owned subsidiaries of CMBC.

The acquisition of the Sale Shares by the Offeror under the Sale and Purchase Agreement was principally financed by its internal resources and through the issue of convertible bonds in the principal amount of HK\$35 million (the “**Offeror’s Convertible Bonds**”). According to the terms of the Offeror’s Convertible Bonds, upon full conversion, conversion shares representing up to 49% of the then issued share capital of the Offeror will be issued to the bondholder. The conversion right may be exercised, at the option of the bondholder, at any time from the expiration of six months after the end of the Offer Period to the business day (being a day (excluding Saturdays, Sundays, Hong Kong public holidays and any day on which a tropical cyclone warning no. 8 or above, a “black” rainstorm warning or an Extreme Weather Warning is in effect at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are open for business) before the maturity date of the Offeror’s Convertible Bonds, being 23 April 2029. The Offeror may, upon maturity on 23 April 2029, mandatorily convert all or any of the outstanding principal amount of the Offeror’s Convertible Bonds into shares of the Offeror up to 49% of the enlarged issued share capital of the Offeror, provided that the completion of such mandatory conversion shall be conditional upon obtaining the necessary approval from SFC in relation to the change in substantial shareholders of a licensed corporation for the relevant subsidiaries of the Company within 1 year after the maturity date, being 23 April 2030.

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The bondholder, Mr. Liao Jianfeng, has more than 25 years of extensive experience in financial management, legal compliance and strategic resource integration. Currently serving as the executive director and general manager of Shanghai Yingke Zhide Private Equity Fund Management Co., Ltd.** (上海盈科值得私募基金管理有限公司) (“**Yingke Zhide Private Equity Fund**”) and a director of Yingke Innovation Asset Management Co., Ltd.** (盈科創新資產管理有限公司) (“**Yingke Innovation**”), Mr. Liao specialises in large-scale capital operations, mergers and acquisitions and equity investments. His career has been marked by his roles as a director and high-level executive of several prominent publicly traded companies including Fujian Longking Co., Ltd.** (福建龍淨環保股份有限公司) (a company whose shares are listed on the Shanghai Stock Exchange), Yango Group Co, Ltd.** (陽光城集團股份有限公司) (a company whose shares were listed on the Shenzhen Stock Exchange) and Fujian Sanmu Group Co., Ltd.** (福建三木集團股份有限公司) (a company whose shares are listed on the Shenzhen Stock Exchange). He also qualified as a lawyer in the PRC. Yingke Zhide Private Equity Fund and Yingke Innovation have invested in more than 300 enterprises, primarily in the biotech, dual-carbon technology and hardcore technology sectors. As at the Latest Practicable Date, the bondholder is an Independent Third Party.

As the bondholder has provided financing or financial assistance to the Offeror in connection with the acquisition of the Sale Shares, he is presumed to be acting in concert with the Offeror under Class (9) of the definition of “acting in concert” under the Takeovers Code.

The Offeror and its ultimate beneficial owner were Independent Third Parties prior to the SPA Completion. Immediately before the SPA Completion, none of the Offeror, its ultimate beneficial owner, its director and the parties acting in concert with any of them held any Shares. Immediately after the SPA Completion and as at the Latest Practicable Date, save for the 75,959,948 Shares acquired by the Offeror pursuant to the Sale and Purchase Agreement, none of the Offeror, its ultimate beneficial owner and director of the Offeror and parties acting in concert with any of them held any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

** *Denotes English translation of the name of a Chinese company or entity and is provided for identification purpose only.*

INFORMATION OF THE GROUP

As disclosed in the “Letter from the Board” in this Composite Document, the Company is incorporated in the Cayman Islands with limited liability, the Shares of which are currently listed on the GEM (stock code: 8439). The Group is 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 Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and is principally engaged in providing corporate finance advisory services through its subsidiaries in Hong Kong and Beijing.

Details of the information of the Company are set out in the “Letter from the Board” in this Composite Document. The financial and general information of the Company is set out in Appendices II and V to this Composite Document respectively.

INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

It is the intention of the Offeror to continue and expand the Group’s existing principal business following the close of the Offers in close co-operation with the existing management of the Group and does not have any intention, understanding, negotiation or arrangement (concluded or otherwise) to downsize, or bring about a cessation or disposal of existing business of the Group and to acquire or inject any business to the Group. The Offeror will conduct a detailed review of the existing principal business operations and financial position of the Group. Based on the review results, the Offeror will formulate business strategies together with the existing management of the Group, and may explore expansion in the investment banking business of the Group in relation to initial public offerings and assets management business by fully utilising the Group’s existing several licences from SFC as well as considering whether any fund-raising activity or acquisition of business should be pursued with a view to achieving business growth of the Group. Notwithstanding the above, as at the Latest Practicable Date, the Offeror has no specific proposal and has not entered into any specific agreement or arrangement with the Group. In the event that any suitable opportunity for such corporate actions arises, further announcement(s) will be made by the Company in accordance with the GEM Listing Rules as and when appropriate.

Save for the potential changes to the members of the Board as described below, the Offeror has no intention to (i) discontinue the employment of any employees of the Group or change the remuneration structure of any of them; or (ii) dispose of or re-deploy the fixed assets of the Group other than in its ordinary and usual course of business.

PROPOSED CHANGE IN BOARD COMPOSITION

As at the Latest Practicable Date, the Board comprises five executive Directors, namely Mr. Sabine, Mr. Cheung, Mr. Chow, Ms. Leung and Mr. Wong, and three independent non-executive Directors, namely Mr. Cheng, Mr. Yuen and Ms. Khoo.

Pursuant to the terms of the Sale and Purchase Agreement, the Seller undertakes with the Purchaser to use all its powers of control over the Company to procure that, at the earliest possible time permitted by the Takeovers Code and other rules or regulations applicable to the Company, all existing Directors except Mr. Sabine and Mr. Chow shall offer to resign as a Director. Save and except for Mr. Sabine, Mr. Chow and Ms. Khoo, all other existing Directors will resign with effect from a date which is no earlier than such date as permitted under the Takeovers Code, the GEM Listing Rules and other laws, regulations and rules applicable to the Company. It is the intention of the Offeror that Mr. Sabine will remain as Chairman of the Company. The Offeror intends to nominate Mr. Ng as an executive Director and the vice chairman of the Company, Ms. Zhu Yuchen as non-executive Director and Mr. Lee Siu Hang Foster, and Mr. Li Shoushuang as independent non-executive Directors for appointment to the Board with effect from after the Composite Document is posted on the date of dispatch of this Composite Document

(being the earliest date as permitted under the Takeovers Code). Any changes to the members of the Board will be made in compliance with the Takeovers Codes and/or the GEM Listing Rules and further announcement(s) (including the biographies of the new Directors) will be made as and when appropriate.

The biographical information of the proposed Directors nominated by the Offeror is set out below:

Proposed executive Director

Mr. Ng Hoi Kam (吳海淦) (“Mr. Ng”)

Mr. Ng, aged 53, has over 25 years of experience in the investment banking and financial industry focusing on the areas of initial public offerings, mergers and acquisitions, corporate restructuring and other financial advisory services to listed companies and listing applicants in Hong Kong. Mr. Ng is currently the executive director of Hong Kong Gold Industry Group Limited (formerly known as Add New Energy Investment Holding Group Limited) (stock code: 2623). Mr. Ng also served as an executive director of CMBC Capital Holdings Limited (stock code: 1141, “CMBC”) between October 2017 and October 2025. He served as the managing director of corporate finance in Haitong International Capital Limited before joining CMBC. From July 1997 to December 2000, he worked in Arthur Anderson & Co.

Mr. Ng is a member of the Hong Kong Institute of Certified Public Accountants. He received his Master of Economics from the University of Hong Kong and Bachelor of Business Administration from the Chinese University of Hong Kong. Mr. Ng was a Responsible Officer and a director of each of CMBC International Capital Limited (a company licensed by the SFC to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities) and CMBC Securities Company Limited (a company licensed by the SFC to carry out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities), both of which, are wholly-owned subsidiaries of CMBC.

Save as disclosed herein, as at the Latest Practicable Date, Mr. Ng (i) does not hold any position in the Company or other members of the Group; (ii) has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas; (iii) does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the GEM Listing Rules) of the Company; and (iv) does not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO. As at the Latest Practicable Date, Mr. Ng is indirectly interested in 75,959,948 Shares (being the Sale Shares acquired pursuant to the Sale and Purchase Agreement) held by the Offeror, which is wholly owned by Mr. Ng.

Proposed non-executive Director

Ms. Zhu Yuchen (祝雨晨) (“Ms. Zhu”)

Ms. Zhu, aged 33, has over six years of experience in investment management. She has been a partner and risk control manager of Shanghai Yingke Zhide Private Equity Fund Management Co., Ltd.* (上海盈科值得私募基金管理有限公司) (“**Shanghai Yingke Zhide Private Equity Fund**”) since July 2024 and a director of ZhiDe Capital Limited (值得資管香港有限公司) since October 2025.

From July 2019 to March 2020, Ms. Zhu worked at Nanjing Culture Investment Holding Group Co., Ltd.* (南京市文化投資控股集團有限公司). From March 2020 to March 2021, she was the deputy general manager of Jiangsu Shengan Tianxin Energy Trading Co., Ltd.* (江蘇晟安天信能源貿易有限公司). From April 2021 to July 2024, she was an investment director of Shanghai Yingke Zhide Private Equity Fund.

Ms. Zhu obtained a bachelor’s degree in management and a master’s degree in law from Shanghai Jiao Tong University (上海交通大學) in 2016 and 2019 respectively. She obtained her Legal Profession Qualification Certificate of the PRC in 2018 and her securities practitioner license in 2020 accredited by the Securities Association of China.

As at the Latest Practicable Date, Ms. Zhu (i) does not hold any position in the Company or other members of the Group; (ii) has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas; (iii) does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the GEM Listing Rules) of the Company; and (iv) does not have any interests in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Proposed independent non-executive Directors

Mr. Li Shoushuang (李壽雙) (“Mr. Li”)

Mr. Li, aged 48, has over 20 years of experience in the legal industry. He is currently the vice chairman of the board of directors and a senior partner at Dacheng Law Offices, focusing on capital markets transactions and mergers and acquisitions. He obtained his Legal Profession Qualification Certificate of the PRC in 2005.

Mr. Li has been an independent director of Cambricon Technologies Corporation Limited (中科寒武紀科技股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 688256), since November 2025, and an independent director of China Satellite Communications Co., Ltd. (中國衛通集團股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 601698), since 28 August 2026.

Mr. Li obtained a bachelor’s degree in law and economics from Southwest University of Political Science and Law (西南政法大學) in the PRC in 2001, a master’s degree in international law from Peking University Law School (北京大學法學院) in the PRC in 2004, an Executive Masters in Business Administration from Tsinghua

University (清華大學) in the PRC in 2014, and a master's degree in law from the University of California, Berkeley, School of Law in the United States in 2018. He is a member of the China Academy of Arbitration Law (中國仲裁法學研究會).

Save as disclosed herein, as at the Latest Practicable Date, Mr. Li (i) does not hold any position in the Company or other members of the Group; (ii) has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas; (iii) does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the GEM Listing Rules) of the Company; and (iv) does not have any interests in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Mr. Lee Siu Hang Foster (李兆鏗) (“Mr. Lee”)

Mr. Lee, aged 45, has over 20 years of experience in direct lending and structured finance across the Asia Pacific.

Mr. Lee is currently a managing director heading the private credit franchise for Gaw Capital Partners. Prior to joining Gaw Capital Partners, he served as managing director of the financing department in Fortune Fountain Capital Limited from April 2018 to September 2019 and as vice president and chief investment officer of Carnival Group (Hong Kong) Holdings Limited from 2017 to 2018. From May 2012 to October 2017, he worked at China Minsheng Bank, where he last served as head of syndicated finance department. From April 2011 to May 2012, he served as an assistant vice president in syndicated finance at DBS Bank Ltd. From June 2005 to March 2011, he worked at GE Capital, where he last served as an associate vice president in structured finance.

Mr. Lee has served as a non-executive director of ICO Group Limited, a company listed on the Stock Exchange (stock code: 1460), since April 2026, and previously served as an independent non-executive director of Icon Culture Global Company Limited, a company listed on the GEM board of the Stock Exchange (stock code: 8500), from December 2019 to January 2024. He also served on the board of directors of the Asia Pacific Loan Market Association from May 2016 to November 2017.

Mr. Lee obtained a bachelor's degree in commerce from the University of New South Wales in 2002 and is a certified practising accountant of CPA Australia.

Save as disclosed herein, as at the Latest Practicable Date, Mr. Lee (i) does not hold any position in the Company or other members of the Group; (ii) has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas, other than as disclosed above; (iii) does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the GEM Listing Rules) of the Company; and (iv) does not have any interests in the Shares or underlying Shares within the meaning of Part XV of the SFO.

COMPULSORY ACQUISITION

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

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 listed issuer has a Significant Public Float Shortfall, then:
 - the Stock Exchange will add a designated marker to the stock name of the listed shares; and
 - the Stock Exchange will cancel the listing of the issuer's shares if the issuer fails to re-comply with GEM Listing Rule 17.37B for a continuous period of 12 months from the commencement of the Significant Public Float Shortfall (as defined in GEM Listing Rule 17.37F).

The Offeror intends the issued Shares to remain listed on GEM of the Stock Exchange after the close of the Offers. The director of the Offeror and the new Directors to be appointed to the Board have jointly and severally undertaken to the Stock Exchange that if, at the close of the Offers, the Company fails to comply with the requirement of GEM Rule 17.37B, they will take appropriate steps to ensure the issuer's compliance with GEM Rule 17.37B at the earliest possible moment.

The Stock Exchange has stated that:

An issuer that fails to comply with GEM Listing Rule 17.37B will be regarded as having a "Significant Public Float Shortfall" unless a portion of its class of shares listed on the Stock Exchange and held by the public:

- (1) represents at least 15% of the issuer's total number of issued shares in that class of shares (excluding treasury shares) or, if the Initial Prescribed Threshold applicable to the issuer is less than 25%, at least 50% of the relevant Initial Prescribed Threshold; or
- (2) has a market value of at least HK\$500,000,000 and represents at least 5% of the issuer's total number of issued shares in that class of shares (excluding treasury shares).

LETTER FROM RED SUN CAPITAL AND EDDID CAPITAL

ADDITIONAL INFORMATION

Your attention is drawn to the additional information regarding the Offers set out in the appendices to this Composite Document and the accompanying Forms of Acceptance, which form part of this Composite Document. In addition, your attention is also drawn to the “Letter from the Board”, the “Letter from the Independent Board Committee” and the “Letter from the Independent Financial Adviser” as set out in this Composite Document and you are reminded to consult your professional advisers as you see fit, before deciding whether or not to accept the Offers.

Yours faithfully,
For and on behalf of

Red Sun Capital Limited
Robert Siu
Managing Director

Eddid Capital Limited
Thomas Yu
Managing Director



SOMERLEY CAPITAL HOLDINGS LIMITED

Somerley Capital Holdings Limited

新百利融資控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8439)

Executive Directors:

Mr. SABINE Martin Nevil (*Chairman*)

Mr. CHEUNG Tei Sing Jamie (*Vice Chairman*)

Mr. CHOW Wai Hung Kenneth

(*Chief Executive Officer*)

Ms. LEUNG Lim Ng Jenny

Mr. WONG C-Tsun

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

Independent non-executive Directors:

Mr. CHENG Yuk Wo

Mr. YUEN Kam Tim Francis

Ms. KHOO Pui Wun

*Head office and principal place of
business in Hong Kong:*

20th Floor

China Building

29 Queen's Road Central

Central

Hong Kong

22 October 2026

To the Offer Shareholders and Optionholders

Dear Sir/Madam,

**MANDATORY UNCONDITIONAL CASH OFFERS BY
EDDID CAPITAL LIMITED AND RED SUN CAPITAL LIMITED
FOR AND ON BEHALF OF THE OFFEROR
TO ACQUIRE ALL THE ISSUED SHARES OF THE COMPANY
(OTHER THAN THOSE ALREADY OWNED AND/OR AGREED
TO BE ACQUIRED BY THE OFFEROR
AND THE PARTIES ACTING IN CONCERT WITH IT) AND
TO CANCEL ALL OUTSTANDING OPTIONS OF THE COMPANY**

LETTER FROM THE BOARD

INTRODUCTION

Reference is made to (i) the Joint Announcement in relation to, among others, the Sale and Purchase Agreement entered into by the Offeror and the Seller on 28 April 2026 for the sale and purchase of 75,959,948 Shares (representing approximately 51.9% of the issued share capital of the Company as at the date of the Joint Announcement); (ii) the joint announcement dated 30 September 2026 in relation to, among others, fulfillment of conditions precedent to the Sale and Purchase Agreement; (iii) the Completion Announcement in relation to the SPA Completion; and (iv) the Company's announcement dated 29 June 2026 in relation to the declaration of the Final Dividend of HK\$0.02 per Share and the Special Cash Dividend of HK\$0.08 per Share, both of which were approved at the annual general meeting of the Company held on 28 July 2026. A positive profit alert in respect of the six months ended 30 September 2026 was issued on 22 September 2026.

On 29 September 2026, all the conditions precedent to the Sale and Purchase Agreement had been fulfilled and SPA Completion took place on 15 October 2026. The total consideration for the Sale Shares of HK\$62,132,430, or approximately HK\$0.818 per Sale Share, less the initial deposit of HK\$3,000,000 already paid, was settled by the Offeror upon SPA Completion.

Immediately following SPA Completion and as at the Latest Practicable Date, the Offeror and its parties acting in concert were interested in 75,959,948 Shares, representing approximately 50.1% of the issued share capital of the Company as at the Latest Practicable Date. The Offeror is therefore required under Rule 26.1 of the Takeovers Code to make the mandatory unconditional general offers in cash to (i) acquire all the issued Shares, other than those already owned and/or agreed to be acquired by the Offeror and the parties acting in concert with it pursuant to Rule 26.1 of the Takeovers Code; and (ii) to cancel all the outstanding Options at an appropriate price in compliance with Rule 13 of the Takeovers Code. Red Sun Capital and Eddid Capital have been appointed by the Offeror to jointly make the Offers for and behalf of it.

This letter forms part of this Composite Document and sets out, among others, details of the Offers, further information on the Group, the Offeror and the Offeror's intentions in relation to the Company. Further details on the terms and the procedures for acceptance of the Offers are set out in Appendix I to this Composite Document and the accompanying Forms of Acceptance. The Offer Shareholders and Optionholders are strongly advised to carefully consider the information contained in the "Letter from Red Sun Capital and Eddid Capital", "Letter from the Independent Board Committee", "Letter from the Independent Financial Adviser" in this Composite Document and the accompanying Forms of Acceptance, and to consult their own professional advisers before reaching a decision as to whether or not to accept the Offers.

LETTER FROM THE BOARD

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, comprising all independent non-executive Directors, namely Mr. Cheng, Mr. Yuen and Ms. Khoo, has been established to advise the Offer Shareholders and Optionholders as to whether the Offers are fair and reasonable and as to acceptance of the Offers. The Independent Financial Adviser has been appointed with the approval of the Independent Board Committee to advise the Independent Board Committee in respect of the Offers and, in particular, as to whether the Offers are fair and reasonable and as to the acceptance of the Offers. The full texts of the letter from the Independent Board Committee addressed to the Offer Shareholders and Optionholders and the letter from the Independent Financial Adviser addressed to the Independent Board Committee are set out in this Composite Document. **You are advised to read both letters and the additional information contained in the appendices to this Composite Document carefully before taking any action in respect of the Offers.**

THE OFFERS

As set out in the “Letter from Red Sun Capital and Eddid Capital” in this Composite Document, Red Sun Capital and Eddid Capital are, for and on behalf of the Offeror, jointly making the mandatory unconditional cash offers to (i) acquire all the issued Shares, other than those already owned and/or agreed to be acquired by the Offeror and the parties acting in concert with it pursuant to Rule 26.1 of the Takeovers Code; and (ii) to cancel all the outstanding Options at an appropriate price in compliance with Rule 13 of the Takeovers Code on the following terms:

The Share Offer

For each Offer Share HK\$0.818 in cash

The Share Offer Price of HK\$0.818 per Offer Share is based on the purchase price per Sale Share paid by the Offeror under the Sale and Purchase Agreement by rounding up to 3 decimal places.

The Share Offer is unconditional in all respects and in particular is not conditional upon acceptances being received in respect of a minimum number of Shares and in respect of a minimum number of Options to be cancelled or any other conditions.

