

6 June 2024

To the Shareholders

Dear Sir or Madam,

**VOLUNTARY CONDITIONAL CASH PARTIAL OFFER BY
RAINBOW CAPITAL (HK) LIMITED
FOR AND ON BEHALF OF
MR. WANG YONGKUI
TO ACQUIRE 158,000,000 SHARES IN
WISDOM WEALTH RESOURCES INVESTMENT
HOLDING GROUP LIMITED (OTHER THAN THOSE
ALREADY OWNED BY MR. WANG YONGKUI AND
PARTIES ACTING IN CONCERT WITH HIM)**

INTRODUCTION

Reference is made to the Announcement.

On 30 April 2024 (after trading hours), the Offeror notified the Offeree Company that he has firm intention to make the Partial Offer (in compliance with the Takeovers Code) to acquire 158,000,000 Offer Shares (representing approximately 4.71% of the Offeree Company's issued share capital as at the date of the Announcement) not already owned by the Offeror and parties acting in concert with him at the Offer Price of HK\$0.018 per Offer Share.

The making of the Partial Offer was subject to the satisfaction of the Pre-Condition, being the obtaining of consent from the Executive in respect of the Partial Offer pursuant to Rule 28.1 of the Takeovers Code. Reference is also made to the announcement of the Offeror dated 10 May 2024 in relation to the update on the Partial Offer. As disclosed in such announcement, on 10 May 2024, the Offeror announced that the Pre-Condition has been satisfied on 10 May 2024.

As at the Latest Practicable Date, the Offeror and parties acting in concert with him were not interested directly or indirectly in any voting rights or rights over any Shares, convertible securities, warrants or options of the Offeree Company or any derivatives in respect of such securities.

As at the Latest Practicable Date, the Offeree Company has 3,355,140,697 Shares in issue. The Offeree Company does not have any outstanding options, derivatives, warrants or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) which are convertible or exchangeable into Shares, nor has it entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares.

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

THE PARTIAL OFFER

Principal terms of the Partial Offer

The Partial Offer is made by Rainbow Capital, for and on behalf of the Offeror, in compliance with the Takeovers Code on the basis set out below:

For each Offer Share HK\$0.018 in cash

The Offer Price of HK\$0.018 per Share was determined after taking into account, among other things, the financial performance of the Offeree Company, the trading liquidity of the Shares and the historical closing prices of the Shares which demonstrated a general downward trend, and the prospect of the Offeree Company.

The Partial Offer is extended to all Qualifying Shareholders in accordance with the requirements of the Takeovers Code.

The procedures for acceptance and further details of the Partial Offer are set out in Appendix I to this Offer Document and the accompanying Form of Acceptance.

Pursuant to the Takeovers Code, the Offeree Document will be issued by the Offeree Company with the inclusion of the views of the Board and the independent committee of the Offeree Company on the Partial Offer, and the written advice of the independent financial adviser of the Offeree Company in relation to whether the Partial Offer is fair and reasonable or not, and the reasons therefor. The Shareholders are advised to read the Offer Document and the Offeree Document before taking any action in respect of the Partial Offer.

Pre-Condition to the Partial Offer

As disclosed in the Announcement, the making of the Partial Offer was subject to the obtaining of consent from the Executive in respect of the Partial Offer pursuant to Rule 28.1 of the Takeovers Code.

As disclosed in the announcement of the Offeror dated 10 May 2024 in relation to the update on the Partial Offer, the Offeror announced that the Pre-Condition had been satisfied on 10 May 2024.

Condition to the Partial Offer

The Partial Offer is subject to the Condition that valid acceptances being received (and not, where permitted, withdrawn) in respect of a minimum of 158,000,000 Offer Shares at or before 4:00 p.m. (Hong Kong time) on the First Closing Date, which shall be at least 28 days following the Despatch Date of the Offer Document issued by the Offeror in respect of the Partial Offer, or such later date as may be extended by the Offeror in accordance with the requirements of the Takeovers Code.