The Share Offer is extended to all Offer Shareholders in accordance with the Takeovers Code. The Share Offer applies to all Shares in issue on the date on which the Share Offer is made, being the date of despatch of this Composite Document, other than those Shares already held by and/or agreed to be acquired by the Offeror and the parties acting in concert with it.

Further details of the terms of the Share Offer and the procedures for acceptances are set out in the “Letter from Red Sun Capital and Eddid Capital” in this Composite Document, Appendix I to this Composite Document and the accompanying Forms of Share Offer Acceptance.

LETTER FROM THE BOARD

The Option Offer

For the cancellation of each Option HK\$0.098 in cash

As at the Latest Practicable Date, the Company has 2,497,000 outstanding Options granted under the Share Option Scheme with an exercise price of HK\$0.72, comprising 66,000 vested Options and 2,431,000 unvested Options which are exercisable from 18 December 2026. Save as disclosed in this section, there are no other outstanding Shares, warrants, options, derivatives or securities that are convertible into Shares or other types of equity interest in the Company.

The Option Offer Price at which the Option Offer is made represents the “see-through” price, being the Share Offer Price minus the exercise price of the Options (being HK\$0.72).

Following acceptance of the Option Offer, all the relevant Options (together with all rights attaching to the Options) will be cancelled and renounced.

It is noted that in accordance with the terms and conditions of the Share Option Scheme, if a general offer is made to all the Shareholders and such general offer becomes or is declared unconditional, the Optionholders shall, notwithstanding any other terms on which Options were granted, be entitled to exercise the Options (to the extent vested but not already exercised) to the full extent or to the extent specified in the Optionholders’ notice to the Company in accordance with the provisions of the Share Option Scheme at any time thereafter and up to the close of such offer (or any revised offer). In the event that an Optionholder exercises any outstanding Options before the close of the Share Offer, the Shares issued pursuant to the exercise of such Options shall form part of the Offer Shares and be subject to the Share Offer. **Any vested and unvested Options (to the extent not already exercised) will lapse at the close of the Offers.**

REMINDER TO OPTIONHOLDERS: If you do not either: (i) exercise your Options before the close of the Share Offer; or (ii) accept the Option Offer before the Closing Date, your Options will automatically and immediately lapse after the close of the Offers.

Further details of the terms of the Option Offer and the procedures for acceptances are set out in “Letter from Red Sun Capital and Eddid Capital” in this Composite Document, Appendix I to the Composite Document and the accompanying Form of Option Offer Acceptance.

SPECIAL CASH DIVIDEND AND FINAL DIVIDEND

The Company has declared a Final Dividend and Special Cash Dividend of HK\$0.02 in cash per Share and HK\$0.08 in cash per Share with the Record Dates of 31 July 2026 and 14 October 2026 respectively, which have been approved by the Shareholders in the annual general meeting held on 28 July 2026. As at the Latest Practicable Date, the Final Dividend has been paid and Special Cash Dividend will be paid on 23 October 2026. As disclosed in the Joint Announcement, the amount of the Final Dividend shall be deducted from the Special Cash Dividend and as such, the total amount paid under the Final Dividend and the Special Cash Dividend is HK\$0.10 per Share in cash. Shareholders whose names appear on

LETTER FROM THE BOARD

the register of members of the Company at the close of business on 14 October 2026, being the Special Dividend Record Date, will receive the Special Cash Dividend whether or not they accept the Share Offer.

The Company confirms that as at the Latest Practicable Date, (i) save for the Special Cash Dividend, it did not have outstanding dividends which have been declared but not yet paid; and (ii) save for the Special Cash Dividend, it did not have any intention to declare or pay any future dividend, distributions or return of capital during the Offer Period.

IRREVOCABLE UNDERTAKINGS

Your attention is drawn to the section headed “Irrevocable Undertakings” in the “Letter from Red Sun Capital and Eddid Capital” in this Composite Document which sets out the details of the Irrevocable Undertakings given by the Seller, Mr. Sabine, Mr. Sabine Anthony James, Mr. Sabine Peter Robert and Mr. Sabine Christopher Richard all being sons of Mr. Sabine, Mr. Cheung and Mr. Chow being a Director, each dated 30 April 2026 in favour of the Offeror pursuant to which each IU Shareholder has irrevocably undertaken to the Offeror, among other things, that it/he will (a) not sell, transfer, charge, pledge or grant any option over or otherwise dispose of or create any encumbrances in respect of the relevant IU Shares prior to the expiry of the Offer Period in respect of the Offers except to give effect to the following point (b); and (b) not tender the relevant IU Shares for acceptance under the Share Offer.

Each Irrevocable Undertaking shall terminate upon the Offers closing, lapsing or being withdrawn.

Further details of the terms of the Irrevocable Undertakings are set out in “Letter from Red Sun Capital and Eddid Capital” in this Composite Document.

INFORMATION OF THE OFFEROR

Your attention is drawn to the section headed “Information on the Offeror” in the “Letter from Red Sun Capital and Eddid Capital” and Appendix IV “General Information of the Offeror” to this Composite Document.

INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

Your attention is drawn to the section headed “Intention of the Offeror in relation to the Group” in the “Letter from Red Sun Capital and Eddid Capital” in this Composite Document for information relating to the intention of the Offeror regarding the Group.

INFORMATION OF THE GROUP

The Company is incorporated in the Cayman Islands with limited liability, the Shares of which are currently listed on the GEM (stock code: 8439). The Group is 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 Securities

LETTER FROM THE BOARD

and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and is principally engaged in providing corporate finance advisory services through its subsidiaries in Hong Kong and Beijing.

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

Shareholding structure of the Company

The shareholding structure of the Company (i) as at the Latest Practicable Date (ii) assuming no Options are exercised and none of the Offer Shares are tendered for acceptance under the Share Offer; and (iii) assuming all Options are exercised and all Offer Shares other than the IU Shares are tendered for acceptance under the Share Offer is as follows:

	As at the Latest Practicable Date		Assuming no Options are exercised and none of the Offer Shares are tendered for acceptance under the Share Offer		Assuming all Options are exercised and all Offer Shares other than the IU Shares are tendered for acceptance under the Share Offer	
	Approximate		Approximate		Approximate	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Offeror and its parties acting in concert	75,959,948	50.1	75,959,948	50.1	134,605,868	87.3
Seller (<i>Note 1</i>)	8,978,242	5.9	8,978,242	5.9	8,978,242	5.8
Concert parties pursuant to agreement (<i>Note 2</i>):						
Mr. Sabine	342,000	0.2	342,000	0.2	342,000	0.2
Mr. Fletcher	50,000	0.0	50,000	0.0	0	0.0
Mr. Cheung	2,879,157	1.9	2,879,157	1.9	2,879,157	1.9
Other directors of the Group:						
Mr. Chow	6,093,253	4.0	6,093,253	4.0	2,815,627	1.8
Ms. Leung	1,423,256	0.9	1,423,256	0.9	—	—
Mr. Wong	1,423,256	0.9	1,423,256	0.9	—	—
TAM Sze Ka	1,423,256	0.9	1,423,256	0.9	—	—
HESSE Jakob Fabian	906,750	0.6	906,750	0.6	—	—
CHENG Koon Yung Clifford	972,750	0.6	972,750	0.6	—	—
LEUNG Man Ho	231,000	0.2	231,000	0.2	—	—
Public Shareholders:						
Other IU Shareholders (<i>Note 3</i>)	4,500,000	3.0	4,500,000	3.0	4,500,000	2.9
Other public Shareholders	46,441,026	30.6	46,441,026	30.6	—	—
<i>Subtotal</i>	<u>50,941,026</u>	<u>33.6</u>	<u>50,941,026</u>	<u>33.6</u>	<u>4,500,000</u>	<u>2.9</u>
Total	<u>151,623,894</u>	<u>100.0</u>	<u>151,623,894</u>	<u>100.0</u>	<u>154,120,894</u>	<u>100.0</u>

LETTER FROM THE BOARD

Notes:

1. As at the Latest Practicable Date, the Seller is owned by Mr. Sabine, Mr. Fletcher and Mr. Cheung and Ms. FONG Sau Man Cecilia as to approximately 57.1%, 20.5%, 12.9% and 9.5%, respectively.
2. Mr. Sabine, Mr. Fletcher and Mr. Cheung are acting in concert in respect of their interests in the Company pursuant to a deed of acting in concert dated 9 March 2017.
3. Figures represent the number of Shares held by Mr. Sabine Anthony James, Mr. Sabine Peter Robert and Mr. Sabine Christopher Richard, all being sons of Mr. Sabine who are over the age of 18 and as such, they are classified as public Shareholders.
4. Figures presented in the table above are subject to rounding adjustments.

PROPOSED CHANGE IN BOARD COMPOSITION

Your attention is draw to the paragraphs headed “Proposed change in Board composition” in the “Letter from Red Sun Capital and Eddid Capital” in this Composite Document.

As at the Latest Practicable Date, the Board comprises five executive Directors, namely Mr. Sabine, Mr. Cheung, Mr. Chow, Ms. Leung and Mr. Wong, and three independent non-executive Directors, namely Mr. Cheng, Mr. Yuen and Ms. Khoo.

The Board is aware that pursuant to the terms of the Sale and Purchase Agreement, the Seller undertakes with the Offeror to use all its powers of control over the Company to procure that, at the earliest possible time permitted by the Takeovers Code and other rules or regulations applicable to the Company, all existing Directors except Mr. Sabine and Mr. Chow shall offer to resign as a Director. Save and except for Mr. Sabine, Mr. Chow and Ms. Khoo, all other existing Directors will resign with effect from a date which is no earlier than such date as permitted under the Takeovers Code, the GEM Listing Rules and other laws, regulations and rules applicable to the Company.

The Board is aware that Mr. Sabine will remain as Chairman of the Company and the Offeror intends to nominate new Directors to the Board in accordance with relevant requirements of the Takeovers Code, the GEM Listing Rules and other applicable regulations. The Offeror intends to nominate Mr. Ng as an executive Director and the vice chairman of the Company, Ms. Zhu Yuchen as non-executive Director and Mr. Lee Siu Hang Foster, and Mr. Li Shoushuang as independent non-executive Directors for appointment to the Board with effect from after the Composite Document is posted on the date of despatch of this Composite Document (being the earliest date as permitted under the Takeovers Code). Any changes to the members of the Board will be made in compliance with the Takeovers Codes and/or the GEM Listing Rules and further announcement(s) (including the biographies of the new Directors) will be made as and when appropriate. Please refer to the paragraphs headed “Proposed change in Board composition” in the “Letter from Red Sun Capital and Eddid Capital” in this Composite Document for details.

LETTER FROM THE BOARD

PUBLIC FLOAT AND MAINTENANCE OF THE LISTING STATUS OF THE COMPANY

Your attention is draw to the paragraphs headed “Public float and maintenance of the listing status of the Company” in the “Letter from Red Sun Capital and Eddid Capital” in this Composite Document.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information regarding the Offers and the acceptance and settlement procedures as set out in the appendices to this Composite Document and the accompanying Forms of Acceptance, which form part of this Composite Document. In addition, your attention is also drawn to the “Letter from the Red Sun Capital and Eddid Capital”, “Letter from the Independent Board Committee” and “Letter from the Independent Financial Adviser” in this Composite Document.

Your attention is drawn to (i) “Letter from the Independent Board Committee” as set out on pages 41 to 43 to this Composite Document, which contains its advice and recommendation to the Offer Shareholders and Optionholders in respect of the Offers; and (ii) “Letter from the Independent Financial Adviser” as set out on pages 44 to 71 of this Composite Document, which contains, among other things, its advice to the Independent Board Committee in relation to the Offers and the principal factors considered by it before arriving at its recommendation. You are urged to read both letters and the other information contained in this Composite Document carefully before taking any action in respect of the Offers.

In considering what action to take in response to the Offers, you should also consider your own tax positions and, in case of doubt, consult your professional adviser(s).

By Order of the Board
Somerley Capital Holdings Limited
CHOW Wai Hung Kenneth
Chief Executive Officer



SOMERLEY CAPITAL HOLDINGS LIMITED

Somerley Capital Holdings Limited

新百利融資控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8439)

22 October 2026

To the Offer Shareholders and Optionholders

Dear Sirs,

**MANDATORY UNCONDITIONAL CASH OFFERS BY
EDDID CAPITAL LIMITED AND RED SUN CAPITAL LIMITED
FOR AND ON BEHALF OF THE OFFEROR
TO ACQUIRE ALL THE ISSUED SHARES OF THE COMPANY
(OTHER THAN THOSE ALREADY OWNED AND/OR AGREED
TO BE ACQUIRED BY THE OFFEROR
AND THE PARTIES ACTING IN CONCERT WITH IT) AND
TO CANCEL ALL OUTSTANDING OPTIONS OF THE COMPANY**

INTRODUCTION

We refer to the composite document (the “**Composite Document**”) dated 22 October 2026 jointly issued by the Company and the Offeror in relation to, among other things, the Offers, of which this letter forms part. Unless the context requires otherwise, terms used in this letter shall have the same meaning as given to them in this Composite Document.

We have been appointed by the Board as the Independent Board Committee to make recommendation to the Offer Shareholders and Optionholders as to whether the Offers are, or are not, fair and reasonable and as to acceptance of the Offers.

Amasse Capital Limited, with the approval of the Independent Board Committee, has been appointed as the Independent Financial Adviser to advise us in respect of the Offers and, in particular, as to whether the Offers are, or are not, fair and reasonable and to make recommendation in respect of acceptance thereof pursuant to Rule 2.1 of the Takeovers Code. Details of its advice and recommendation, together with the principal factors and reasons which it has considered before arriving at such recommendation, are set out in the “Letter from the Independent Financial Adviser” as contained in this Composite Document.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

We also wish to draw your attention to the “Letter from Red Sun Capital and Eddid Capital”, the “Letter from the Board” and the additional information set out in this Composite Document, including the appendices to this Composite Document and the accompanying Forms of Acceptance.

RECOMMENDATION

Having considered the terms of the Offers and having taken into account the advice and recommendation of the Independent Financial Adviser and the principal factors and reasons taken into account in arriving at its recommendation, we concur with the view of the Independent Financial Adviser and consider that (i) the terms of the Share Offer and the Share Offer Price are fair and reasonable so far as the Offer Shareholders are concerned; and (ii) as the Share Offer Price is considered to be fair and reasonable, the “see-through” price under the Option Offer, which is based on the Share Offer Price, is also considered fair and reasonable so far as the Optionholders are concerned. Accordingly, we recommend that the Offer Shareholders and Optionholders to accept the respective Offers. The Offer Shareholders are recommended to read the full text of the “Letter from the Independent Financial Adviser” as set out in this Composite Document.

The Offer Shareholders who intend to accept the Share Offer are reminded to closely monitor the market price and liquidity of the Shares during the Offer Period, and consider selling their Shares in the open market rather than accepting the Share Offer if the net proceeds from the sale of such Shares in the open market would exceed the net proceeds receivable under the Share Offer. In any event, the Offer Shareholders should note that there is no certainty that the current trading volume and/or current trading price level of the Shares will be sustainable during or after the Offer Period.

As for the Optionholders, as the exercise price of the outstanding Options (HK\$0.72) is below the Share Offer Price (HK\$0.818), the Options are “in-the-money” with reference to the Share Offer Price. However, as mentioned above, the closing price of the Shares was higher than the exercise price of HK\$0.72 of the outstanding Share Options as at Latest Practicable Date. In this connection, the Optionholders are reminded to closely monitor market price movement and consider to exercise their Options and sell those Shares in the open market, instead of accepting the Option Offer, if the sale proceeds (after deducting transaction costs and exercise price) exceed the amount receivable under the Option Offer. However, if the market price of Shares falls below the exercise price toward the end of the Offer Period, they may consider tendering all or part of their holdings for cancellation under the Option Offer, should they wish to realise their investment. The Optionholders should note that any vested and unvested Options (to the extent not already exercised) will lapse at the close of the Offers.

Notwithstanding our recommendation, the Offer Shareholders and Optionholders are strongly advised that the decision to accept the Offers or to hold your investment in the Shares is subject to individual circumstances and investment objectives. If in doubt, the Offer Shareholders and Optionholders should consult their own professional advisers for professional advice. Furthermore, the Offer Shareholders and Optionholders who wish to

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

accept the Offers are recommended to read carefully the terms and procedures for acceptance of the Offers as detailed in this Composite Document and the accompanying Forms of Acceptance.

Yours faithfully,
For and on behalf of the Independent Board Committee of
Somerley Capital Holdings Limited

CHENG Yuk Wo
*Independent non-executive
Director*

YUEN Kam Tim Francis
*Independent non-executive
Director*

KHOO Pui Wun
*Independent non-executive
Director*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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

AMASSE CAPITAL
寶 積 資 本

22 October 2026

To the Independent Board Committee

Dear Sirs,

**MANDATORY UNCONDITIONAL CASH OFFERS BY
EDDID CAPITAL LIMITED AND RED SUN CAPITAL LIMITED
FOR AND ON BEHALF OF THE OFFEROR
TO ACQUIRE ALL THE ISSUED SHARES OF THE COMPANY
(OTHER THAN THOSE ALREADY OWNED AND/OR AGREED
TO BE ACQUIRED BY THE OFFEROR
AND THE PARTIES ACTING IN CONCERT WITH IT) AND
TO CANCEL ALL OUTSTANDING OPTIONS OF THE COMPANY**

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Offers. Details of the Offers are set out in the “Letter from Red Sun Capital and Eddid Capital” enclosed in the composite document dated 22 October 2026 (the “**Composite Document**”), of which this letter forms a part. Capitalised terms used in this letter shall have the same meanings as those defined in the Composite Document unless the context otherwise requires.

Reference is made to (i) the Joint Announcement in relation to, among others, the Sale and Purchase Agreement entered into by the Offeror and the Seller on 28 April 2026 for the sale and purchase of 75,959,948 Shares (representing approximately 51.9% of the issued share capital of the Company as at the date of the Joint Announcement); (ii) the joint announcement dated 30 September 2026 in relation to, among others, fulfillment of conditions precedent to the Sale and Purchase Agreement (the “**CP Satisfaction Announcement**”); (iii) the Completion Announcement in relation to the SPA Completion; (iv) the Company’s announcements issued pursuant to Rule 3.8 of the Takeover Codes dated 27 April 2026, 21 May 2026, 3 July 2026, 9 July 2026, 17 July 2026, 20 July 2026, 22 July 2026, 10 August 2026 and 13 October 2026; and (v) the Company’s announcement dated 29 June 2026 in relation to the declaration of the Final Dividend of HK\$0.02 per Share and the Special Cash Dividend of HK\$0.08 per Share, both of which were approved at the annual general meeting of the Company held on 28 July 2026.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

On 29 September 2026, all the conditions precedent to the Sale and Purchase Agreement had been fulfilled and SPA Completion took place on 15 October 2026. The total consideration for the Sale Shares of HK\$62,132,430, or approximately HK\$0.818 per Sale Share, less the initial deposit of HK\$3,000,000 already paid, had been settled by the Offeror upon SPA Completion.

Immediately following SPA Completion and as at the Latest Practicable Date, the Offeror and its parties acting in concert were interested in 75,959,948 Shares, representing approximately 50.1% of the issued share capital of the Company. The Offeror is therefore required to make the mandatory unconditional general offers in cash to (i) acquire all the issued Shares, other than those already owned and/or agreed to be acquired by the Offeror and the parties acting in concert with it pursuant to Rule 26.1 of the Takeovers Code; and (ii) to cancel all the outstanding Options at an appropriate price in compliance with Rule 13 of the Takeovers Code.

INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, comprising all independent non-executive Directors, namely Mr. CHENG Yuk Wo, Mr. YUEN Kam Tim Francis and Ms. KHOO Pui Wun, has been established to advise the Offer Shareholders and Optionholders as to whether the Offers are fair and reasonable and as to acceptance of the Offers.

INDEPENDENT FINANCIAL ADVISER

We, Amasse Capital Limited, have been appointed as the Independent Financial Adviser with the approval of the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code to advise the Independent Board Committee in respect of the Offers and, in particular, as to whether the Offers are fair and reasonable and as to the acceptance of the Offers.

OUR INDEPENDENCE

We are not in the same group as the financial or other professional advisers (including a stockbroker) to the Offeror or the Company, and we are not associated with the Offeror or the Company or any party acting, or presumed to be acting in concert with any of them and we had not had, any connection, financial assistance or otherwise, with either the Offeror or the Company or the controlling shareholder(s) of either of them. During the past two years immediately preceding and up to the date of our appointment as the Independent Financial Adviser, save for this appointment as the Independent Financial Adviser in respect of the Offers, we have not provided any services to the Company. As at the Latest Practicable Date, apart from the existing engagement in connection with the Offers, we do not and did not have any relationship (business, financial or otherwise) that amounted to a significant connection with the Company or the Offeror or the controlling shareholder(s) of either of them within the past two years for us of a kind necessary likely to create, or to create the perception of, a conflict of interest for us or which is reasonably likely to affect the objectivity of our advice.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

It is noted that, apart from normal professional fees paid or payable to us in connection with the current appointment as the Independent Financial Adviser, no arrangements exist whereby we had received or will receive any fees or benefits from the Company or the Offeror or any other parties that could reasonably be regarded as relevant to our independence.

Accordingly, we consider that we are independent pursuant to Rule 2.6 of the Takeovers Code and Rule 17.96 of the GEM Listing Rules.

BASIS OF OUR OPINION

In formulating our opinion and recommendation, we have reviewed, among others, the annual reports of the Company for the years ended 31 March 2024, 2025 and 2026 (the “**2024 Annual Report**”, the “**2025 Annual Report**” and the “**2026 Annual Report**”, respectively), the positive profit alert announcement of the Company dated 22 September 2026 (the “**Positive Profit Alert Announcement**”), the Joint Announcement, the Completion Announcement and the Composite Document. We have relied on the accuracy of the information and facts contained or referred to in the Composite Document and provided to us by the Directors and the management of the Company (collectively, the “**Management**”). We have assumed that all information and representations contained or referred to in the Composite Document and/or provided to us were true, accurate and complete in all material respects and not misleading or deceptive at the time when they were provided or made and will continue to be so up to the Latest Practicable Date of the Composite Document. We have also assumed that all statements of belief, opinion and intention made by the Directors in the Composite Document were reasonably made after due enquiries and considerations. We have no reasons to doubt 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 reviewed sufficient information to enable us to reach an informed view and to justify reliance on the accuracy of the information contained in the Composite Document and to provide a reasonable basis for our opinion and recommendation. The Directors have declared in a responsibility statement set out in the Appendix V to the Composite Document that they jointly and severally accept full responsibility for the accuracy of the information contained in the Composite Document. We have not, however, carried out any independent verification of the information provided by the Company and the Directors, nor have we conducted an independent investigation into the business and affairs, financial condition and future prospects of the Group. Our opinion is based on the Directors’ representation and confirmation that there is no undisclosed private agreements/arrangements or implied understanding with anyone concerning the Offers.

In formulating our opinion, we have not considered the tax implication on the Offer Shareholders and Optionholders arising from acceptances or non-acceptances of the Offers as these are particular to their individual circumstances. It is emphasised that we will not accept responsibility for any tax effect on or liability of any person resulting from his or her acceptance or non-acceptance of the Offers. In particular, the Offer Shareholders and

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Optionholders who are residents outside Hong Kong or subject to overseas tax or Hong Kong taxation on securities dealings should consider their own tax position, and if in any doubt, should consult their own professional advisers.

Our opinion is necessarily based upon the financial, economic, market, regulatory and other conditions as they existed on, and the facts, information, representations, and opinions made available to us as of the Latest Practicable Date. The Offer Shareholders and Optionholders will be informed should there be any material changes to the information contained or referred to herein or to our opinion during the period from the Latest Practicable Date and up to the close of the Offer Period, as soon as possible in accordance with Rule 9.1 of the Takeovers Code.

This letter is issued for the Offer Shareholders and Optionholders solely in respect of the Offers 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.

THE OFFERS

Red Sun Capital and Eddid Capital are, for and on behalf of the Offeror, jointly making the mandatory unconditional cash offers to (i) acquire all the issued Shares, other than those already owned and/or agreed to be acquired by the Offeror and the parties acting in concert with it pursuant to Rule 26.1 of the Takeovers Code; and (ii) to cancel all the outstanding Options at an appropriate price in compliance with Rule 13 of the Takeovers Code on the following terms:

The Share Offer

For each Offer Share HK\$0.818 in cash

The Share Offer Price of HK\$0.818 per Offer Share is based on the purchase price per Sale Share paid by the Offeror under the Sale and Purchase Agreement by rounding up to 3 decimal places.

The Share Offer is unconditional in all respects and in particular is not conditional upon acceptances being received in respect of a minimum number of Shares and in respect of a minimum number of Options to be cancelled or any other conditions.

The Share Offer is extended to all Offer Shareholders in accordance with the Takeovers Code. The Share Offer applies to all Shares in issue on the date on which the Share Offer is made, being the date of despatch of the Composite Document, other than those Shares already held by and/or agreed to be acquired by the Offeror and the parties acting in concert with it.

The Offer Shares to be acquired under the Share Offer shall be fully paid and shall be acquired free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attaching to them, including the

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

rights to receive all dividends (except for the Special Cash Dividend and the Final Dividend) and distributions, if any, declared, made or paid on or after the date on which the Share Offer is made, being the date of despatch of the Composite Document.

The Option Offer

For the cancellation of each Option HK\$0.098 in cash

As at the Latest Practicable Date, the Company has 2,497,000 outstanding Options granted under the Share Option Scheme with an exercise price of HK\$0.72, comprising 66,000 vested Options and 2,431,000 unvested Options which are exercisable from 18 December 2026. Save as disclosed in this section, there are no other outstanding Shares, warrants, options, derivatives or securities that are convertible into Shares or other types of equity interest in the Company.

The Option Offer Price at which the Option Offer is made represents the “see-through” price, being the Share Offer Price minus the exercise price of the Options (being HK\$0.72).

Following acceptance of the Option Offer, all the relevant Options (together with all rights attaching to the Options) will be cancelled and renounced.

Pursuant to the terms and conditions of the Share Option Scheme, if a general offer is made to all the Shareholders and such general offer becomes or is declared unconditional, the Optionholders shall, notwithstanding any other terms on which Options were granted, be entitled to exercise the Options (to the extent vested but not already exercised) to the full extent or to the extent specified in the Optionholders’ notice to the Company in accordance with the provisions of the Share Option Scheme at any time thereafter and up to the close of such offer (or any revised offer). In the event that an Optionholder exercises any outstanding Options before the close of the Share Offer, the Shares issued pursuant to the exercise of such Options shall form part of the Offer Shares and be subject to the Share Offer. **Any vested and unvested Options (to the extent not already exercised) will lapse at the close of the Offers.**

PRINCIPAL FACTORS TAKEN INTO CONSIDERATION

In formulating our opinion, we have taken into consideration the following principal factors and reasons:

1. Information and financial performance of the Group

The Company was incorporated in the Cayman Islands with limited liability and its issued Shares have been listed on GEM since March 2017. The Company is an investment holding company and the Group’s operating subsidiaries are mainly engaged in the provision of corporate finance advisory services and asset management services in Hong Kong. According to the 2026 Annual Report, substantially all of the Group’s revenue are derived from Hong Kong.

Set out below is a summary of the audited consolidated financial information on the Group for each of the four years ended 31 March 2023, 2024, 2025 and 2026 (“**FY2023**”, “**FY2024**”, “**FY2025**” and “**FY2026**”, respectively) as extracted from the 2024 Annual Report, the 2025 Annual Report and the 2026 Annual Report.

	As at 31 March	
	2026	2025
	HK\$'000	HK\$'000
	(audited)	(audited)
Total assets	76,850	81,095
Total liabilities	14,830	18,558
Net assets	62,020	62,537
Equity attributable to owners of the Company	62,003	62,481

For FY2026, the Group recorded total revenue of approximately HK\$56.2 million, representing an increase of approximately 8.9% as compared to that of approximately HK\$51.6 million for FY2025. Revenue recorded from acting as financial adviser (“FA”) and independent financial adviser (“IFA”) amounted to approximately HK\$39.9 million, accounting for around 71.0% of the Group’s total

revenue during FY2026, and representing an increase of approximately 18.4% as compared to that of approximately HK\$33.7 million for FY2025. Such increase was primarily attributable to the upsurge in corporate finance deals handled by the Group fueled by the strong stock market and such volume-driven expansion compensated for the pricing pressure arising from a continuing competitive landscape in fee levels.

During FY2026, revenue recorded from acting as compliance adviser (“CA”) amounted to approximately HK\$16.0 million, accounting for approximately 28.5% of the Group’s total revenue during FY2026, and representing a decrease of approximately 7.5% as compared to that of approximately HK\$17.3 million for FY2025. Such change was mainly due to the competitive pricing pressures.

The profit for the year attributable to owners of the Company for FY2026 was approximately HK\$2.0 million as compared to the loss attributable to owners of the Company of approximately HK\$13.8 million for FY2025. The turnaround from loss to profitability was mainly due to (i) the approximately HK\$4.6 million increase in revenue from the corporate finance advisory business; and (ii) the approximately HK\$9.2 million net decrease in employee benefits costs resulting from the successful implementation of organisational streamlining initiatives.

It is noted that the turnaround from loss to profit for FY2026 was principally due to the implementation of cost saving plan rather than a sharp rebound on business performance.

Financial performance for the year ended 31 March 2025

For FY2025, the Group recorded total revenue of approximately HK\$51.6 million, representing a decrease of approximately 23.4% as compared to that of approximately HK\$67.4 million for FY2024. Revenue recorded from acting as FA and IFA amounted to approximately HK\$33.7 million, accounting for around 65.3% of the Group’s total revenue during FY2025, and representing a decrease of approximately 21.6% as compared to that of approximately HK\$43.0 million for FY2024. Such decrease was primarily attributable to the severe fee competition in Hong Kong corporate finance industry.

During FY2025, revenue recorded from acting as CA amounted to approximately HK\$17.3 million, accounting for approximately 33.5% of the Group’s total revenue during FY2025, and representing a decrease of approximately 28.5% as compared to that of approximately HK\$24.2 million for FY2024. Such decrease was mainly due to a lower level of IPOs and a scheduled run-off of existing CA mandates.

The loss for the year attributable to owners of the Company for FY2025 was approximately HK\$13.8 million, representing an increase of approximately 294.3% as compared to that of approximately HK\$3.5 million for FY2024. The increase in loss was mainly due to the approximately HK\$15.8 million decrease in revenue for FY2025, partially offset against by the reduction in total operating expenses as a result of the cost optimisation programme to revamp the employee remuneration package and strengthen operational cost control implemented since December 2024.

Financial performance for the year ended 31 March 2024

For FY2024, the Group recorded total revenue of approximately HK\$67.4 million, representing an increase of approximately 10.5% as compared to that of approximately HK\$61.0 million for FY2023. Revenue recorded from acting as FA and IFA amounted to approximately HK\$43.0 million, accounting for around 63.8% of the Group's total revenue during FY2024, and representing an increase of approximately 28.0% as compared to that of approximately HK\$33.6 million for FY2023. Such increase was mainly due to the determined efforts of the Group's teams in facilitating the execution and completion of ongoing transactions for clients.

During FY2024, revenue recorded from acting as CA amounted to approximately HK\$24.2 million, accounting for approximately 35.9% of the Group's total revenue during FY2024, and representing a decrease of approximately 11.0% as compared to that of approximately HK\$27.2 million for FY2023. Such decrease was mainly attributable to a reduced number of IPOs in the Hong Kong stock market during the year, which in turn lowered the Group's revenue from CA activities.

The loss for the year attributable to owners of the Company for FY2024 was approximately HK\$3.5 million, representing a decrease of approximately 48.5% as compared to that of approximately HK\$6.8 million for FY2023. The reduction in loss was due to an approximately HK\$6.4 million increase in revenue from corporate finance advisory businesses, an approximately HK\$1.1 million increase in bank interest income and an approximately HK\$0.6 million decrease in the exchange loss, partially offset by an approximately HK\$3.4 million net increase in employee benefits costs and an approximately HK\$1.4 million increase in the impairment loss recognised in respect of trade receivables arising from corporate finance advisory businesses.

Financial position as at 31 March 2026

The total assets of the Group were approximately HK\$76.8 million as at 31 March 2026, representing a decrease of approximately 5.3% as compared to that of approximately HK\$81.1 million as at 31 March 2025. The total liabilities of the Group were approximately HK\$14.8 million as at 31 March 2026, representing a decrease of approximately 20.4% as compared to that of approximately HK\$18.6 million as at 31 March 2025. Such decreases were mainly attributed to the decreases in rights-of-use assets and lease liabilities as a result of ongoing straight-line depreciation of right-of-use assets and progressive reduction of lease liabilities as the underlying leases approach maturity particularly on 30 June 2027 in respect of the office lease in Hong Kong.

As at 31 March 2026, the equity attributable to owners of the Company were remained stable and decreased by approximately 0.8% from approximately HK\$62.5 million as at 31 March 2025 to approximately HK\$62.0 million.

Special Cash Dividend and Final Dividend

With reference to “Letter from Red Sun Capital and Eddid Capital”, we noted that the Company had declared a Final Dividend and Special Cash Dividend of HK\$0.02 in cash per Share and HK\$0.08 in cash per Share with the Record Dates of 31 July 2026 and 14 October 2026 respectively, which have been approved by the Shareholders in the annual general meeting held on 28 July 2026. As at the Latest Practicable Date, the Final Dividend has been paid and the Special Cash Dividend will be paid on 23 October 2026. Shareholders whose names appear on the register of members of the Company at the close of business on 14 October 2026, being the Special Dividend Record Date, will receive the Special Cash Dividend whether or not they accept the Share Offer.

Positive Profit Alert Announcement of the Company for the six months ending 30 September 2026

Reference is made to the Positive Profit Alert Announcement, whereby it is disclosed that based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the five months ended 31 August 2026, which have not been confirmed, reviewed or audited by the Company’s auditors or audit committee and may be subject to adjustment, and other information currently available to the Group’s management, the Group is expected to report an increased after-tax profit of not less than HK\$2.5 million for the six months ending 30 September 2026.

According to the Positive Profit Alert Announcement, the expected increase in profit is primarily driven by an anticipated increase in revenue of not less than HK\$5 million, extending the momentum in corporate financial activities from the previous financial year end. This increase is partially offset by an anticipated increase of around HK\$3 million in total employee benefit costs for the six months ending 30 September 2026 mainly due to higher bonuses associated with the increase in revenue.

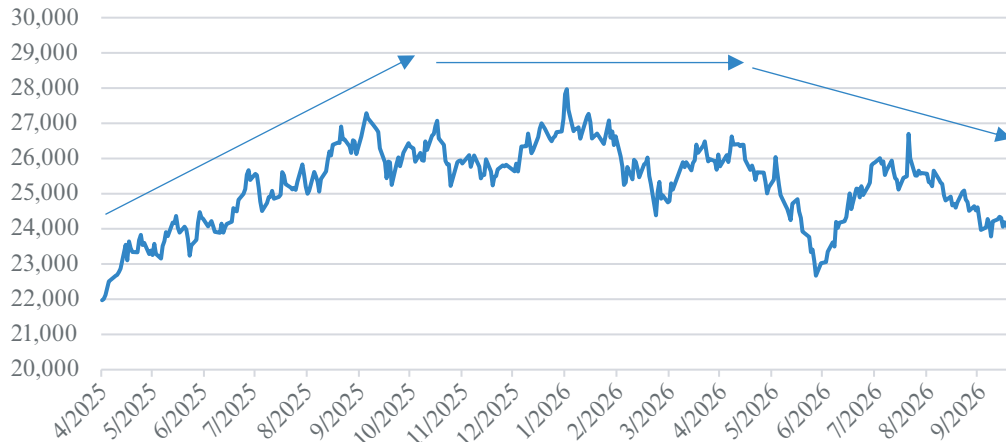
2. Industry Overview and Prospects

As referred to in the section headed “1. Information and financial performance of the Group” in this letter and the 2026 Annual Report, all of the Group’s revenue for the three years ended 31 March 2026 was derived from the corporate finance advisory services and the Group’s operations are substantially located in Hong Kong. In view of the above, we have reviewed the performance of Hang Seng Index (“HSI”), which indicates the performance of Hong Kong financial market. We have also considered the worldwide factors which we believe, to certain extent, affect the Hong Kong finance market.

The performance of Hang Seng Index

Set out below is a summary of the HSI from 28 April 2025 to the Latest Practicable Date (the “**HSI Review Period**”):

**Performance of HSI from 28 April 2025
to the Latest Practicable Date**



The HSI experienced fluctuations during the HSI Review Period. The HSI began with the lowest at 21,972 points on the start of the HSI Review Period, and then the HSI was in an increasing trend and reached 27,141 points in early October 2025.

The rising trend did not sustain thereafter. Since then, The HSI was relatively stable and fluctuated between 25,220 and 27,141 for the period from early October 2025 to 26 January 2026 and the HSI retreated to 24,382 points in late March 2026 before it started climbing up again in late April 2026, reaching 26,632 points on 7 May 2026. Afterwards, the HSI showed a decreasing trend afterward and dropped to 23,868 points as at the Latest Practicable Date.

The outlook of the initial public offering (“IPO”) market

According to the “Market Statistics 2025” (the “**Market Statistics 2025**”) 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. In terms of fundraising scale of IPOs, the total funds raised in 2025 amounted to approximately HK\$285.8 billion, representing a significant increase of approximately 224.8% from approximately HK\$88.0 billion in 2024. Meanwhile, although the Group is eligible for acting as a sponsor in respect of an application for IPO under the Listing Rules, the Group had not involved in any sponsorship engagement since the financial year ended 31 March 2021.

Number of total listed companies in Hong Kong

Despite the increase in number of IPO as mentioned above, the total number of listed companies, being the major potential clients of the Group, listed on Stock Exchange remain the same level. According to the HKEX Monthly Market Highlights issued by the Stock Exchange for June 2026, as at 30 June 2026, there were 2,748 companies listed on the Main Board and GEM of the Stock Exchange, representing a slight increase of approximately 2.3% as compared with 2,686 companies recorded as at 31 December 2025. This suggests that there is no material change in total number of client base in Hong Kong available to the Company.

In view of above, the HSI's movements during the HSI Review Period reflected alternating upward and downward trends, underscoring the volatility of the Hong Kong capital market and there is no material change in total number of client base in Hong Kong available to the Group, and therefore does not impose material new business opportunities to the Group.

We have also considered the worldwide uncertain factors which we believe, to certain extent, affect the Hong Kong finance market and impose additional uncertainties.

Possible federal funds rate increases by the Federal Reserve of the United States

The possibility of a federal funds rate increase by the Federal Reserve (the “**Federal Reserve**”) of the United States may introduce uncertainty into the Hong Kong financial market. On 2 July 2026, Mr. Kevin Warsh, the chairman of the board of governors of the Federal Reserve, spoke at the ECB Forum on Central Banking 2026. While he did not indicate whether federal funds rate would rise, he noted that the inflation remained elevated. To stabilise inflation, central banks tend to increase the interest rate to bring the inflation down. On 16 September 2026 (US time), the Federal Reserve announced the 25-basis point upward adjustment in the target range for the federal funds rate to a range of 3.75% to 4.00%. Under the linked exchange rate system, any increase in the federal funds rate would lead to higher interest rate in Hong Kong. This would raise borrowing costs for Hong Kong listed companies and thereby reducing their willingness to pursue fundraising and corporate transactions. For the Group, whose revenue is entirely derived from corporate finance advisory services in Hong Kong, such developments directly affect advisory demand by lowering transaction volumes and contributes to the uncertainty of the Group's business environment.

Geopolitical conflicts

Geopolitical conflicts, including (i) the ongoing war between Russia and Ukraine and (ii) heightened hostilities between the United States and Iran, aggravated risks on global economic and financial system. The heightened geopolitical instability would dampen investors' confidence and reduce the willingness to commit capital. Reduced cross-border capital flows and investor risk appetite will lead to fewer merge and acquisition and IPO transactions.

US-Sino Trade Tension

Trade tension between the United States and China exert downward pressure on the Hong Kong capital market indirectly by weakening earnings prospects for those companies incorporated in the Mainland China and listed on the Stock Exchange (“**Mainland Enterprises**”). According to the HKEx Monthly Market Highlight of May 2026 published by the Stock Exchange, Mainland Enterprises accounted for about 78.2% of Hong Kong’s market capitalisation (including Main Board and GEM) as at the end of May 2026. Tariff escalations would impair the profitability of these Mainland Enterprises which may in turn reduce their incentives for corporate actions and affects the Group’s advisory business.

The impact of recent regulatory measures of the People’s Republic of China (the “PRC”) on Hong Kong capital market

On 1 June 2026, the State Council of the PRC had published the 《國務院關於對外投資的規定》 (Regulations on Outbound Investment*) (the “**2026 Regulations**”), which became effective on 1 July 2026. The 2026 Regulations introduce enhanced filing, approval, export control and national security review requirements applicable to PRC investors in respect of their outbound investments. Article 32 of the 2026 Regulations explicitly treats investment into Hong Kong as “outbound investment” subject to the same filing, approval, and national security review requirements as investments into other jurisdictions.