In the event that valid acceptances are received:

- (i) for less than the required number of 158,000,000 Offer Shares by the First Closing Date, unless the First Closing Date is extended in accordance with the requirements of the Takeovers Code, the Partial Offer will not proceed and will lapse immediately; and
- (ii) for not less than the required number of 158,000,000 Offer Shares on or before the First Closing Date, the Offeror will declare the Partial Offer unconditional as to acceptances on or before the First Closing Date.

Pursuant to Rule 15.1 of the Takeovers Code, where the offeree board circular is posted after the date of the Offer Document, the Partial Offer must initially be open for acceptance for at least 28 days following the Despatch Date.

Pursuant to Rule 15.3 of the Takeovers Code, where a conditional offer becomes or is declared unconditional (whether as to acceptances or in all respects), it should remain open for acceptance for not less than 14 days thereafter. Pursuant to Rule 28.4 of the Takeovers Code, if the Partial Offer has been declared unconditional as to acceptances prior to the First Closing Date, provided that Rule 15.3 of the Takeovers Code is complied with, the Offeror cannot extend the Final Closing Date to a day beyond the 14th day after the First Closing Date.

Accordingly, if the acceptance condition is fulfilled during the period between the Despatch Date and the date which is 14 days before the First Closing Date, the Offeror must declare the Partial Offer unconditional as to acceptances on the day the acceptance condition is met, provided that the Partial Offer would remain open for acceptance for not less than 14 days thereafter, and the Offeror cannot extend the First Closing Date and the Final Closing Date would be on (but no earlier than) the First Closing Date. If the acceptance condition is fulfilled within the 14-days period before the First Closing Date, the Partial Offer would remain open for acceptance for 14 days after the Partial Offer is declared unconditional as to acceptance (i.e. the Final Closing Date).

The Offeror will issue an announcement in relation to the revision, extension or lapse of the Partial Offer or the fulfilment of the Condition in accordance with the Takeovers Code and the Listing Rules. The latest time on which the Offeror can declare the Partial Offer unconditional in all respects is 7:00 p.m. on the 60th day after the Despatch Date (or such later date to which the Executive may consent).

WARNING: Shareholders and potential investors of the Offeree Company should note that the Partial Offer will be subject to the satisfaction of the Condition. Accordingly, the Partial Offer may or may not become unconditional and will lapse if it does not become unconditional. Shareholders and potential investors of the Offeree Company are advised to exercise caution when dealing in the securities of the Offeree Company. Persons who are in doubt as to the action they should take should consult their licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers.

Comparison of value for the Offer Price

The Offer Price of HK\$0.018 per Offer Share represents:

- (i) a discount of approximately 43.75% to the closing price of HK\$0.032 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 44.44% to the average of the closing prices of the Shares of approximately HK\$0.0324 as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day;
- (iii) a discount of approximately 43.22% to the average of the closing prices of the Shares of approximately HK\$0.0317 as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 27.42% to the average of the closing prices of the Shares of approximately HK\$0.0248 as quoted on the Stock Exchange for the last thirty consecutive trading days up to and including the Last Trading Day;
- (v) a discount of approximately 98.54% to the audited consolidated net asset value attributable to the Shareholders of approximately HK\$1.2350 per Share as at 31 December 2022, calculated based on the audited consolidated net asset value attributable to the shareholders of approximately HK\$4,143.6 million as at 31 December 2022 and 3,355,140,697 Shares in issue as at the Latest Practicable Date; and

- (vi) a discount of approximately 98.48% to the unaudited consolidated net asset value attributable to the Shareholders of approximately HK\$1.1854 per Share as at 30 June 2023, calculated based on the unaudited consolidated net asset value attributable to the Shareholders of HK\$3,977.3 million as at 30 June 2023 and 3,355,140,697 Shares in issue as at the Latest Practicable Date.

With reference to the announcements of the Offeree Company dated 28 March 2024, 15 April 2024 and 14 May 2024, as the Offeree Company could not publish its annual results announcement for the year ended 31 December 2023 by 31 March 2024, trading in the Shares on the Stock Exchange has been suspended since 2 April 2024 up to the Latest Practicable Date. As at the Latest Practicable Date, the audited financial results of the Offeree Company for the year ended 31 December 2023 remained outstanding. Based on the announcement of the Offeree Company dated 14 May 2024, the Offeree Company estimates that the audited financial results of the Offeree Company for the year ended 31 December 2023 will be published on or before 14 June 2024.