On 24 July 2026, the Ministry of Finance of the PRC and the State Taxation Administration of the PRC had jointly issued the 《關於離岸信託個人所得稅有關事項的公告》 (Announcement on Issues Concerning Individual Income Tax on Offshore Trusts*) (the “**MOF & SAT Announcement**”), which took immediate effect upon publication. The MOF & SAT Announcement imposes tax obligations on PRC individuals who establish or benefit from offshore trusts, including those set up in Hong Kong.

The above measures add extra compliance requirements and costs for investments into Hong Kong capital market by PRC investors and may reduce the attractiveness of Hong Kong capital market. Hence, such measures affect negatively the Group’s advisory business.

In view of above, we consider that the overall outlook of the Group’s business environment remains uncertain.

3. Information on the Offeror and Mr. Ng

The Offeror is a company incorporated in the British Virgin Islands with limited liability. The Offeror is principally engaged in investment holding and is not engaged in any other business operations. It is legally, beneficially and wholly owned by Mr. Ng, who is also the sole director of the Offeror.

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Mr. Ng, aged 53, has over 25 years of experience in the investment banking and financial industry focusing on the areas of initial public offerings, mergers and acquisitions, corporate restructuring and other financial advisory services to listed companies and listing applicants in Hong Kong. Mr. Ng is currently the executive director of Hong Kong Gold Industry Group Limited (formerly known as Add New Energy Investment Holding Group Limited) (stock code: 2623). Mr. Ng also served as an executive director of CMBC Capital Holdings Limited (stock code: 1141, “**CMBC**”) between October 2017 and October 2025. He served as the managing director of corporate finance in Haitong International Capital Limited before joining CMBC. From July 1997 to December 2000, he worked in Arthur Anderson & Co. Mr. Ng is a member of the Hong Kong Institute of Certified Public Accountants. He received his Master of Economics from the University of Hong Kong and Bachelor of Business Administration from the Chinese University of Hong Kong. Mr. Ng was a Responsible Officer and a director of each of CMBC International Capital Limited (a company licensed by the SFC to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities) and CMBC Securities Company Limited (a company licensed by the SFC to carry out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities), both of which are wholly-owned subsidiaries of CMBC.

The acquisition of the Sale Shares by the Offeror under the Sale and Purchase Agreement was principally financed by its internal resources and through the issue of convertible bonds in the principal amount of HK\$35 million (the “**Offeror’s Convertible Bonds**”). According to the terms of the Offeror’s Convertible Bonds, upon full conversion, conversion shares representing up to 49% of the then issued share capital of the Offeror will be issued to the bondholder. The conversion right may be exercised, at the option of the bondholder, at any time from the expiration of six months after the end of the Offer Period to the business day (being a day (excluding Saturdays, Sundays, Hong Kong public holidays and any day on which a tropical cyclone warning no. 8 or above, a “black” rainstorm warning or an Extreme Weather Warning is in effect at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are open for business) before the maturity date of the Offeror’s Convertible Bonds, being 23 April 2029. The Offeror may, upon maturity on 23 April 2029, mandatorily convert all or any of the outstanding principal amount of the Offeror’s Convertible Bonds into shares of the Offeror up to 49% of the enlarged issued share capital of the Offeror, provided that the completion of such mandatory conversion shall be conditional upon obtaining the necessary approval from SFC in relation to the change in substantial shareholders of a licensed corporation for the relevant subsidiaries of the Company within 1 year after the maturity date, being 23 April 2030. Further details of Mr. Liao Jianfeng, being the bondholder, are set out in the “Letter from Red Sun Capital and Eddid Capital”.

Given Mr. Ng’s extensive experience of over 25 years in the Hong Kong capital markets, encompassing initial public offerings, mergers and acquisitions, corporate restructuring and financial advisory services, together with his senior leadership roles at listed companies and financial institutions, we consider that Mr. Ng possesses substantial knowledge and experience in relation to the Group’s existing business operations.

4. Intentions of the Offeror in relation to the Group

With reference to the “Letter from Red Sun Capital and Eddid Capital”, it is the intention of the Offeror to continue and expand the Group’s existing principal business following the close of the Offers in close co-operation with the existing management of the Group and does not have any intention, understanding, negotiation or arrangement (concluded or otherwise) to downsize, or bring about a cessation or disposal of existing business of the Group and to acquire or inject any business to the Group. The Offeror will conduct a detailed review of the existing principal business operations and financial position of the Group. Based on the review results, the Offeror will formulate business strategies together with the existing management of the Group, and may explore expansion in the investment banking business of the Group in relation to initial public offerings and assets management business by fully utilising the Group’s existing several licences from SFC as well as considering whether any fund-raising activity or acquisition of business should be pursued with a view to achieving business growth of the Group. Notwithstanding the above, as at the Latest Practicable Date, the Offeror has no specific proposal and has not entered into any specific agreement or arrangement with the Group.

Save for the potential changes to the members of the Board as described below, the Offeror has no intention to (i) discontinue the employment of any employees of the Group or change the remuneration structure of any of them; or (ii) dispose of or re-deploy the fixed assets of the Group other than in its ordinary and usual course of business.

5. Proposed change in Board composition

As at the Latest Practicable Date, the Board comprises five executive Directors, namely Mr. Sabine, Mr. Cheung, Mr. Chow, Ms. LEUNG Lim Ng Jenny and Mr. WONG C-Tsun, and three independent non-executive Directors, namely Mr. CHENG Yuk Wo, Mr. YUEN Kam Tim Francis and Ms. KHOO Pui Wun.

Pursuant to the terms of the Sale and Purchase Agreement, the Seller undertakes with the Purchaser to use all its powers of control over the Company to procure that, at the earliest possible time permitted by the Takeovers Code and other rules or regulations applicable to the Company, all existing Directors except Mr. Sabine and Mr. Chow shall offer to resign as a Director. Save and except for Mr. Sabine, Mr. Chow, and Ms. KHOO Pui Wan, all other existing Directors will resign with effect from a date which is no earlier than such date as permitted under the Takeovers Code, the GEM Listing Rules and other laws, regulations and rules applicable to the Company. It is the intention of the Offeror that Mr. Sabine will remain as Chairman of the Company. The Offeror intends to nominate Mr. Ng as an executive Director and the vice chairman of the Company, Ms. Zhu Yuchen as non-executive Director and Mr. Lee Siu Hang Foster, and Mr. Li Shoushuang as independent non-executive Directors for appointment to the Board with effect from after the Composite Document is posted on the date of dispatch of this Composite Document (being the earliest date as permitted under the Takeovers Code).

Having considered that save as the proposed change to the members of the Board as disclosed above, the Offeror has no intention to (i) discontinue the employment of any employees of the Group or change the remuneration structure of any of them; or (ii) dispose of or re-deploy the fixed assets of the Group other than in its ordinary and usual course of business. As the Offeror intends to conduct a detailed review of the existing principal business operations and financial position of the Group following the close of the Offers and the Offeror may formulate business strategies together with the existing management of the Group, it appears that the Offeror has no specific future plan for the Group as at the Latest Practicable Date. In view of the Offeror has not formulated any specific proposals indicates that the future direction of the Group under the Offeror cannot be ascertained at this stage, we consider that the future direction and prospects of the Group under the Offeror is currently uncertain. The Offers provide a viable exit to the Offer Shareholders and Optionholders. However, for those Offer Shareholders who intend to accept the Share 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 Share Offer, if the net proceeds from such sale of Shares would be higher than that receivable under the Share Offer.

6. 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 Offers.

7. Public Float and Maintaining 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;

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

(b) if, at the close of the offer, the listed issuer has a Significant Public Float Shortfall, then:

- the Stock Exchange will add a designated marker to the stock name of the listed shares; and
- the Stock Exchange will cancel the listing of the issuer's shares if the issuer fails to re-comply with GEM Listing Rule 17.37B for a continuous period of 12 months from the commencement of the Significant Public Float Shortfall (as defined in GEM Listing Rule 17.37F).

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The Offeror intends the issued Shares to remain listed on GEM of the Stock Exchange after the close of the Offers. The director of the Offeror and the new Directors to be appointed to the Board have jointly and severally undertaken to the Stock Exchange that if, at the close of the Offers, the Company fails to comply with the requirement of GEM Rule 17.37B, they will take appropriate steps to ensure the issuer's compliance with GEM Rule 17.37B at the earliest possible moment.

The Stock Exchange has stated that:

An issuer that fails to comply with GEM Listing Rule 17.37B will be regarded as having a "Significant Public Float Shortfall" unless a portion of its class of shares listed on the Stock Exchange and held by the public:

- (1) represents at least 15% of the issuer's total number of issued shares in that class of shares (excluding treasury shares) or, if the Initial Prescribed Threshold applicable to the issuer is less than 25%, at least 50% of the relevant Initial Prescribed Threshold; or
- (2) has a market value of at least HK\$500,000,000 and represents at least 5% of the issuer's total number of issued shares in that class of shares (excluding treasury shares).

8. The Share Offer Price

The Share Offer Price of HK\$0.818 per Offer Share represents:

- (i) a discount of approximately 43.2% to the closing price of HK\$1.440 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 4.9% to the closing price of HK\$0.860 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 6.0% to the average closing price of approximately HK\$0.870 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 discount of approximately 8.1% to the average closing price of approximately HK\$0.890 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 40.8% to the average closing price of approximately HK\$0.581 per Share as quoted on the Stock Exchange for the 30 consecutive trading days prior to and including the Last Trading Day; and

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- (vi) a premium of approximately 100.0% over the audited consolidated net assets value attributable to equity holders as at 31 March 2026 of approximately HK\$0.409 per Share (“NAV per Share”) based on the audited consolidated net assets of the Company as at 31 March 2026 and the number of Shares in issue as at the Latest Practicable Date.

For the purpose of reference for Shareholders who are entitling to the Final Dividend and the Special Cash Dividend, the total amount receivable per Offer Share of HK\$0.918 factoring in the aggregate amount of the Final Dividend of HK\$0.02 per Share and the Special Cash Dividend of HK\$0.08 per Share represents:

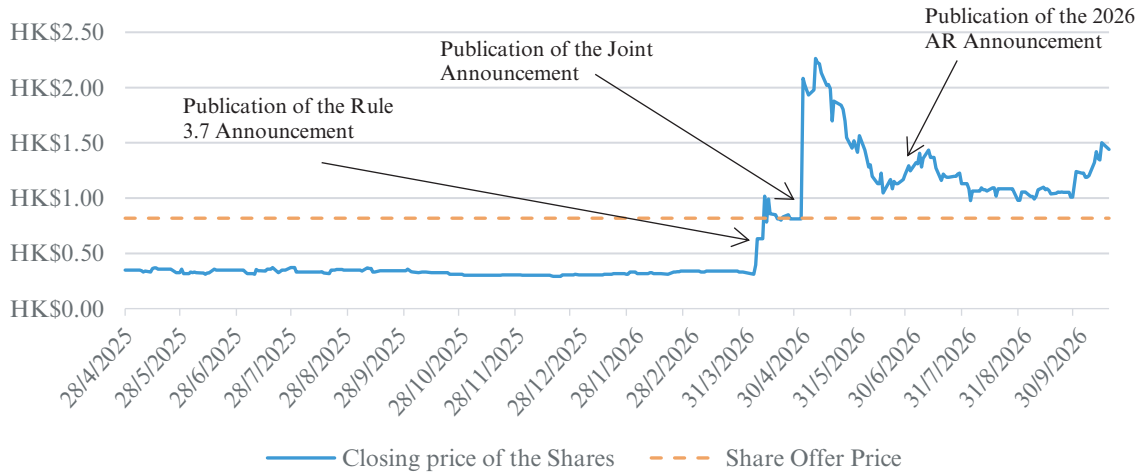
- (i) a discount of approximately 36.3% to the closing price of HK\$1.440 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a premium of approximately 6.7% over the closing price of HK\$0.860 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a premium of approximately 5.5% over the average closing price of approximately HK\$0.870 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 3.1% over the average closing price of approximately HK\$0.890 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 58.0% to the average closing price of approximately HK\$0.581 per Share as quoted on the Stock Exchange for the 30 consecutive trading days prior to and including the Last Trading Day; and
- (vi) a premium of approximately 124.4% over the audited consolidated net assets value attributable to equity holders as at 31 March 2026 of approximately HK\$0.409 per Share based on the audited consolidated net assets of the Company as at 31 March 2026 and the number of Shares in issue as at the Latest Practicable Date.

Historical price performance of the Shares

Set out below is a chart showing the movement of the closing price of the Shares during the period from 28 April 2025 and up to the Latest Practicable Date (the “Review Period”), which covers an approximate one-year period prior to the Last Trading Day and the period up to the Latest Practicable Date, to illustrate the general trend and level of movement of the closing price of the Shares. We consider that the duration of the Review Period of approximately one year period prior to the Last Trading Day would be a reasonable and sufficient period to illustrate the recent closing price movement of the Shares.

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Historical price performance of the Shares



Source: Website of the Stock Exchange (www.hkex.com.hk)

Note: The historical closing price of the Shares had been adjusted due to the declaration of dividends.

During the Review Period, the lowest closing price of the Shares was HK\$0.292 recorded on 19 December 2025, 22 December 2025 and 23 December 2025 and the highest closing price of the Shares was HK\$2.263 recorded on 12 May 2026. The average daily closing price of the Shares for the Review Period was approximately HK\$0.659 per Share.

The closing price of the Shares remained stable for a long period of time and fluctuated within the range between HK\$0.292 per Share and HK\$0.372 per Share from the start of the Review Period up to 8 April 2026 compared with the period after 8 April 2026. On 10 April 2026 (the last trading day immediately prior to the trading of Shares was halted from 9:00 a.m. on 13 April 2026 pending the publication of an announcement dated the same date in relation to, among others, the Board was being informed by the Seller that it has been in discussion with an independent investor in relation to the possible transfer of certain shareholding interests in the Company held by the Seller to the independent investor (the “**Rule 3.7 Announcement**”)), the closing price of Shares surged by approximately 59.6% to HK\$0.632 per Share as compared to the closing price of HK\$0.396 per Share on 9 April 2026. The Shares had been traded at a discount to the Share Offer Price for a total of 235 trading days during the period from 28 April 2025 and up to the publication of the Rule 3.7 Announcement (the “**Pre-Rule 3.7 Announcement Period**”).

Following the publication of the Rule 3.7 Announcement after trading hours on 13 April 2026, trading in Shares was resumed from 9:00 a.m. on 14 April 2026 and the closing price of the Shares further increased by approximately 61.2% to HK\$1.018 per Share as compared to the closing price of HK\$0.632 per Share on 10 April 2026. We have enquired the Directors regarding the possible reasons for such increase in the closing price of the Shares during such period, and as confirmed by the Directors, save for Rule 3.7 Announcement, the Directors were not aware of any happening which

might have affected the closing price of the Shares. Therefore, we believe that the sharp rise in the closing price of the Shares immediately after the publication of the Rule 3.7 Announcement might reflect purely a speculation on the possible offers and change in control of the Company.

From the period from 14 April 2026 to 28 April 2026, the closing price of the Shares fluctuated within the range between HK\$0.783 per Share and HK\$1.018 per Share.

Trading in Shares was halted again from 9:00 a.m. on 29 April 2026 pending the publication of the Joint Announcement in relation to, among others, the Sale and Purchase Agreement and the Offers. Trading in Shares was resumed from 9:00 a.m. on 5 May 2026 following the release of the Joint Announcement on 4 May 2026 and the closing price of the Shares further surged by approximately 157.0% to HK\$2.084 on 5 May 2026. We have enquired the Directors regarding the possible reasons for such increase in the closing price of the Shares during such period, and as confirmed by the Directors, save for the Joint Announcement, the Directors were not aware of any happening which might have affected the closing price of the Shares.

The closing price of the Shares further increased and reached the highest closing price of the Review Period, i.e. HK\$2.263, on 12 May 2026. Subsequently, the closing price of the Shares was showed a downward trend and plummeted by approximately 50.0% to HK\$1.131 per Share on 26 June 2026. Following the publication of the annual result announcement of the Company for the year ended 31 March 2026 (the “**2026 AR Announcement**”) on 29 June 2026, the closing price fluctuated slightly and closed at HK\$1.440 on the Latest Practicable Date.

We noted that the Share Offer Price had been higher than the daily closing prices for 240 out of 361 trading days during the Review Period. The Share Offer Price of HK\$0.818 represents a premium of approximately 24.1% over the average closing price of HK\$0.659 per Share during the Review Period.

Notwithstanding the Company’s share price increased following the publication of the Rule 3.7 Announcement in April 2026, the Joint Announcement in May 2026 and after the publication of the 2026 AR Announcement in July 2026; and the Share Offer Price of HK\$0.818 represents a discount of approximately 43.2% to the closing price of the Share as at the Latest Practicable Date, attentions are drawn to the Offer Shareholders that (i) the Shares had been traded at a discount to the Share Offer Price during the Pre-Rule 3.7 Announcement Period; (ii) the Share Offer Price is at a price level higher than the daily closing prices of the Shares for 240 out of 361 trading days as quoted on the Stock Exchange during the Review Period. The Share Offer Price also represents a premium of approximately 24.1% over the average closing price per Share of HK\$0.659 during the Review Period; (iii) the increasing trend of the closing price of the Shares after publication of the Rule 3.7 Announcement and the Joint Announcement may be attributable to the market reactions towards the Offers and/or the anticipated prospects of the Group and change in control of the Company, and may or may not be sustainable in the future. As observed, we noted that such

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speculative price levels had not sustained and the closing price of the Shares closed at HK\$1.440 on the Latest Practicable Date; and (iv) the Share Offer Price represents a premium of approximately 100.0% over the audited consolidated net assets value attributable to equity holders as at 31 March 2026 of approximately HK\$0.409 per Share based on the audited consolidated net assets of the Company as at 31 March 2026 and the number of Shares in issue as at the Latest Practicable Date. Considering the above, we are of the view that the Share Offer Price is considered to be fair and reasonable.

Historical trading liquidity of the Shares

The number of trading days, the average daily number of the Shares traded per month (the “**Average Volume**”), and the respective percentages of the Average Volume as compared to the total number of issued Shares and the total number of issued Shares held by public Shareholders during the Review Period, are tabulated as below:

Month	Number of trading days in each month <i>Number of days</i>	Average Volume <i>in Shares</i>	Percentage of the Average Volume to total number of issued Shares as at the end of each respective month <i>(Note 1)</i> %	Percentage of the Average Volume to total number of issued Shares held by public Shareholders <i>(Note 2)</i> %
2025				
April (from 28 April 2025)	3	Nil	0%	0%
May	20	7,200	0.005%	0.014%
June	21	16,857	0.012%	0.033%
July	22	30,182	0.021%	0.059%
August	21	23,905	0.016%	0.047%
September	22	7,727	0.005%	0.015%
October	20	25,000	0.017%	0.049%
November	20	3,300	0.002%	0.007%
December	21	7,238	0.005%	0.014%

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Month	Number of trading days in each month <i>Number of days</i>	Average Volume <i>in Shares</i>	Percentage of the Average Volume to total number of issued Shares as at the end of each respective month <i>(Note 1)</i> %	Percentage of the Average Volume to total number of issued Shares held by public Shareholders <i>(Note 2)</i> %
2026				
January	21	26,190	0.018%	0.052%
February	17	32,471	0.022%	0.064%
March	22	7,455	0.005%	0.015%
April <i>(Note 3)</i>	16	782,485	0.534%	1.536%
May <i>(Note 4)</i>	18	1,862,342	1.269%	3.656%
June	21	311,238	0.212%	0.611%
July	22	150,000	0.099%	0.295%
August	21	35,048	0.023%	0.069%
September <i>(Note 5)</i>	21	48,381	0.032%	0.095%
October (up to and including the Latest Practicable Date)	12	159,000	0.105%	0.312%

Notes:

1. The calculation is based on the Average Volume divided by the total number of issued Shares at the end of each month during the Review Period (or at the Latest Practicable Date for October 2026).
2. The calculation is based on the Average Volume divided by the total number of issued Shares held by the public Shareholder as at the Latest Practicable Date.
3. Trading of the Shares on the Stock Exchange has been halted on 13 April 2026 and trading was resumed on 14 April 2026 pending the release of the Rule 3.7 Announcement.
4. Trading of the Shares on the Stock Exchange has been halted from 29 April 2026 to 4 May 2026 and trading was resumed on 5 May 2026 pending the release of the Joint Announcement.
5. Trading of the Shares on the Stock Exchange has been halted on 30 September 2026 and trading was resumed on 2 October 2026 pending the release of the CP Satisfaction Announcement.

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As illustrated above, during the Review Period, the Average Volume was ranging from 0% to 1.269% for the total number of issued Shares as at the end of each respective month (or at the Latest Practicable Date for October 2026) and from 0% to 3.656% for the total number of issued Shares held by the public Shareholders as at the Latest Practicable Date. For the Review Period, the average of the Average Volume was around 0.126% of total number of issued Shares and 0.365% for the total number of issued Shares held by the public Shareholders.

We note that there was a sharp increase in daily trading volume of the Shares between 9 April 2026 to 5 May 2026 that resulted in higher Average Volume in April and May 2026. We have enquired into the Directors regarding the possible reasons for such increase in the Average Volume, and as confirmed by the Directors, save for publication of the Rule 3.7 Announcement and the Joint Announcement, the Directors were not aware of any happening which might have affected the Average Volume in May 2026. Excluding the Average Volume in April and May 2026, during the Review Period, the Average Volume was ranging from 0% to 0.212% for the total number of issued Shares and from 0% to 0.611% for the total number of issued Shares held by the public Shareholders.

We therefore consider the trading liquidity of the Shares is low when compared to the total number of issued Shares as well as the total number of the Shares held by the public Shareholders.

Given the overall thin historical daily trading volume of the Shares recorded from nil to approximately 17,920,000 Shares with an average of approximately 176,000 Shares during the Review Period, the Offer Shareholders (especially those with relatively sizeable shareholdings) may find it difficult to dispose of a large volume of Shares in the open market at a fixed cash price within a short period of time without exerting downward pressure on the Shares price. The Share Offer, therefore, represents an opportunity for the Offer Shareholders, particularly for those who hold a large volume of Shares, to dispose of their shareholdings at the Share Offer Price if they so wish.

Comparison with other comparable companies

In assessing the fairness and reasonableness of the Share Offer Price, it is a general practice to make reference to other comparable companies. It is noted that comparable analysis using price-to-earnings ratio (“**PER**”), price-to-book ratio (“**PBR**”), price-to-sales ratio (“**PSR**”) and enterprise value (“**EV**”)-to-earnings before interest, taxes, depreciation and amortisation (“**EBITDA**”) ratio (“**EV/EBITDA Ratio**”) to compare the Share Offer Price against the other comparable companies are commonly adopted methods in valuing a company.

As discussed in the section headed “1. Information and financial performance of the Group” above in this letter, the Group principally engages in the provision of corporate finance advisory services and asset management services in Hong Kong and all of the Group’s revenue are derived from the provision of corporate finance advisory services in the previous four financial years. Based on the Share Offer Price of

HK\$0.818 per Offer Share and the total number of issued Shares of 151,623,894 as at the Latest Practicable Date, the Company is valued at approximately HK\$124.0 million. In this respect and for the purpose of our analysis, we have identified comparable companies based on the following criteria: (i) the shares of which are listed on the Main Board or GEM of the Stock Exchange and the trading had not been suspended as at the Latest Practicable Date; (ii) engages in principal business similar to those of the Group, that is, engaged in the provision of corporate finance advisory services in Hong Kong which the Type 6 (advising on corporate finance) regulated activity under the SFO contributed at least 50% of their respective total revenue for the latest completed financial year; (iii) with market capitalisation of below HK\$500 million which is considered as of similar size as compared with the Company's market capitalisation of approximately HK\$218.1 million as at the Latest Practicable Date in order to ensure a representative sample size. Based on our analysis, we are not able to identify any comparable company based on our selection criteria.

PER analysis is the most commonly adopted valuation benchmark in the course of valuation of companies as PER analysis can reflect profitability and earnings-generating capability of the companies and EV/EBITDA ratio is a commonly adopted valuation benchmark as it reflects a company's enterprise value relative to its operating cash flow before accounting adjustments, however, given that no comparable samples can be obtained, we are unable to conduct the comparison on PER and EV/EBITDA ratio analysis. Meanwhile, the PBR analysis is generally more suitable for asset-heavy companies. The Company operates an asset-light business model rather than with substantial fixed assets, we consider that the PBR analysis is not a suitable method to assess the fairness and reasonableness of the Share Offer Price. PSR analysis focuses on the revenue of a company without considering its cost structure or profitability. Given that the Group is a services company and inherently labour-intensive, with operating costs was largely driven by employee benefits costs that result in low profit margins, we consider that PSR analysis is not meaningfully in this context.

In view of the limitation of the comparable analysis with respect to the PER, PBR, PSR and EV/EBITDA ratio analysis and no comparable samples can be obtained as mentioned above, we are of the view that comparison with comparable companies will not provide a meaningful comparative analysis. We have thus focused our analysis of the Share Offer Price on historical trading performance, underlying fundamentals such as the financial performance, industry prospects of the Company and comparison of the Share Offer Price with the NAV per Share as discussed above.

Our view on the Share Offer Price

Despite the fact that the Share Offer Price represents,

- (i) a discount of approximately 43.2% to the closing price of HK\$1.440 per Share as quoted on the Stock Exchange on the Latest Practicable Date; and

- (ii) a discount of approximately 4.9%, 6.0% and 8.1% to the closing price or average closing price as quoted on the Stock Exchange on the Last Trading Day, 5 consecutive trading days and 10 consecutive trading days immediately prior to and including the Last Trading Day, respectively,

and we noted that the Company had issued the Positive Profit Alert Announcement in relation to an expected increased after-tax profit of not less than HK\$2.5 million for the six months ending 30 September 2026. As advised by the Management, such expected increase in profit is primarily attributable to an anticipated increase in revenue of not less than HK\$5 million arising from a one-off transaction. Consequently, we consider that the Group's business performance may not be guaranteed in the future.

It is also noted that,

- (i) it is considered that the overall outlook of the Group's business environment remains uncertain in view of the volatile performance of the HSI and the worldwide uncertain factors as discussed in the sub-section headed "2. Industry Overview and Prospects" above;
- (ii) the Share Offer Price represents a premium of approximately 40.8% to the average closing price as quoted on the Stock Exchange for the 30 consecutive trading days prior to and including the Last Trading Day;
- (iii) the Share Offer Price represents a premium of approximately 100.0% over the audited consolidated net assets value attributable to equity holders as at 31 March 2026 of approximately HK\$0.409 per Share based on the audited consolidated net assets of the Company as at 31 March 2026 and the number of Shares in issue as at the Latest Practicable Date. The net asset value of the Group indicates a fundamental asset position of the Group;
- (iv) the Share Offer Price is at a price level higher than the daily closing prices of the Shares for 240 out of 361 trading days as quoted on the Stock Exchange during the Review Period. The Share Offer Price also represents a premium of approximately 24.1% over the average closing price per Share of HK\$0.659 during the Review Period;
- (v) the increasing trend of the closing price of the Shares after publication of the Rule 3.7 Announcement and the Joint Announcement may be attributable to the market reactions towards the Offers and/or the anticipated prospects of the Group and change in control of the Company, and may or may not be sustainable in the future. As observed, we noted that such speculative price levels had not sustained and the closing price of the Shares closed at HK\$1.440 on the Latest Practicable Date; and

- (vi) given the low liquidity of the Shares during the Review Period and save for April and May 2026 which may be affected by the publication of the Rule 3.7 Announcement and the Joint Announcement; and the Average Volume had returned to 0.105% of total number of issued Shares and 0.312% for the total number of issued Shares held by the public Shareholders for October 2026 (up to and including the Latest Practicable Date), the Share Offer provides opportunities for the Offer Shareholders including those with significant shareholding interest to realise all of their investments in the Company at a fixed price,

we are of the view that the Share Offer Price is fair and reasonable so far as the Offer Shareholders are concerned.

Our view on the cancellation price under the Option Offer

As disclosed in the “Letter from Red Sun Capital and Eddid Capital”, pursuant to the terms and conditions of the Share Option Scheme, if a general offer is made to all the Shareholders and such general offer becomes or is declared unconditional, the Optionholders shall, notwithstanding any other terms on which Options were granted, be entitled to exercise the Options (to the extent vested but not already exercised) to the full extent or to the extent specified in the Optionholders’ notice to the Company in accordance with the provisions of the Share Option Scheme at any time thereafter and up to the close of such offer (or any revised offer). In the event that an Optionholder exercises any outstanding Options before the close of the Share Offer, the Shares issued pursuant to the exercise of such Options shall form part of the Offer Shares and be subject to the Share Offer. **Any vested and unvested Options (to the extent not already exercised) will lapse at the close of the Offers.**

As at the Latest Practicable Date, the Company has 2,497,000 outstanding Options granted under the Share Option Scheme with an exercise price of HK\$0.72, comprising 66,000 vested Options and 2,431,000 unvested Options which are exercisable from 18 December 2026.

We noted that the cancellation price under the Option Offer was calculated in compliance with Rule 13 of the Takeovers Code and represent the “see-through” price, which is the difference between the Share Offer Price and the exercise price for the Options. Therefore, based on the Share Offer Price of HK\$0.818 per Offer Share, all of the outstanding Options as at the Latest Practicable Date were offered a “see-through” price of HK\$0.098 per Option.

Given that the “see-through” price was based on the Share Offer Price of HK\$0.818 per Offer Share, which was offered to all Offer Shareholders, we are of the view that the “see-through” basis is fair and reasonable. Further, as we consider that the Share Offer Price to be fair and reasonable, the “see-through” price, which is based on the Share Offer Price, is also considered fair and reasonable so far as the Optionholders are concerned. Accordingly, we consider the terms of the Option Offer to be fair and reasonable so far as the Optionholders are concerned.

RECOMMENDATION

The Share Offer

Despite the fact that the Share Offer Price represents,

- (i) a discount of approximately 43.2% to the closing price of HK\$1.440 per Share as quoted on the Stock Exchange on the Latest Practicable Date; and
- (ii) a discount of approximately 4.9%, 6.0% and 8.1% to the closing price or average closing price as quoted on the Stock Exchange on the Last Trading Day, 5 consecutive trading days and 10 consecutive trading days immediately prior to and including the Last Trading Day, respectively,

and we noted that the Company had issued the Positive Profit Alert Announcement in relation to an expected increased after-tax profit of not less than HK\$2.5 million for the six months ending 30 September 2026. As advised by the Management, such expected increase in profit is primarily attributable to an anticipated increase in revenue of not less than HK\$5 million arising from a one-off transaction. Consequently, we consider that the Group's business performance may not be guaranteed in the future.

It is also noted that,

- (i) the profit for the year attributable to owners of the Company for FY2026 was approximately HK\$2.0 million as compared to the loss attributable to owners of the Company of approximately HK\$13.8 million for FY2025. However, it noted that the turnaround from loss to profit for FY2026 was principally due to the implementation of cost saving plan rather than a sharp rebound on business performance;
- (ii) it is considered that the overall outlook of the Group's business environment remains uncertain in view of the volatile performance of the HSI and the worldwide uncertain factors as discussed in the sub-section headed "2. Industry Overview and Prospects" above;
- (iii) the Share Offer Price represents a premium of approximately 100.0% over the audited consolidated net assets value attributable to equity holders as at 31 March 2026 of approximately HK\$0.409 per Share based on the audited consolidated net assets of the Company as at 31 March 2026 and the number of Shares in issue as at the Latest Practicable Date. The net asset value of the Group indicates a fundamental asset position of the Group;
- (iv) the Share Offer Price has been higher than the daily closing prices for 240 out of 361 trading days during the Review Period. The Share Offer Price of HK\$0.818 represents a premium of approximately 24.1% over the average closing price per Share of HK\$0.659 during the Review Period;

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- (v) the increasing trend of the closing price of the Shares after publication of the Rule 3.7 Announcement and the Joint Announcement may be attributable to the market reactions towards the Offers and/or the anticipated prospects of the Group and change in control of the Company, and may or may not be sustainable in the future. As observed, we noted that such speculative price levels had not sustained and the closing price of the Shares closed at HK\$1.440 on the Latest Practicable Date;
- (vi) given the low liquidity of the Shares during the Review Period and save for April and May 2026 which may affected by the publication of the Rule 3.7 Announcement and the Joint Announcement; and the Average Volume had returned to 0.105% of total number of issued Shares and 0.312% for the total number of issued Shares held by the public Shareholders for October 2026 (up to and including the Latest Practicable Date), the Share Offer provide opportunities for the Offer Shareholders including those with significant shareholding interest to realise all of their investments in the Company at a fixed price; and
- (vii) there is no guarantee that the Share price will sustain at a level higher than the Share Offer Price during and after the Offer Period in view of (a) the surge of closing price of the Shares was showed a downward trend after the publication of the Joint Announcement; (b) save for the Offers, the Directors were not aware of any happening which might have affected the surge of the closing price of the Shares; and (c) our view on the Group's business environment remains uncertain as stated in point (i) above,

we are of the opinion that the terms of the Share Offer and the Share Offer Price are fair and reasonable so far as the Offer Shareholders are concerned. Accordingly, we recommend the Independent Board Committee to advise the Offer Shareholders to accept the Share Offer. **Notwithstanding the above, in view of the recent fluctuations of the market price of the Shares and the closing price of HK\$1.440 per Share as quoted on the Stock Exchange on the Latest Practicable Date is higher than the Share Offer Price of HK\$0.818 and the total amount receivable per Offer Share of HK\$0.918 factoring in the aggregate amount of the Final Dividend and the Special Cash Dividend, those Offer Shareholders who intend to accept the Share Offer are reminded that they should closely monitor the market price and the liquidity of the Shares during the Offer Period and should consider selling their Shares in the open market, rather than accepting the Share Offer, if the net proceeds from the sale of such Shares in the open market would exceed the net proceeds receivable under the Share Offer.**

We would like to remind the Offer Shareholders that if they consider retaining their Shares or tendering less than all their Shares under the Share Offer should carefully consider the potential difficulties they may encounter in disposing their investments in the Shares after the close of the Offers in view of the historical low liquidity of the Shares.

The Option Offer

As we consider that the Share Offer Price is fair and reasonable, the “see-through” price under the Option Offer, which is based on the Share Offer Price, is also considered fair and reasonable so far as the Optionholders are concerned. Accordingly, we consider the terms of the Option Offer to be fair and reasonable so far as the Optionholders are concerned. Accordingly, we recommend the Independent Board Committee to advise the Optionholders to accept the Option Offer.

As for the Optionholders, as the exercise price of the outstanding Options (HK\$0.72) is below the Share Offer Price (HK\$0.818), the Options are “in-the-money” with reference to the Share Offer Price. However, as mentioned above, we note that the closing price of the Shares was higher than the exercise price of HK\$0.72 of the outstanding Share Options as at Latest Practicable Date. In this connection, we recommend the Optionholders to closely monitor market price movement and consider to exercise their Options and sell those Shares in the open market, instead of accepting the Option Offer, if the sale proceeds (after deducting transaction costs and exercise price) exceed the amount receivable under the Option Offer. However, if the market price of Shares falls below the exercise price toward the end of the Offer Period, they may consider tendering all or part of their holdings for cancellation under the Option Offer, should they wish to realise their investment. The Optionholders should note that any vested and unvested Options (to the extent not already exercised) will lapse at the close of the Offers.

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

Yours faithfully,
For and on behalf of
Amasse Capital Limited
Stephen Lau
Director

Note: Mr. Stephen Lau (“**Mr. Lau**”) is a licensed person registered with the SFC and a responsible officer of Amasse Capital to carry out Type 6 (advising on corporate finance) regulated activities under the SFO. Mr. Lau is also a representative of Amasse Asset Management Limited licensed to carry out Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO. He has over 10 years of experience in the finance industry.

1. PROCEDURES FOR ACCEPTANCE

To accept any of the Offer(s), you should complete and sign the relevant accompanying Form(s) of Acceptance in accordance with the instructions printed thereon, which instructions form part of the terms of the Offers. By signing and returning the relevant Form(s) of Acceptance, you warrant to the Offeror, its parties acting in concert, Red Sun Capital, Eddid Capital, the Company and Somerley Capital Limited that you have not taken or omitted to take any action which will or may result in the Offeror, its parties acting in concert, Red Sun Capital, Eddid Capital, the Company and Somerley Capital Limited or any other person acting in breach of the legal or regulatory requirements of any territory in connection with the Offers or your acceptance thereof.

Share Offer

- (a) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Offer Shares is/are in your name, and you wish to accept the Share Offer (whether in full or in part), you must lodge the duly completed and signed WHITE Form of Share Offer 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) for the number of Offer Shares in respect of which you intend to accept the Share Offer, by post or by hand, to the Registrar, Union Registrars Limited, at 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, marked "Somerley Capital Holdings Limited — Share Offer" on the envelope as soon as possible but in any event so as to reach the Registrar by not later than the Latest Acceptance Time.
- (b) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Offer Shares is/are in the name of a nominee company or a name other than your own, and you wish to accept the Share Offer in respect of your Offer Shares (whether in full or in part), you must either:
 - (i) lodge your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Offer Shares for which you intend to accept the Share Offer with the nominee company, or other nominee, and with instructions authorizing it to accept the Share Offer on your behalf and requesting it to deliver the WHITE Form of Share Offer 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) for the number of Offer Shares in respect of which you intend to accept the Share Offer to the Registrar; or

- (ii) arrange for the Offer Shares to be registered in your name by the Company, through the Registrar, and deliver the WHITE Form of Share Offer Acceptance duly completed and signed together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Offer Shares for which you intend to accept the Share Offer to the Registrar; or
 - (iii) if your Offer Shares have been lodged with your licensed securities dealer/registered institution in securities/custodian bank through CCASS, instruct your licensed securities dealer/registered institution in securities/custodian bank to authorise HKSCC Nominees Limited to accept the Share 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 processing your instruction, and submit your instruction to your licensed securities dealer/registered institution in securities/custodian bank as required by them; or
 - (iv) if your Offer Shares have been lodged with your investor participant's account maintained with CCASS, give 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 receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Offer Shares is/are not readily available and/or is/are lost, as the case may be, and you wish to accept the Share Offer, the WHITE Form of Share Offer Acceptance should nevertheless be completed, signed and delivered to the Registrar together with a letter stating that you have lost one or more of your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Offer Shares or that it is/they are not readily available. If you find such document(s) or if it/they become(s) available, it/they should be forwarded to the Registrar as soon as possible thereafter. If you have lost the share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Offer Shares, you should also write to the Registrar requesting a letter of indemnity which, when completed and signed in accordance with the instructions given, should be returned to the Registrar. The Offeror shall have the absolute discretion to decide whether any Share(s) in respect of which the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title or evidence of title is/are not readily available and/or is/are lost will be taken up by the Offeror.

- (d) If you have lodged transfer(s) of any of your Offer Shares for registration in your name and have not received your share certificate(s) or if you have exercised your Options and have not yet received your share certificate(s), and you wish to accept the Share Offer, you should nevertheless complete and sign the WHITE Form of Share Offer Acceptance and deliver it to the Registrar together with the transfer receipt(s), if any, duly signed by you and/or other document(s) of title or entitlement in respect of the Options (as the case may be), by post or by hand. Such action will constitute an irrevocable authority to the Offeror and/or Red Sun Capital and/or Eddid Capital and/or their respective agent(s) to collect from the Company or the Registrar on your behalf the relevant share certificate(s) when issued and to deliver such share certificate(s) to the Registrar on your behalf and to authorise and instruct the Registrar to hold such share certificate(s), subject to the terms and conditions of the Share Offer, as if it/they were delivered to the Registrar with the WHITE Form of Share Offer Acceptance.
- (e) Acceptance of the Share Offer will be treated as valid only if the completed and signed WHITE Form of Share Offer Acceptance is received by the Registrar by no later than the Latest Acceptance Time, and the Registrar has recorded that such acceptance and any relevant documents required by Note 1 to Rule 30.2 of the Takeovers Code have been so received, and is:
 - (i) accompanied by the relevant share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Offer Shares for which you intend to accept the Share Offer and, if that/those share certificate(s) and/or transfer receipt(s) and/or other documents of title (and/or any satisfactory indemnity or indemnities required in respect thereof) is/are not in your name, such other documents(e.g. a duly stamped transfer of the relevant Share(s) in blank or in favour of the acceptor executed by the registered holder) in order to establish your right to become the registered holder of the relevant Offer Shares; or
 - (ii) from a registered Shareholder or his/her/its personal representatives (but only up to the amount of the registered holding and only to the extent that the acceptance relates to the Offer Shares which are not taken into account under another sub-paragraph of this paragraph (e)); or
 - (iii) certified by the Registrar or the Stock Exchange.
- (f) If the WHITE Form of Share Offer Acceptance is executed by a person other than the registered Shareholder, appropriate documentary evidence of authority (e.g. grant of probate or certified copy of a power of attorney) to the satisfaction of the Registrar must be produced.
- (g) Before delivering the WHITE Form of Share Offer Acceptance to the Registrar, please ensure that you have signed the WHITE Form of Share Offer Acceptance and that your signature has been witnessed.