Highest and lowest Share prices

The highest closing price of the Shares quoted on the Stock Exchange during the Relevant Period was HK\$0.119 per Share on 9 October 2023.

The lowest closing price of the Shares quoted on the Stock Exchange during the Relevant Period was HK\$0.016 per Share on 13 March 2024.

Total value of the Partial Offer

Assuming valid acceptances of the Partial Offer for the required number of 158,000,000 Offer Shares have been tendered by the Qualifying Shareholders and based on the Offer Price of HK\$0.018 per Offer Share, the total cash consideration payable by the Offeror to purchase the 158,000,000 Offer Shares from the Qualifying Shareholders under the Partial Offer will be HK\$2,844,000.

Financial resources available for the Partial Offer

The Offeror will finance the consideration payable under the Partial Offer by his personal savings.

Rainbow Capital, as the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror to satisfy the consideration payable by the Offeror under the Partial Offer.

Acceptance of the Partial Offer

Shareholders may accept the Partial Offer in respect of some or all of the Shares held by them. Subject to the Partial Offer becoming unconditional in all respects, if valid acceptances

are received for more than the required number of Offer Shares on the date which is (i) the 14th day after the date on which the Partial Offer is declared unconditional as to acceptances; or (ii) the First Closing Date, whichever is the later, provided that the Partial Offer will be open for acceptance for at least 28 days following the Despatch Date, the total number of Offer Shares to be taken up by the Offeror from each accepting Qualifying Shareholder will be determined by the total number of Offer Shares tendered for acceptance in accordance with the following formula:

$$\frac{A}{B} \times C$$

- A = the number of Offer Shares under the Partial Offer (i.e. 158,000,000 Offer Shares)
- B = the total number of Offer Shares validly tendered for acceptance by all Qualifying Shareholders under the Partial Offer
- C = the number of Offer Shares tendered for acceptance by the relevant individual Qualifying Shareholder under the Partial Offer

Partial nature of the Partial Offer and effect of fractions

It is possible that, if a Qualifying Shareholder tenders all his/her Shares for acceptance under the Partial Offer, not all of such Shares will be taken up.

Fractions of Offer Shares will not be taken up under the Partial Offer and, accordingly, the number of Offer Shares that the Offeror will take up from each Qualifying Shareholder in accordance with the above formula will be rounded up or down to the nearest whole number at the discretion of the Offeror, and in any event, the total number of Offer Shares to be taken up by the Offeror will not exceed the number of Offer Shares.

Odd lots

Shareholders should note that acceptance of the Partial Offer may result in holding odd lots of Shares. Accordingly, Ms. Gigi Wong of Silverbricks Securities Company Limited, whose address is at Rooms 1004–1006, 10/F., China Merchants Tower, Shun Tak Centre, 168–200 Connaught Road Central, Sheung Wan, Hong Kong (telephone number: (852) 3998 5131, office hours: 9:30 a.m. to 4:30 p.m.) has been appointed by the Offeror to match sales and purchases of odd lot holdings of Shares in the market for a period of six weeks following the closing of the Partial Offer to enable such Shareholders to dispose of their odd lots or to top up their odd lots to whole board lots. Shareholders should note that the matching of odd lots is not guaranteed.

Effect of accepting the Partial Offer

Acceptance of the Partial Offer by any Qualifying Shareholder will constitute a warranty by such Qualifying Shareholder to the Offeror that the Shares sold by it to the Offeror under the Partial Offer are fully paid, free from all liens, charges, encumbrances, rights of preemption and any other third party rights of any nature and together with all rights and benefits at any time accruing and attaching thereto, including all rights to any dividend or other distributions the record date of which falls on or after the Final Closing Date. As at the Latest Practicable Date, the Offeree Company has not declared any dividends or other distributions which remain unpaid.