- (h) No acknowledgment of receipt of any WHITE Form of Share Offer 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.
- (i) If you do not insert the number of Offer Shares for which you intend to accept the Share Offer or if the number of Offer Shares for which you intend to accept the Share Offer as inserted into the completed and signed WHITE Form of Share Offer Acceptance delivered to the Registrar is greater than your registered holding of Share(s), or is greater or smaller than that represented by the accompanying share certificate(s) for the Share(s) tendered for acceptance of the Share Offer, the Registrar will return such WHITE Form of Share Offer Acceptance to you for correction and resubmission. Any corrected WHITE Form of Share Offer Acceptance must be resubmitted and received by the Registrar on or before the Latest Acceptance Time.
- (j) The seller's Hong Kong ad valorem stamp duty arising in connection with the acceptance of the Share Offer amounting to 0.1% of the higher of (i) the amount payable in respect of relevant acceptances by the Shareholders; and (ii) the market value of the Offer Shares as determined by the Collector of Stamp Revenue under the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong), will be deducted from the cash amount payable to the Shareholders who accept the Share Offer. The Offeror will arrange for payment of the seller's Hong Kong ad valorem stamp duty on behalf of the accepting Shareholders and will pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptances of the Share Offer and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Option Offer

- (a) If you are an Optionholder and you wish to accept the Option Offer in respect of your Options, you must deliver the duly completed and signed PINK Form of Option Offer Acceptance together with the relevant certificate(s), document(s) of title or entitlement in respect of the Options and/or any other document(s) (if applicable) evidencing the grant of the Options to you (and/or any satisfactory indemnity or indemnities required in respect thereof) for your holding of the Options or if applicable, for not less than the number of the Options in respect of which you intend to accept the Option Offer, by post or by hand, to the Registrar, Union Registrars Limited, at 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, marked "Somerley Capital Holdings Limited — Option Offer" on the envelope so as to reach the Registrar as soon as possible but in any event no later than the Latest Acceptance Time.

- (b) If the PINK Form of Option Offer Acceptance is executed by a person other than the registered Optionholder, 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.
- (c) Before delivering the PINK Form of Option Offer Acceptance to the Registrar, please ensure that you have signed the PINK Form of Option Offer Acceptance and that your signature has been witnessed.
- (d) No acknowledgment of receipt of any PINK Form of Option Offer Acceptance, the relevant grant letter(s), certificate(s), document(s) of title or entitlement in respect of the Options and/or any other document(s) (if applicable) evidencing the grant of the Options to you (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given.
- (e) For an acceptance of the Option Offer to be valid, the Options for which the relevant Optionholder intends to accept the Option Offer must remain subsisting and have not lapsed as at the date of receipt of such acceptance by the Registrar (irrespective of the date of delivery of such acceptance).
- (f) If you do not insert the number of Options for which you intend to accept the Option Offer or if the number of Options for which you intend to accept the Option Offer as inserted into the completed and signed PINK Form of Option Offer Acceptance delivered to Registrar is greater than your registered holding of Options that remains subsisting and not lapsed, the Registrar will return such PINK Form of Option Offer Acceptance to you for correction and resubmission. Any corrected PINK Form of Option Offer Acceptance must be resubmitted and received by the Registrar on or before the Latest Acceptance Time.

2. ACCEPTANCE PERIOD AND REVISIONS

The Offers are made on Thursday, 22 October 2026, being the date of despatch of this Composite Document and is capable of acceptance on and from this date until 4:00 p.m. on Thursday, 12 November 2026, being the Closing Date.

- (a) Unless the Offers have previously been revised or extended with the consent of the Executive, in accordance with the Takeovers Code, to be valid, the Form(s) of Acceptance must be received by the Registrar in accordance with the instructions printed thereon and in this Composite Document by the Latest Acceptance Time.
- (b) The Offeror and the Company will jointly issue an announcement in accordance with the Takeovers Code through the websites of the Stock Exchange and the Company no later than 7:00 p.m. on the Closing Date stating the results of the Offers and whether the Offers have been extended, revised or have expired.

- (c) If the Offers are extended, the announcement of such extension will state the next Closing Date or include a statement that the Offers will remain open until further notice. In the latter case, at least 14 days' notice in writing must be given before the Offers are closed to those Shareholders who have not accepted the Offers.
- (d) If, in the course of the Offers, the Offeror revises the terms of the Offers, all Offer Shareholders and Optionholders, whether or not they have already accepted the Offers, will be entitled to the revised terms. The revised Offers must be kept open for at least fourteen (14) days following the date on which the revised offer document is posted and shall not close earlier than the Closing Date.
- (e) If the Closing Date is extended, any references in this Composite Document and in the Forms of Acceptance to the Closing Date shall, except where the context otherwise requires, be deemed to refer to the Closing Date of the Offers as so extended.
- (f) There is no obligation on the Offeror to extend the Offer.

3. SETTLEMENT OF THE OFFER

Share Offer

Provided that the accompanying WHITE Form of Share Offer Acceptance, together with the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the relevant Offer Shares are valid, complete and have been received by the Registrar no later than the Latest Acceptance Time, a cheque for the amount due to each of the accepting Offer Shareholders in respect of the Offer Shares tendered by him/her/it under the Share Offer (less seller's Hong Kong ad valorem stamp duty payable by him/her/it), together with the share certificate(s) representing any untendered Offer Shares (if applicable) 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 of receipt of a duly completed WHITE Form of Share Offer Acceptance together with all the relevant documents to render such acceptance complete and valid by the Registrar in accordance with the Takeovers Code.

Settlement of the consideration to which any accepting Offer Shareholder is entitled under the Share Offer will be paid by the Offeror in full in accordance with the terms of the Share Offer (save in respect of the payment of seller's Hong Kong ad valorem stamp duty) set out in this Composite Document (including this Appendix) and the accompanying WHITE Form of Share Offer Acceptance, without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such Offer Shareholder.

No fractions of a cent will be payable and the amount of cash consideration payable to each Offer Shareholder who validly accepts the Share Offer will be rounded up to the nearest cent. Cheque(s) not presented for payment within six months from the date of issue of the relevant cheques will not be honoured and be of no further effect, and in such circumstances cheque holders should contact the Offeror for payment.

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

Option Offer

Provided that the accompanying PINK Form of Option Offer Acceptance, together with the certificate(s), document(s) of title or entitlement in respect of the Options and/or any other document(s) (if applicable) evidencing the grant of the Options to you (and/or any satisfactory indemnity or indemnities required in respect thereof) are valid, complete and have been received by the Registrar no later than the Latest Acceptance Time, a cheque for the amount due to each of the accepting Optionholder in respect of the Options surrendered by him/her in acceptance of the Option Offer will be drawn in favour of him/her (or his/her nominee) which will be available for collection at the registered office of the Company at 20/F., China Building, 29 Queen's Road Central, Hong Kong no later than seven (7) Business Days after the date of receipt by the Registrar of a duly completed PINK Form of Option Offer Acceptance together with all the relevant document(s) to render such acceptance, surrender and cancellation under the Option Offer complete and valid.

Settlement of the consideration to which any accepting Optionholder is entitled under the Option Offer will be paid by the Offeror in full in accordance with the terms of the Option Offer set out in this Composite Document (including this Appendix) and the relevant accompanying PINK Form of Option Offer Acceptance, without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such Optionholders.

No fractions of a cent will be payable and the amount of cash consideration payable to each Optionholder who validly accepts the Option Offer will be rounded up to the nearest cent. Cheque(s) not presented for payment within six months from the date of issue of the relevant cheques will not be honoured and be of no further effect, and in such circumstances cheque holders should contact the Offeror for payment.

4. ANNOUNCEMENTS

As required under Rule 19 of the Takeovers Code, by 6:00 p.m. on the Closing Date (or such later time(s) and/or date(s) as the Executive may in exceptional circumstances permit), the Offeror must inform the Executive and the Stock Exchange of its decision in relation to the revision, extension, expiry or unconditionality of the Offers. The Offeror must publish an announcement in accordance with the GEM Listing Rules and the Takeovers Code on the Stock Exchange's website by 7:00 p.m. on Thursday, 12 November 2026 stating the results of the Offers and whether the Offers have been revised, extended or have expired (and, in such case, whether as to acceptances or in all respects). The announcement will state the following:

- (a) the total number of (i) Offer Shares and (ii) Options for which acceptances of the Offers have been received;
- (b) the total number of (i) Offer Shares and rights over Offer Shares and (ii) Options held, controlled or directed by the Offeror and its parties acting in concert before the Offer Period;
- (c) the total number of (i) Offer Shares and rights over Offer Shares and (ii) Options acquired or agreed to be acquired during the Offer Period by the Offeror and its parties acting in concert;
- (d) details of any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror or its parties acting in concert have borrowed or lent, save for any borrowed Shares which have been either on-lent or sold; and
- (e) the percentages of the share capital of and voting rights in the Company represented by these numbers.

In computing the total number of Offer Shares and Options represented by acceptances, only valid acceptances that are complete, in good order and fulfill the acceptance conditions set out in this Appendix I, and which have been received by the Registrar no later than the Latest Acceptance Time, shall be included.

If any of the Offeror, its parties acting in concert or their respective advisers make any statement during the Offer Period about the level of acceptances or the number or percentage of accepting Shareholders or Optionholders, the Offeror must make an immediate announcement in compliance with Note 2 to Rule 19 of the Takeovers Code.

As required under the Takeovers Code and the GEM Listing Rules, all announcements in relation to the Offers will be made in accordance with the requirements of the Takeovers Code and the GEM Listing Rules.

5. NOMINEE REGISTRATION

To ensure the equality of treatment of all Shareholders, registered Shareholders who hold any Offer Shares as nominees on behalf of more than one beneficial owner should, as far as practicable, treat the holding of each beneficial owner separately. It is essential for a beneficial owner of the Shares whose investment is registered in the name of a nominee to provide instructions to the nominee of his/her/its intention with regard to the Offers. Acceptance of the Offers by a nominee will be deemed to constitute a warranty by such a nominee to the Offeror that the number of Offer Shares he/she/it has indicated in the Form of Acceptance is the aggregate number of Offer Shares for which such a nominee has received authorisation from the relevant beneficial owner to accept the Offers on his/her/its behalf.

6. RIGHT OF WITHDRAWAL

- (a) As the Share Offer is unconditional in all respects, acceptances tendered by the Offer Shareholders shall be irrevocable and shall not be capable of being withdrawn, except in the circumstances set out in sub-paragraph (b) below or in compliance with Rule 17 of the Takeovers Code.
- (b) If the Offeror is unable to comply with the requirements set out in the section headed “4. Announcements” in this Appendix, the Executive may require pursuant to Rule 19.2 of the Takeovers Code that the Offer Shareholders who have tendered acceptances to the Share Offer be granted a right of withdrawal on terms that are acceptable to the Executive until the requirement of Rule 19.2 of the Takeovers Code can be met.

In such cases, when the Offer Shareholders or Optionholders (as the case may be) withdraw their acceptance(s), the Offeror shall, as soon as possible but in any event no later than seven (7) Business Days thereof, return by ordinary post: (a) 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) lodged with the relevant WHITE Form(s) of Share Offer Acceptance; and (b) the grant letter(s), certificate(s), document(s) of title or entitlement in respect of the relevant Options and/or other document(s) (if applicable) evidencing the grant of the Options to the relevant Optionholder(s) (and/or any satisfactory indemnity or indemnities required in respect thereof), in each case, at the own risk of the relevant Offer Shareholders and Optionholders.

- (c) Save as aforesaid, acceptances of the Offers, shall be irrevocable and not capable of being withdrawn.

7. STAMP DUTY

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

No stamp duty is payable in connection with acceptance of the Option Offer.

8. OVERSEAS SHAREHOLDERS

To the extent practicable and permissible under applicable laws and regulations, the Offeror is making the Share Offer available to all Shareholders and the Option Offer available to all Optionholders, including those who are citizens, residents or nationals of a jurisdiction outside Hong Kong. The making and the implementation of the Offers to Shareholders and Optionholder (as the case may be) with a registered address or ordinary residential address (as applicable) outside or otherwise not residing in Hong Kong may be subject to the laws and regulations of the relevant overseas jurisdictions in which they are resident. Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe, at their own responsibility, any applicable legal or regulatory requirements and, where necessary, seek legal advice.

The acceptance of the Offers by the Overseas Shareholders may be subject to the laws and regulations of the relevant jurisdictions and may or may not be prohibited. It is the sole responsibility of the Overseas Shareholders who wish to accept the relevant Offers to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the relevant Offers (including the obtaining of any governmental, exchange control or other consents which may be required and the compliance with all necessary formalities and the payment of any transfer or other taxes due by such Overseas Shareholders in respect of such jurisdictions) and, where necessary, seek legal advice.

Any acceptance by any Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholders to the Offeror, the Company and their respective advisers (including Red Sun Capital, Eddid Capital and Somerley Capital Limited) that those relevant local laws and regulatory requirements have been complied with.

The Offeror, parties acting in concert with it, the Company, Red Sun Capital, Eddid Capital, Somerley Capital Limited, the Independent Financial Adviser, the Registrar, their respective ultimate beneficial owners, directors, officers, employees, advisers, agents and associates and any other persons involved in the Offers shall be entitled to be fully indemnified and held harmless by such person for any taxes as such person may be required to pay. Please refer to the paragraph headed “Overseas Shareholders” in the “Letter from Red Sun Capital and Eddid Capital” and Appendix I to this Composite Document for further information.

Overseas Shareholders should consult their professional advisers if in doubt.

By signing and returning the relevant Form(s) of Acceptance, each Shareholder with a registered address in the United Kingdom represents and warrants to the Offeror, Red Sun Capital, Eddid Capital and the Company that:

- (a) such Shareholder has observed and complied with all applicable laws and regulations of the United Kingdom in connection with the acceptance of the Offers, including (without limitation) any requirements under the Financial Services and Markets Act 2000, the Financial Conduct Authority Handbook, and any applicable tax legislation;
- (b) the receipt by such Shareholder of this Composite Document and the accompanying Forms of Acceptance does not contravene any applicable law or regulation in the United Kingdom;
- (c) such Shareholder has not relied upon any statement, representation or warranty made by or on behalf of the Offeror, Red Sun Capital, Eddid Capital, the Company or their respective advisers as to the tax, legal or regulatory consequences under the laws of the United Kingdom of accepting the Offers; and
- (d) such Shareholder acknowledges that neither the Offers nor this Composite Document have been reviewed, approved or registered by the Financial Conduct Authority, the Panel on Takeovers and Mergers, or any other regulatory authority in the United Kingdom.

By signing and returning the relevant Form(s) of Acceptance, each Shareholder with a registered address in the United States represents and warrants to the Offeror, Red Sun Capital, Eddid Capital and the Company that:

- (a) the receipt by such Shareholder of this Composite Document and the accompanying Forms of Acceptance does not contravene any applicable law or regulation in the United States;
- (b) such Shareholder has not relied upon any statement, representation or warranty made by or on behalf of the Offeror, Red Sun Capital, Eddid Capital, the Company or their respective advisers as to the tax, legal or regulatory consequences under the laws of the United States of accepting the Offers; and

- (c) such Shareholder acknowledges that neither the Offers nor this Composite Document have been reviewed, approved or registered by the United States Securities and Exchange Commission, any state securities commission, or any other regulatory authority in the United States.

9. TAX IMPLICATIONS

None of the Offeror, its ultimate beneficial owner, the parties acting in concert with any of them, Red Sun Capital, Eddid Capital, the Company, Somerley Capital Limited, the Independent Financial Adviser, the Registrar, and their respective ultimate beneficial owners, directors, officers, advisers, agents and associates and other persons involved in the Offers is in a position to advise the Offer Shareholders and the Optionholders on their individual tax implications. Offer Shareholders and Optionholders are recommended to consult their own professional advisers as to the tax implications that may arise from accepting the Offers. None of the Offeror, its ultimate beneficial owner, the parties acting in concert with any of them, Red Sun Capital, Eddid Capital, the Company, Somerley Capital Limited, the Independent Financial Adviser, the Registrar, and their respective ultimate beneficial owners, directors, officers, advisers, agents and associates and other persons involved in the Offers accepts responsibility for any taxation effects on, or liabilities of, any person as a result of acceptance or rejection of the Offers.

10. GENERAL

- (a) All communications, notices, the Form(s) of Acceptance, share certificates, transfer receipts, other documents of title or entitlement, certificates, documents of title or entitlement (as the case may be) in respect of the Offer Shares or the Options and/or documentary evidence of authority (and/or any satisfactory indemnity or indemnities required in respect thereof) to be delivered by or sent to or from the Offer Shareholders or the Optionholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk. Communications, notices, documents and remittances to the Shareholders who accept the Share Offer will be sent to them at their respective addresses as they appear in the register of members of the Company or, in the case of joint Offer Shareholders, to the Offer Shareholder whose name appears first in the register of members of the Company, unless otherwise specified in the relevant WHITE Form of Share Offer Acceptance completed, returned and received by the Registrar. None of the Offeror, its ultimate beneficial owner, its parties acting in concert with any of them, Red Sun Capital, Eddid Capital, the Company, Somerley Capital Limited, the Independent Financial Adviser, the Registrar and (as the case may be) their respective ultimate beneficial owners, directors, officers, employees, advisers, agents or associates or any other person involved in the Offers, accepts any liability for any loss or delay in postage or such other liabilities whatsoever which may arise as a result.

- (b) Acceptance of:
- (i) the Share Offer by any person or persons will constitute a warranty by such person or persons to the Offeror, Red Sun Capital and Eddid Capital that all Offer Shares acquired under the Share Offer and sold by such persons are fully paid and free from all liens, claims, charges, equities and encumbrances, rights of pre-emption and any other third-party rights of any nature and together with all rights, benefits and entitlements attaching to them at the Closing Date, or subsequently becoming attached to them, including, without limitation, the right to receive in full all dividends (except for the Special Cash Dividend and the Final Dividend) and other distributions, if any, the record date of which is on or after the Closing Date; and
 - (ii) the Option Offer by any Optionholder will constitute a warranty by such person to the Offeror, Red Sun Capital and Eddid Capital and the Company that each Option in respect of which he/she accepts the Option Offer is valid and subsisting, free from all liens, charges, mortgages and third party interests of any nature whatsoever and he/she approves the cancellation of their Options and all rights attached thereto with effect from the Closing Date.
- (c) Acceptance of the Share Offer by any nominee will be deemed to constitute a warranty by such nominee to the Offeror, Red Sun Capital and Eddid Capital that the number of Offer Shares it has indicated in the Form of Share Offer Acceptance is the aggregate number of Offer Shares for which such nominee has received authorisations from the beneficial owners to accept the Share Offer on their behalf.
- (d) Acceptance of the Share Offer or the Option Offer by any person will be deemed to constitute a warranty by such person that such person is permitted under all applicable laws and regulations to receive and accept the relevant Offer, and any revision thereof, and such acceptance shall be valid and binding in accordance with all applicable laws and regulations. Any such person will be responsible for any such issue, transfer and other applicable taxes or other governmental payments payable/due by such person.
- (e) All acceptances, instructions, authorities and undertakings given by the Offer Shareholders and the Optionholders in the relevant Forms of Acceptance shall be irrevocable, except as permitted under the Takeovers Code.
- (f) The provisions set out in the accompanying Form(s) of Acceptance form part of the terms of the Offers.
- (g) The accidental omission to despatch this Composite Document and/or the accompanying Form(s) of Acceptance or either of them to any person to whom the Offers are made shall not invalidate the Offers in any way.