If, after the Latest Practicable Date and up to the Final Closing Date, any dividend and distributions is declared in respect of the Offer Shares and the record date of which falls on or before the Final Closing Date, the Offeror reserves the right to reduce the Offer Price by an amount equal to the amount of such dividend or distributions declared, made or paid in respect of each Offer Share, in which case any reference in this Offer Document or any other announcement or document to the Offer Price will be deemed to be a reference to the Offer Price as so reduced.

Based on the published information of the Offeree Company available to the public as at the Latest Practicable Date, there has been no dividend or distribution declared by the Offeree Company for the financial year ended 31 December 2022 and up to the Latest Practicable Date.

Acceptance of the Partial Offer shall be irrevocable and shall not be capable of being withdrawn, except as permitted under the Takeovers Code.

Settlement of consideration

Settlement of the consideration payable by the Offeror in respect of acceptance of the Partial Offer will be made as soon as possible but in any event no later than seven (7) business days (as defined in the Takeovers Code) after the Final Closing Date.

No fractions of a cent will be payable and the amount of cash consideration payable to any person who accept the Partial Offer will be rounded up to the nearest cent.

Hong Kong stamp duty

The seller's Hong Kong ad valorem stamp duty arising in connection with acceptance of the Partial Offer will be payable by the Qualifying Shareholders who accept the Partial Offer at a rate of 0.1% of (i) the consideration payable by the Offeror in respect of the relevant acceptance of the Partial Offer; or (ii) the market value of the Offer Shares, whichever is higher, and such stamp duty will be deducted from the cash amount payable by the Offeror to such Qualifying Shareholders on acceptance of the Partial Offer.

The Offeror will arrange for payment of the seller's Hong Kong ad valorem stamp duty on behalf of the Qualifying Shareholders that accept the Partial Offer and will pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Partial Offer and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Return of documents

If the Partial Offer does not become, or is not declared, unconditional in all respects within the time permitted by the Takeovers Code, or is withdrawn or lapsed, 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) received by the Registrar will be returned to persons who have accepted the Partial Offer by ordinary post at his/her own risk as soon as possible but in any event no later than seven (7) business days after the Partial Offer is withdrawn or lapsed.

If part of the Shares tendered by the Qualifying Shareholders are not taken up by the Offeror under the Partial Offer, 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) (if applicable) for the Shares not taken up by the Offeror will be returned to persons who have accepted the Partial Offer by ordinary post at his/her own risk as soon as possible but in any event no later than seven (7) business days following the Final Closing Date.

Taxation advice

Qualifying Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Partial Offer. None of the Offeror and parties acting in concert with him, Rainbow Capital and their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Partial Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Partial Offer.

Overseas Shareholders

The Partial Offer is made to all Qualifying Shareholders, including the Overseas Shareholders and a copy of this Offer Document will be sent to each Shareholder with registered addresses in Hong Kong or jurisdictions outside Hong Kong. The making of the Partial Offer to persons who are not residents in Hong Kong or who have registered addresses outside Hong Kong may be prohibited or affected by the applicable laws and regulations of their relevant jurisdictions of residence.

Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should satisfy themselves as to the observance of any applicable legal or regulatory requirements in their own jurisdictions and, where necessary, consult their own professional advisers. It is the responsibilities of any such persons who wish to accept the Partial Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with therewith (including the obtaining of any governmental, exchange control or other consents which may be required or the compliance with other necessary formalities or legal requirements or the payment of any transfer or other taxes due from such persons in respect of such jurisdictions).