- (h) The Offers are, and all acceptances will be, governed by and construed in accordance with the laws of Hong Kong. Execution of a Form of Acceptance by or on behalf of an Offer Shareholder or Optionholder will constitute such Offer Shareholder's or Optionholder's agreement that the courts of Hong Kong shall have exclusive jurisdiction to settle any dispute which may arise in connection with the relevant Offer(s).
- (i) Due execution of the Form(s) of Acceptance will constitute an irrevocable authority to the Offeror and/or Red Sun Capital and/or Eddid Capital (and/or such person or persons as any of them may direct) to complete, amend and execute any document on behalf of the person accepting the relevant Offer(s) and to do any other act that may be necessary or expedient for the purposes of vesting in the Offeror (or such person or persons as it may direct) the Offer Shares and/or cancelling the Options in respect of which such person or persons has/have accepted the Offers.
- (j) Save for the payment of stamp duty applicable in respect of the Share Offer and unless otherwise expressly stated in this Composite Document and the accompanying Form(s) of Acceptance, settlement of the consideration to which any Offer Shareholder is entitled under the Share Offer and settlement of the consideration to which any Optionholder is entitled under the Option Offer will be implemented in full in accordance with the terms of the Offers 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 Shareholder or Optionholder.
- (k) The Offers are made in accordance with the Takeovers Code.
- (l) References to the Offers in this Composite Document and the Form(s) of Acceptance shall include any extension and/or revision thereof.
- (m) In making their decision, the Offer Shareholders and the Optionholders must rely on their own examination of the Offeror, the Group and the terms of the Offers, respectively, including the merits and risks involved. The contents of this Composite Document, including any general advice or recommendation contained herein together with the Form(s) of Acceptance, shall not be construed as any legal or business advice on the part of any of the Offeror, Red Sun Capital, Eddid Capital, the Company, Somerley Capital Limited, the Independent Financial Adviser, the Registrar or their respective ultimate beneficial owners, directors, officers, employees, advisers, agents or associates or any other person involved in the Offers. The Offer Shareholders and the Optionholders should consult their own professional advisers for professional advice.
- (n) This Composite Document has been prepared for the purposes of compliance with the legislative and regulatory requirements applicable in respect of the Offers in Hong Kong and the operating rules of the Stock Exchange.

- (o) The English text of this Composite Document and the accompanying Form(s) of Acceptance shall prevail over the Chinese text for the purpose of interpretation.
- (p) Unless otherwise expressly stated in this Composite Document and the accompanying Form(s) of Acceptance, none of the terms of the Offers or any terms contained in this Composite Document will be enforceable, under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong), by any person other than the Offeror and the accepting Offer Shareholders and/or the accepting Optionholders (as the case may be).

1. FINANCIAL INFORMATION OF THE GROUP AND SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements, together with the significant accounting policies stated therein and the accompanying notes to the relevant published financial statements which are of major relevance to the appreciation of the financial information, of the Group for each of the three years ended 31 March 2024, 2025 and 2026 (collectively, the “**Financial Statements**”) are disclosed in the following documents which have been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.somerleycapital.com):

- The 2024 Financial Statements are set on pages 67 to 129 of the annual report for the year ended 31 March 2024 (“**2024 Annual Report**”) which was published on 25 June 2024. The 2024 Annual Report was posted on the websites of the Company (www.somerleycapital.com) and the Stock Exchange (www.hkexnews.hk) and is accessible via the following hyperlink:

<https://www1.hkexnews.hk/listedco/listconews/gem/2024/0625/2024062500505.pdf>

- The 2025 Financial Statements are set on pages 68 to 127 of the annual report for the year ended 31 March 2025 (“**2025 Annual Report**”) which was published on 26 June 2025. The 2025 Annual Report was posted on the websites of the Company (www.somerleycapital.com) and the Stock Exchange (www.hkexnews.hk) and is accessible via the following hyperlink:

<https://www1.hkexnews.hk/listedco/listconews/gem/2025/0626/2025062600320.pdf>

- The 2026 Financial Statements are set on pages 72 to 131 of the annual report for the year ended 31 March 2026 (“**2026 Annual Report**”) which was published on 3 July 2026. The 2026 Annual Report was posted on the websites of the Company (www.somerleycapital.com) and the Stock Exchange (www.hkexnews.hk) and is accessible via the following hyperlink:

<https://www1.hkexnews.hk/listedco/listconews/gem/2026/0703/2026070302223.pdf>

The Financial Statements (but not any other part of the aforementioned documents in which they appear) are incorporated by reference into this Composite Document and form part of this Composite Document.

2. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

The following is a summary of the consolidated financial results of the Group for each of the three years ended 31 March 2024, 2025 and 2026 (as extracted from the annual reports of the Company):

	Year ended 31 March		
	2026	2025	2024
	HK\$'000	HK\$'000	HK\$'000
	(Audited)	(Audited)	(Audited)
Revenue	56,163	51,596	67,374
Investment income	1,172	1,871	3,013
Other income and net gain	944	823	90
Employee benefits costs	(40,233)	(49,418)	(53,357)
Depreciation	(5,934)	(6,619)	(7,893)
Share of losses of associates	—	—	(13)
Finance costs on lease liabilities	(891)	(1,036)	(298)
Impairment loss recognised in respect of intangible asset	—	(100)	—
Impairment loss recognised in respect of trade receivables	(1,276)	(2,263)	(1,877)
Other operating expenses	<u>(7,895)</u>	<u>(8,708)</u>	<u>(10,619)</u>
Profit (loss) before tax	2,050	(13,854)	(3,580)
Income tax (expense) credit	<u>(17)</u>	<u>15</u>	<u>(33)</u>
Profit (loss) for the year	<u><u>2,033</u></u>	<u><u>(13,839)</u></u>	<u><u>(3,613)</u></u>
Profit (loss) for the year attributable to:			
Owners of the Company	2,072	(13,809)	(3,543)
Non-controlling interests	<u>(39)</u>	<u>(30)</u>	<u>(70)</u>
	<u><u>2,033</u></u>	<u><u>(13,839)</u></u>	<u><u>(3,613)</u></u>

Save as disclosed in the summary of the consolidated financial results of the Group presented in the table above, there were no material items of income or expense in any of the years ended 31 March 2024, 2025 and 2026.

Save for:

- (i) the Offers;
- (ii) an aggregate of 230,000 Shares (previously repurchased on market on 12, 30 January 2026, and 23, 25 February 2026) was cancelled on 27 April 2026;
- (iii) 297,000 share options were exercised on 21 May 2026. An aggregate of 297,000 new Shares at the exercise price of HK\$0.72 have been issued on 21 May 2026;
- (iv) lapse of 153,000 share options in June 2026 in accordance with the Share Option Scheme;
- (v) 462,000 share options were exercised on 3 July 2026. An aggregate of 462,000 new Shares at the exercise price of HK\$0.72 have been issued on 3 July 2026;
- (vi) 198,000 share options were exercised on 9 July 2026. An aggregate of 198,000 new Shares at the exercise price of HK\$0.72 have been issued on 9 July 2026;
- (vii) 1,947,000 share options were exercised on 17 July 2026. An aggregate of 1,947,000 new Shares at the exercise price of HK\$0.72 have been issued on 17 July 2026;
- (viii) 1,881,000 share options were exercised on 20 July 2026. An aggregate of 1,881,000 new Shares at the exercise price of HK\$0.72 have been issued on 20 July 2026;
- (ix) 231,000 share options were exercised on 22 July 2026. An aggregate of 231,000 new Shares at the exercise price of HK\$0.72 have been issued on 22 July 2026;
- (x) lapse of 102,000 share options in August 2026 in accordance with the Share Option Scheme; and
- (xi) 132,000 share options were exercised on 13 October 2026. An aggregate of 132,000 new Shares at the exercise price of HK\$0.72 have been issued on 13 October 2026.

There have been no other significant events of the Company after 31 March 2026.

Final dividend per Share for each of the years ended 31 March 2024, 2025 and 2026 was HK\$0.025, HK\$0.020 and HK\$0.020 respectively. The Company has also declared a Special Cash Dividend of HK\$0.08 in cash per Share which have been approved by the Shareholders in the annual general meeting held on 28 July 2026.

The auditor of the Company for the three years ended 31 March 2024, 2025 and 2026 was Crowe (HK) CPA Limited. The audit opinion of Crowe (HK) CPA Limited in respect of each of the years ended 31 March 2024, 2025 and 2026 was not qualified and there were no modified opinions or emphasis of matter or material uncertainty related to going concern contained in auditor's report of Crowe (HK) CPA Limited in respect of each of the three years ended 31 March 2024, 2025 and 2026.

For the three years ended 31 March 2024, 2025 and 2026, there was no change in accounting policy which rendered the figures in the summary of the consolidated financial results of the Group presented in the table above not comparable to a material extent.

3. STATEMENT OF INDEBTEDNESS

As at the close of business on 31 August 2026, being the latest practicable date for the purpose of preparing this indebtedness statement prior to the printing of this Composite Document, the total indebtedness of the Group amounted to approximately HK\$5.3 million being outstanding unguaranteed and unsecured lease liabilities of the Group.

Saved as disclosed above, the Group did not have any outstanding bank overdrafts or loans, or other similar indebtedness, mortgages, charges, or guarantees, debt securities, term loans, hire purchase commitments, liabilities under acceptances (other than normal trade bills) or acceptance credits, other borrowings or indebtedness in the nature of borrowings or material capital commitments or operating lease commitment or other material contingent liabilities as at the close of business on 31 August 2026.

4. MATERIAL CHANGES

Save as disclosed below, the Directors confirm that there was no material change in the financial or trading position or outlook of the Group subsequent to 31 March 2026, being the date to which the latest published audited consolidated financial statements of the Group were made up, up to and including the Latest Practicable Date.

Reference is made to the announcement of the Company dated 22 September 2026, whereby it is disclosed that based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the five months ended 31 August 2026, which have not been confirmed, reviewed or audited by the Company's auditors or audit committee and may be subject to adjustment, and other information currently available to the Group's management, the Group is expected to report an increased after-tax profit of not less than HK\$2.5 million for the six months ending 30 September 2026. The expected increase in profit is primarily driven by an anticipated increase in revenue of not less than HK\$5 million, extending the momentum in corporate financial activities from the previous financial year end. This increase is partially offset by an anticipated increase of around HK\$3 million in total employee benefit costs for the six months ending 30 September 2026 mainly due to higher bonuses associated with the increase in revenue.

1. LETTER FROM CROWE (HK) CPA LIMITED

The following is the text of a letter from Crowe (HK) CPA Limited, prepared for the purpose of incorporation in this Composite Document.



國富浩華（香港）會計師事務所有限公司
Crowe (HK) CPA Limited
香港 銅鑼灣 禮頓道77號 禮頓中心9樓
9/F Leighton Centre,
77 Leighton Road,
Causeway Bay, Hong Kong

Crowe (HK) CPA Limited
Certified Public Accountants
9/F., Leighton Centre
77 Leighton Road
Causeway Bay
Hong Kong

Dear Sirs

Somerley Capital Holdings Limited (the “Company”)
and its subsidiaries (collectively the “Group”)
Forecast of results for the six months ending 30 September 2026

We refer to the forecast of the consolidated results of the Company and its subsidiaries (the “**Group**”) for the six months ending 30 September 2026 (the “**Estimated Profit**”). The Estimated Profit has been prepared to enable the directors of the Company to make the following statement set forth in the positive profit alert announcement of the Company dated 22 September 2026 (“**Profit Alert Announcement**”).

“based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the five months ended 31 August 2026, which have not been confirmed, reviewed or audited by the Company’s auditors or audit committee and may be subject to adjustment, and other information currently available to the Group’s management, the Group is expected to report an increased after-tax profit of not less than HK\$2.5 million for the six months ending 30 September 2026. The expected increase in profit is primarily driven by an anticipated increase in revenue of not less than HK\$5 million, extending the momentum in corporate financial activities from the previous financial year end. This increase is partially offset by an anticipated increase of around HK\$3 million in total employee benefit costs for the six months ending 30 September 2026 mainly due to higher bonuses associated with the increase in revenue.”

Directors' Responsibilities

The Estimated Profit has been prepared by the directors of the Company based on the unaudited consolidated results based on the management accounts of the Group for the five months ended 31 August 2026 and a forecast of the consolidated results of the Group for the remaining one month ending 30 September 2026.

The Company's directors are solely responsible for the Estimated Profit and the assumptions.

Our Independence and Quality Control

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

The firm applies Hong Kong Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion on the accounting policies and calculations of the Estimated Profit based on our procedures. We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 500 "Reporting on Profit Forecasts, Statements of Sufficiency of Working Capital and Statements of Indebtedness" and with reference to Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the HKICPA. Those standards require that we plan and perform our work to obtain reasonable assurance as to whether, so far as the accounting policies and calculations are concerned, the Company's directors have properly compiled the Estimated Profit in accordance with the bases adopted by the directors and as to whether the Estimated Profit is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group. Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Accordingly, we do not express an audit opinion.

Opinion

In our opinion, so far as the accounting policies and calculations are concerned, the Estimated Profit has been properly compiled in accordance with the bases adopted by the directors as set out in the Profit Alert Announcement and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in the audited consolidated financial statements of the Group for the year ended 31 March 2026.

Crowe (HK) CPA Limited
Certified Public Accountants
Hong Kong, 22 October 2026

Chiu Lung Sang

Practising Certificate Number P08091

2. LETTER FROM AMASSE CAPITAL LIMITED

The following is the text of a letter from Amasse Capital Limited, prepared for the purpose of incorporation in this Composite Document.

AMASSE CAPITAL **寶 積 資 本**

The Board of Directors
Somerley Capital Holdings Limited
20th Floor, China Building
29 Queen's Road Central
Central
Hong Kong

22 October 2026

Dear Sirs,

We refer to the composite document jointly issued by Somerley Capital Holdings Limited (the “**Company**”) and Sky Links Group Limited (the “**Offeror**”) dated 22 October 2026 (the “**Composite Document**”) in relation to the mandatory unconditional cash offers by Eddid Capital Limited and Red Sun Capital Limited for and on behalf of the offeror to acquire all the issued Shares of the Company (other than those already owned and/or agreed to be acquired by the Offeror and the parties acting in concert with it) and to cancel all outstanding options of the Company. Unless the context otherwise requires, all capitalised terms used herein shall have the same meanings as those defined in the Composite Document.

We also refer to the announcement of the Company dated 22 September 2026 (the “**Profit Alert Announcement**”) in relation to the positive profit alert and the below statement made by the Board under the Profit Alert Announcement (the “**Estimated Profit**”):

*“...based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the five months ended 31 August 2026, which have not been confirmed, reviewed or audited by the Company’s auditors or audit committee and may be subject to adjustment, and other information currently available to the Group’s management, the Group is expected to report an increased after-tax profit of not less than HK\$2.5 million for the six months ending 30 September 2026 (2025: approximately HK\$0.2 million) (the “**Estimated Profit**”). The expected increase in profit is primarily driven by an anticipated increase in revenue of not less than HK\$5 million, extending the momentum in corporate financial activities from the previous financial year end. This increase is partially offset by an anticipated increase of around HK\$3 million in total employee benefit costs for the six months ending 30 September 2026 mainly due to higher bonuses associated with the increase in revenue.”*

We note that the Estimated Profit constitutes a profit forecast pursuant to Rule 10 of the Takeovers Code.

We have reviewed the Estimated Profit and other relevant information and documents (in particular (i) the unaudited consolidated management accounts of the Group for the five months ended 31 August 2026 with comparative figures for the corresponding period in 2025 (the “**Unaudited Management Accounts & Comparative Figures**”); (ii) the profit forecast of the Group for the month ending 30 September 2026; (iii) the unaudited consolidated management accounts of the Group for the six months ended 30 September 2025; and (iv) the board memorandum (the “**Board Memorandum**”) prepared by the Board in connection with the unaudited consolidated management accounts of the Group for the five months ended 31 August 2026 and the profit forecast for the month ending 30 September 2026, setting out the principal bases and assumptions adopted in preparing the forecast) which you as the Directors are solely responsible for and discussed with the Company the information and documents (in particular, (i) the Unaudited Management Accounts & Comparative Figures; (ii) the profit forecast of the Group for the month ending 30 September 2026; (iii) the unaudited consolidated management accounts of the Group for the six months ended 30 September 2025; and (iv) the Board Memorandum) provided by the Group which formed the key bases upon the Estimated Profit and the assumptions have been made.

In respect of the accounting policies and calculations concerned, upon which the Estimated Profit has been made, we have considered the report as contained in Appendix III to the Composite Document addressed to the Board from Crowe (HK) CPA Limited, being the auditors of the Company. Crowe (HK) CPA Limited is of the opinion that so far as the accounting policies and calculations are concerned, the Estimated Profit has been properly compiled in accordance with the bases adopted by the Directors as set out in the Profit Alert Announcement and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in the audited consolidated financial statements of the Group for the year ended 31 March 2026.

On the basis of the foregoing, we are of the opinion that the Estimated Profit and the assumptions, for which the Directors are solely responsible for, have been made by the Directors after due care and consideration.

For the purpose of this letter, we have relied on and assumed the accuracy and completeness of all information provided to us and/or discussed with the Group. We have not assumed any responsibility for independently verifying the accuracy and completeness of such information or undertaken any independent evaluation or appraisal of any of the assets or liabilities of the Group. Save as provided in this letter, we do not express any other opinion or views on the Estimated Profit and the assumptions. The Directors remain solely responsible for the Estimated Profit and the assumptions.

Our opinion has been given for the sole purpose of compliance with Note 1(c) to Rules 10.1 and 10.2 and Rule 10.4 of the Takeovers Code and for no other purpose. We do not accept any responsibility to any person(s), other than the Company, in respect of, arising out of, or in connection with this letter.

Yours faithfully,
For and on behalf of
Amasse Capital Limited

Stephen Lau
Responsible Officer

1. RESPONSIBILITY STATEMENT

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this Composite Document (other than the information relating to the Group and the Seller), and confirms, having made all reasonable inquiries, 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 statement in this Composite Document misleading.

2. MARKET PRICES

The table below shows the closing price of the Shares as quoted on the Stock Exchange on (i) the last day on which trading took place in each of the calendar months during the Relevant Period; (ii) the Last Trading Day; and (iii) the Latest Practicable Date.

Date	Closing price per Share HK\$
2025	
31 October	0.320
28 November	0.325
31 December	0.330
2026	
30 January	0.350
27 February	0.360
31 March	0.350
28 April (<i>being the Last Trading Day</i>)	0.860
30 April	0.860
29 May	1.640
30 June	1.280
31 July	1.200
31 August	1.040
30 September	1.070
20 October (<i>being the Latest Practicable Date</i>)	1.440

Highest and lowest Shares prices

During the Relevant Period, the highest closing price of the Shares (on an ex-dividend basis) as quoted on the Stock Exchange was HK\$2.263 per Share on 12 May 2026, and the lowest closing price of the Shares (on an ex-dividend basis) as quoted on the Stock Exchange was HK\$0.292 per Share on 19, 22 and 23 December 2025 respectively.

3. DEALINGS AND INTERESTS IN THE COMPANY'S SECURITIES

Save for the 75,959,948 Sale Shares (representing approximately 50.1% of the total issued Shares as of the Latest Practicable Date) acquired by the Offeror under the Sale and Purchase Agreement, none of the Offeror, its ultimate beneficial owner, or parties acting in concert with any of them own, have control or direction over any voting rights or rights over any Shares, convertible securities, warrants, options or derivatives in respect of the Shares as at the Latest Practicable Date.

Save for the Sale Shares under the Sale and Purchase Agreement acquired by the Offeror, none of the Offeror, its ultimate beneficial owner or parties acting in concert with any of them had dealt for value in nor owned, controlled or directed any Shares, options, derivatives, warrants or other securities convertible into the Shares during the Relevant Period.

4. OTHER ARRANGEMENTS OR AGREEMENTS

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

- (i) save for the acquisition of the Sale Shares by the Offeror, there was no arrangement (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code that existed between any of the Offeror and its parties acting in concert or the Offeror's associates and any other person;
- (ii) there was no agreement or arrangement to which any of the Offeror and its parties acting in concert was a party which related to circumstances in which any of the Offeror or its parties acting in concert might or might not invoke or seek to invoke a pre-condition or a condition to the Offers;
- (iii) none of the Offeror, its ultimate beneficial owner and its parties acting in concert with any of them had borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (iv) none of the Offeror, its ultimate beneficial owner and its parties acting in concert with any of them had received any irrevocable commitment to accept or reject the Offers save as those disclosed under "Irrevocable Undertakings" section in the "Letter from Red Sun Capital and Eddid Capital" of this document;
- (v) there was no outstanding derivative in respect of the securities in the Company entered into by any of the Offeror and its parties acting in concert;
- (vi) other than the consideration paid by the Offeror to the Seller for the purchase of the Sale Shares under the Sale and Purchase Agreement which had been settled in full at SPA Completion, there was no consideration, compensation or benefit in whatever form paid or to be paid by any of the Offeror and its parties acting in concert to the Seller and its parties acting in concert in connection with the sale and purchase of the Sale Shares;

- (vii) there was no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Seller and its parties acting in concert on one hand, and any of the Offeror and its parties acting in concert on the other hand;
- (viii) there was no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeover Code) between any Shareholder on one hand, and any of the Offeror and its parties acting in concert on the other hand;
- (ix) there was no arrangement whereby any Director would be given any benefit as compensation for loss of office or otherwise in connection with the Offers;
- (x) there was no agreement, arrangement or understanding (including any compensation arrangement) existing between any of the Offeror and its parties acting in concert on one hand, and any of the Directors, recent Directors, Shareholders and recent Shareholders on the other hand, having any connection with or dependence upon the Offers; and
- (xi) there was no agreement, arrangement or understanding that the Offer Shares acquired in pursuance of the Share Offer would be transferred, charged or pledged to any other persons.

5. QUALIFICATIONS AND CONSENT OF EXPERTS

The following are the qualifications of the expert whose letter, opinion or advice is contained or referred to in this Composite Document:

Red Sun Capital	Red Sun Capital Limited, a corporation licensed under the SFO to carry on Type 1 (dealing in Securities) and Type 6 (advising on corporate finance) regulated activities
Eddid Capital Limited	Eddid Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities

As at the Latest Practicable Date, each of Red Sun Capital and Eddid Capital has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion of its letter, opinion, advice and/or references to its name in the form and context in which they respectively appear.

6. GENERAL

As at the Latest Practicable Date:

- (a) The Offeror is Sky Links Group Limited, an investment holding company incorporated in the British Virgin Islands with limited liability. As at the Latest Practicable Date, the Offeror was wholly, ultimately and beneficially owned by Mr. Ng;
- (b) The registered office address of the Offeror is OMC Chambers, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands. The correspondence address of the Offeror is 11C, Block 12, One Beacon Hill, Kowloon, Hong Kong;
- (c) The correspondence address of Mr. Ng is 11C, Block 12, One Beacon Hill, Kowloon, Hong Kong;
- (d) The sole director of the Offeror is Mr. Ng;
- (e) The joint financial advisers to the Offeror are Red Sun Capital Limited and Eddid Capital Limited. The registered office and correspondence address of Red Sun Capital is Room 2703, 27/F, China Insurance Group Building, 141 Des Voeux Road Central, Hong Kong. The registered office and correspondence address of Eddid Capital is 21/F., CITIC Tower, 1 Tim Mei Avenue, Central, Hong Kong; and
- (f) in the event of inconsistency, the English text of this Composite Document and the Forms of Acceptance shall prevail over the Chinese text.

7. DOCUMENTS ON DISPLAY

Copies of the following documents are published on the website of (i) the SFC at www.sfc.hk; and (ii) the Company at www.somerleycapital.com from the date of this Composite Document up to and including the Closing Date:

- (i) the memorandum and articles of association of the Offeror;
- (ii) the letter from Red Sun Capital and Eddid Capital, the text of which is set out on pages 15 to 32 of this Composite Document; and
- (iii) the written consent referred to under the paragraph headed “5. QUALIFICATIONS AND CONSENT OF EXPERTS” in this appendix.

1. RESPONSIBILITY STATEMENT

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than the information relating to the Offeror, its ultimate beneficial owner and the parties acting in concert with any of them), and confirm, having made all reasonable enquiries, that to the best of their knowledge, information and belief, opinions expressed in this Composite Document (other than those expressed by the director of 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 render any statement contained in this Composite Document misleading.

2. SHARE CAPITAL

As at the Latest Practicable Date, the authorised and issued share capital of the Company were as follows:

<i>Authorised:</i>	<i>HK\$</i>
<u>200,000,000</u> Shares of HK\$0.01 each	<u>2,000,000</u>
<i>Issued and fully paid:</i>	
<u>151,623,894</u> Shares of HK\$0.01 each	<u>1,516,238.94</u>

All the existing Shares in issue are listed on GEM of the Stock Exchange and rank *pari passu* in all respects with each other including rights to dividends, voting and return of capital.

5,148,000 new Shares have been issued since 31 March 2026, being the date on which the latest audited consolidated financial statements of the Group were made up, and up to the Latest Practicable Date.

As at the Latest Practicable Date, the Company has 2,497,000 outstanding Options granted under the Share Option Scheme with an exercise price of HK\$0.72, comprising 66,000 vested Options and 2,431,000 unvested Options which are exercisable from 18 December 2026. Save as disclosed above, as at the Latest Practicable Date, the Company had no other options, warrants, derivatives or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) that carry a right to subscribe for or which are convertible into Shares.

The Shares are listed and traded on GEM of the Stock Exchange. No part of the Shares is listed or dealt in, nor is any listing or permission to deal in the Shares being or proposed to be sought, on any other stock exchange.

3. DISCLOSURE OF INTERESTS

(A) Interests of the Directors and chief executives of the Company in the securities of the Company and the securities of the associated corporations of the Company

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company and their associates in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which have been 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 in which they are taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code or which were required to be disclosed under the Takeovers Code were as follows:

Long positions in ordinary shares of the Company

Name of Directors	Capacity/nature of interests	Number of ordinary Share(s) held	Number of underlying Shares held pursuant to Options	Approximate percentage of the total number of issued Shares
Mr. Sabine	Interest of a controlled corporation	8,978,242 (Note 1)	—	5.9%
	Beneficial owner	342,000	—	0.2%
	A concert party to an agreement to buy shares described in s317(1)(a)	2,929,157 (Note 2)	—	1.9%
Mr. Cheung	Beneficial owners	2,879,157	—	1.9%
	A concert party to an agreement to buy shares described in s317(1)(a)	9,370,242 (Notes 1 & 2)	—	6.2%
Mr. Chow	Beneficial owner	6,093,253	—	4.0%
	Beneficial owner	—	238,000 (Note 3)	0.2%

Name of Directors	Capacity/nature of interests	Number of ordinary Share(s) held	Number of underlying Shares held pursuant to Options	Approximate percentage of the total number of issued Shares
Ms. Leung	Beneficial owner	1,423,256	—	0.9%
	Beneficial owner	—	153,000 (Note 3)	0.1%
Mr. Wong	Beneficial owner	1,423,256	—	0.9%
	Beneficial owner	—	153,000 (Note 3)	0.1%

Notes:

1. SGL is directly interested in 8,978,242 Shares and SGL is wholly-owned by Mr. Sabine, Mr. Fletcher, Mr. Cheung and Ms. FONG Sau Man Cecilia.
2. Mr. Sabine, Mr. Fletcher and Mr. Cheung are acting in concert in respect of their interests in the Company and therefore each of Mr. Sabine, Mr. Fletcher and Mr. Cheung is deemed to be interested in all the Shares held by them in aggregate by virtue of the SFO. Mr. Sabine, Mr. Cheung and Mr. Fletcher are directly interested in 342,000 Shares, 2,879,157 Shares and 50,000 Shares respectively.
3. These share options were granted by the Company on 18 December 2023 under the share option scheme approved by the Shareholders and adopted by the Company on 15 September 2023.

Long positions in ordinary shares of the associated corporations

Name of Directors	Name of the associated corporations	Capacity/nature of interests	Number of ordinary Share(s) held	Approximate percentage of the total number of issued Shares
Mr. Sabine	Somerley China Associates Limited (Note)	Interest of a controlled corporation	2	100%
	Somerley Group Limited (Note)	Beneficial interest; A concert party to an agreement to buy shares described in s317(1)(a)	9,500,000	90.48%

Name of Directors	Name of the associated corporations	Capacity/ nature of interests	Number of ordinary Share(s) held	Approximate percentage of the total number of issued Shares
Mr. Cheung (Note)	Somerley China Associates Limited (Note)	Interest of a controlled corporation	2	100%
	Somerley Group Limited (Note)	Beneficial interest; A concert party to an agreement to buy shares described in s317(1)(a)	9,500,000	90.48%

Note: SGL is the holding company of the Company and it is an associated corporation by virtue of the SFO. SGL wholly owns Somerley China Associates Limited so Somerley China Associates Limited is also an associated corporation by virtue of the SFO. Mr. Sabine, Mr. Fletcher and Mr. Cheung are acting in concert in respect of their interests in the Company and they hold approximately 90.48% of the shares of SGL. Therefore, Mr. Sabine and Mr. Cheung are interested in SGL and Somerley China Associates Limited by virtue of the SFO.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company nor their associates had any interest or short positions in the shares, underlying shares or debentures of the Company, its specified undertakings or any of its other associated corporations (within the meaning of Part XV of the SFO) which had to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or which were required, pursuant to Section 352 of the SFO and the Hong Kong Companies Ordinance (Cap.622), to be entered in the register referred to therein or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange or which were required to be disclosed under the Takeovers Code.

(B) Interests of substantial shareholders in the securities of the Company

As at the Latest Practicable Date, as far as known to the Directors, the following persons or entities (not being a Director or a chief executive of the Company) who had interests or short positions 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, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Name of substantial shareholders	Nature of interests (Note 1)	Number of ordinary Shares held	Number of underlying Shares held pursuant to Options	Approximate percentage of the total number of issued Shares (Note 2)
The Offeror	Beneficial owner	75,959,948	—	50.1%
Mr. Ng (Note 3)	Interest of controlled corporation	75,959,948	—	50.1%
Seller	Beneficial owner	8,978,242 (Note 4)	—	5.9%
SABINE Maureen Alice (“Dr. Sabine”)	Interest of a spouse	12,249,399 (Note 5)	—	8.1%
Mr. Fletcher	A concert party to an agreement to buy shares described in s317(1)(a)	12,199,399 (Note 4)	—	8.0%
	Beneficial owner	50,000 (Note 4)	—	0.0%
FLETCHER Jacqueline (“Mrs. Fletcher”)	Interest of a spouse	12,249,399 (Note 6)	—	8.1%
CHOI Helen Oi Yan (“Mrs. Cheung”)	Interest of a spouse	12,249,399 (Note 7)	—	8.1%

Notes:

- All interests in Shares were long positions.
- Based on 151,623,894 Shares in issue as at the Latest Practicable Date.
- The Offeror is wholly and beneficially owned by Mr. Ng.
- SGL, being the Seller, is directly interested in 8,978,242 Shares and SGL is wholly-owned by Mr. Sabine, Mr. Fletcher, Mr. Cheung and Ms. FONG Sau Man Cecilia. Mr. Sabine, Mr. Fletcher and Mr. Cheung are acting in concert in respect of their interests in the Company and therefore each of Mr. Sabine, Mr. Fletcher and Mr. Cheung is deemed to be interested in all the Shares held by them in aggregate by virtue of the SFO. Mr. Sabine, Mr. Cheung and Mr. Fletcher are directly interested in 342,000 Shares, 2,879,157 Shares and 50,000 Shares respectively.
- Dr. Sabine is the spouse of Mr. Sabine. By virtue of the SFO, Dr. Sabine is deemed to be interested in the Shares held by Mr. Sabine.

6. Mrs. Fletcher is the spouse of Mr. Fletcher. By virtue of the SFO, Mrs. Fletcher is deemed to be interested in the Shares held by Mr. Fletcher.
7. Mrs. Cheung is the spouse of Mr. Cheung. By virtue of the SFO, Mrs. Cheung is deemed to be interested in the Shares held by Mr. Cheung.

Save as disclosed above, as at Latest Practicable Date, the Company had not been notified by any person (other than the Directors or the chief executive of the Company) who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company pursuant to the provision of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

(C) Interests discloseable under Schedule II to the Takeovers Code

As at the Latest Practicable Date:

- a) the Company did not hold any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Offeror and no Director was interested in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Offeror, and the Company and Directors had not dealt for value in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Offeror during the Relevant Period;
- b) save as disclosed in the paragraph headed “3. Disclosure of Interests — (a) Interests of the Directors and chief executives of the Company in the securities of the Company and the securities of the associated corporations of the Company” in this appendix, no Director was interested in any relevant securities in the Company and save for:
 - (i) the disposal of the Sale Shares by the Seller under the Sale and Purchase Agreement;
 - (ii) the exercise of 231,000 share options in accordance with the Share Option Scheme and 231,000 share options in accordance with the Share Option Scheme by Mr. Chow on 17 July 2026 and 22 July 2026 respectively, the exercise of 297,000 share options in accordance with the Share Option Scheme by Mr. Wong on 17 July 2026 and the exercise of 297,000 share options in accordance with the Share Option Scheme by Ms. Leung on 20 July 2026;no Director had dealt in any securities of the Company during the Relevant Period;
- c) no (i) subsidiary of the Company, (ii) pension fund of the Company or any of its subsidiaries, or (iii) person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of acting in concert in the Takeovers Code or who is an associate of the Company by virtue of class (2) of the definition of associate in the Takeovers Code (but excluding exempt

principal traders and exempt fund managers), held, owned or controlled any relevant securities in the Company and they had not dealt in any securities of the Company during the Relevant Period;

- d) save for the disposal of the Sale Shares by the Seller under the Sale and Purchase Agreement, no person had any arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Company or with any person who is presumed to be acting in concert with the Company by virtue of classes (1), (2), (3) and (5) of the definition of acting in concert or who is an associate of the Company by virtue of classes (2), (3) and (4) of the definition of associate under the Takeovers Code and they had not dealt in any securities of the Company during the Relevant Period;
- e) no relevant securities in the Company were managed on a discretionary basis by fund managers (other than exempt fund managers) connected with the Company and they had not dealt in any securities of the Company during the Relevant Period;
- f) the Seller, Mr. Sabine, Mr. Cheung and Mr. Chow, all being the IU Shareholders had executed the Irrevocable Undertakings in favour of the Offeror pursuant to which, each of them has irrevocably undertaken to the Offeror, among other things, that it/he will not, among other things, tender the relevant IU Shares for acceptance under the Share Offer. Each of Mr. Chow, in respect of his remaining beneficial shareholdings in the Company (other than the IU Shares) and the other Directors, in respect of his/her own beneficial shareholdings in the Company, has no present intention to accept the Share Offer if the trading price of the Shares remains above the Share Offer Price;
- g) no relevant securities in the Company were borrowed or lent by any of the Directors or by the Company or by the Offeror and its parties acting in concert;
- h) there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Offeror and its parties acting in concert on one hand and the Company or any party acting in concert with it on the other hand;
- i) there is no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between any Shareholder and the Company, its subsidiaries or associated companies;
- j) no benefit had been given or will be given to any Director as compensation for loss of office or otherwise in connection with the Offers;
- k) there was no agreement or arrangement between any Director and any other person which is conditional on or dependent upon the outcome of the Offers or otherwise connected with the Offers; and

- l) save for the Sale and Purchase Agreement, there is no material contract entered into by the Offeror and its parties acting in concert in which any Director had a material personal interest.

4. DIRECTORS' SERVICE CONTRACTS

Mr. Sabine, an executive Director, has renewed the service agreement with the Company on 24 March 2026 (as supplemented by a supplemental letter dated 25 March 2026) for a term of three years commencing from 28 March 2026 upon expiry of the previous service agreement. The renewed service agreement can be terminated by either party with a notice period of not less than three months in writing. Pursuant to the renewed service agreement, total annual remuneration of Mr. Sabine was revised from HK\$2,400,000 to HK\$2,520,000, payable by 12 equal monthly instalments plus discretionary bonus, which shall be inclusive of any remuneration payable to him as the director or employee of the subsidiaries or affiliated companies of the Company.

Mr. Chow, an executive Director, has renewed the service agreement with the Company on 24 March 2026 (as supplemented by a supplemental letter dated 25 March 2026) for a term of three years commencing from 28 March 2026 upon expiry of the previous service agreement. The renewed service agreement can be terminated by either party with a notice period of not less than three months in writing. Pursuant to the renewed service agreement, total annual remuneration of Mr. Chow was revised from HK\$2,400,000 to HK\$2,520,000, payable by 12 equal monthly instalments plus discretionary bonus, which shall be inclusive of any remuneration payable to him as the director or employee of the subsidiaries or affiliated companies of the Company.

Mr. Cheung, an executive Director, has renewed the service agreement with the Company on 24 March 2026 (as supplemented by a supplemental letter dated 25 March 2026) for a term of three years commencing from 28 March 2026 upon expiry of the previous service agreement. The renewed service agreement can be terminated by either party with a notice period of not less than three months in writing. Pursuant to the renewed service agreement, total annual remuneration of Mr. Cheung was revised from HK\$2,400,000 to HK\$2,520,000, payable by 12 equal monthly instalments plus discretionary bonus, which shall be inclusive of any remuneration payable to him as the director or employee of the subsidiaries or affiliated companies of the Company.

Mr. Cheng, an independent non-executive Director, has entered into a service agreement with the Company for a term of three years commencing from 28 March 2026 which can be terminated by either party with a notice period of three months in writing. Pursuant to the service agreement, Mr. Cheng is entitled to a monthly Director's fee of HK\$18,000.

Mr. Yuen, an independent non-executive Director, has entered into a service agreement with the Company for a term of three years commencing from 28 March 2026 which can be terminated by either party with a notice period of three months in writing. Pursuant to the service agreement, Mr. Yuen is entitled to a monthly Director's fee of HK\$18,000.

Ms. Khoo, an independent non-executive Director, has entered into a service agreement with the Company for a term of three years commencing from 23 March 2026 which can be terminated by either party with a notice period of three months. Pursuant to the service agreement, Ms. Khoo is entitled to a monthly Director's fee of HK\$18,000.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors had entered into service contracts with the Company or any subsidiary or associated company of the Company which (a) (including continuous and fixed term contracts) had been entered into or amended within the Relevant Period; (b) are continuous contracts with a notice period of 12 months or more; (c) are fixed term contracts with more than 12 months to run irrespective of the notice period; or (d) are not determinable by the employer within one year without payment of compensation (other than statutory compensation).

None of the Directors had entered into more than one service contract with the Company or any subsidiary or associated company of the Company which were concurrently in force as at the Latest Practicable Date. None of the Directors' remuneration (with a service contract with more than 12 months to run) had been increased materially within six months before the date of this Composite Document.

Save and except for Mr. Sabine, Mr. Chow and Ms. Khoo, all other existing Directors will resign with effect from after the publication of the closing announcement on the Closing Date (being the earliest date as permitted under the Takeovers Code).

5. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened by or against any member of the Group.

6. MATERIAL CONTRACTS

The Group did not enter into any contracts, which are not in the ordinary course of business carried on or intended to be carried on by the Company or any of its subsidiaries, within two years before 4 May 2026, being the date of the Rule 3.5 Announcement and up to and including the Latest Practicable Date.

7. EXPERT QUALIFICATIONS AND CONSENT

The following are the qualifications of the experts whose letter, opinion or advice is contained or referred to in this Composite Document:

Somerley Capital Limited

Somerley Capital Limited, a corporation licensed under the SFO to carry on Type 1 (dealing in Securities) and Type 6 (advising on corporate finance) regulated activities

Amasse Capital Limited

Amasse Capital Limited, a corporation licensed under the SFO to carry on Type 6 (advising on corporate finance) regulated activity

Crowe (HK) CPA Limited

Certified Public Accountants

As at the Latest Practicable Date, each of Somerley Capital Limited, Amasse Capital Limited and Crowe (HK) CPA Limited has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion of its letter, opinion, advice and/or references to its name as applicable in the form and context in which they respectively appear.

8. MISCELLANEOUS

- (i) The registered office of the Company is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.
- (ii) The Hong Kong branch share registrar and transfer office of the Company is Union Registrars Limited, which is situated at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong.
- (iii) The registered office of Somerley Capital Limited is at 20/F., China Building, 29 Queen's Road Central, Hong Kong.
- (iv) The English text of this Composite Document and the Form(s) of Acceptance shall prevail over the Chinese text.

9. DOCUMENTS ON DISPLAY

Copies of the following documents are available for inspection (1) on the website of the Company at www.somerleycapital.com; and (2) on the website of the SFC at www.sfc.hk from the date of this Composite Document onwards for so long as the Offers remain open for acceptance:

- (i) the memorandum and articles of association of the Company;
- (ii) the annual reports of the Company for each of the three financial years ended 31 March 2024, 2025 and 2026;
- (iii) the “Letter from the Chairman”, the text of which is set out from pages 13 to 14 of this Composite Document;
- (iv) the “Letter from the Board”, the text of which is set out from pages 33 to 40 of this Composite Document;
- (v) the “Letter from the Independent Board Committee”, the text of which is set out from pages 41 to 43 of this Composite Document;

- (vi) the “Letter from the Independent Financial Adviser”, the text of which is set out from pages 44 to 71 of this Composite Document;
- (vii) the report from Crowe (HK) CPA Limited on the Estimated Profit, the text of which is set out on pages 91 to 93 of this Composite Document;
- (viii) the report from Amasse Capital Limited on the Estimated Profit, the text of which is set out on pages 94 to 96 of this Composite Document;
- (ix) the service contracts referred to in the section headed “4. DIRECTORS’ SERVICE CONTRACTS” in this appendix;
- (x) the written consent from the expert referred to in the section headed “7. EXPERT QUALIFICATIONS AND CONSENT” in this appendix; and
- (xi) this Composite Document and the accompanying Forms of Acceptance.