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

SHAREHOLDING STRUCTURE OF THE OFFEREE COMPANY AND EFFECT OF THE PARTIAL OFFER

Assuming that there will be no change to the issued share capital of the Offeree Company and no other change to the shareholding between the Latest Practicable Date and up to the Final Closing Date, the shareholding structure of the Offeree Company, as at the Latest Practicable Date and immediately upon completion of the Partial Offer, is set out below:

Name of shareholders of the Offeree Company	Notes	As at the Latest Practicable Date		Immediately upon completion of the Partial Offer assuming all Qualifying Shareholders tender 100% of their Shares for acceptance under the Partial Offer	
		No. of Shares	%	No. of Shares	%
Guangdong Merchants Investment Holding Limited	1	808,610,000	24.10	770,531,007	22.97
Wealthy Planet Group Limited	2	423,681,500	12.63	403,729,527	12.03
Rich International Finance Limited	3	255,022,913	7.60	243,013,396	7.24
Gaozhou City Longyuan Xintiandi Real Estate Development Company Limited	4	195,000,000	5.81	185,817,077	5.54
The Offeror and parties acting in concert with him	5	–	–	158,000,000	4.71
Other shareholders		1,672,826,284	49.86	1,594,049,691	47.51
Total		3,355,140,697	100.00	3,355,140,697	100.00

Notes:

1. Guangdong Merchants Investment Holding Limited is a company wholly-owned by Guangdong Merchants Investment Holding Group Limited. Guangdong Merchants Investment Holding Group Limited is a company wholly-owned by Mr. Xu Jun Jia, an executive Director and the chairman of the Offeree Company.
2. Wealthy Planet Group Limited is a company wholly-owned by Mr. He Yaokun.
3. Rich International Finance Limited is a company wholly-owned by Mr. Liang Weiqiang and is public Shareholder.

4. Gaozhou City Longyuan Xintiandi Real Estate Development Company Limited is a company ultimately owned by Mr. Yang Bo and is a public Shareholder.
5. The Offeror will be a public Shareholder immediately upon completion of the Partial Offer. The Offeror does not have any relationship with each of the other substantial shareholders of the Offeree Company and they are not parties acting in concert with the Offeror.

INFORMATION ON THE OFFEREE GROUP

The Offeree Group is principally engaged in (i) trading of electronic products and equipment in Hong Kong and the PRC; (ii) mineral mining, oil and gas exploration and production in Madagascar and Papua New Guinea; (iii) provision of financial services in Hong Kong; and (iv) property development and investment in the PRC.

The following table is a summary of certain financial information of the Offeree Group for the six months ended 30 June 2023 as extracted from the Offeree Company's interim report for the six months ended 30 June 2023 and audited consolidated financial information of the Offeree Group for the two financial years ended 31 December 2021 and 2022 as extracted from the annual report of the Offeree Company for the year ended 31 December 2022:

	For the year ended		For the six months ended	
	31 December	31 December	30 June	30 June
	2021	2022	2022	2023
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
	(audited)	(audited)	(unaudited)	(unaudited)
Revenue	522,404	511,537	186,572	219,860
Profit/(loss) before taxation	392,602	356,315	344,929	(45,817)
Profit/(loss) attributable to the Shareholders	267,895	250,227	249,989	(45,696)

As at 31 December 2022, the audited consolidated net assets of the Offeree Company were approximately HK\$4,145.3 million, of which approximately HK\$4,143.6 was attributable to the Shareholders. As at 30 June 2023, the unaudited consolidated net assets of the Offeree Company were approximately HK\$3,978.7 million, of which approximately HK\$3,977.3 million was attributable to the Shareholders.

With reference to the announcements of the Offeree Company dated 28 March 2024, 15 April 2024 and 14 May 2024, as additional time is required for the valuation works of the constructure plan of a property development project of the Offeree Company and the assessment of going concern, the auditor of the Offeree Company has not completed the audit of the consolidated financial statements of the Offeree Company for the year ended 31 December 2023 (the "2023 Annual Results"). The Offeree Company estimates that the 2023 Annual Results will be published on or before 14 June 2024. Due to the delay in publication of the 2023 Annual Results, the trading in the Shares on the Stock Exchange has been suspended from 2 April 2024 (the "Trading Suspension").

INFORMATION ON THE OFFEROR

The Offeror, age 39, is a merchant in the PRC, with his businesses covering the field of import and export trading, property investment and medical investment. He has over 10 years of experience in investment and import and export trading. He is currently the controlling shareholder and a director of 深圳市中港創富投資發展有限公司 (Shenzhen Zhonggang Chuangfu Investment Development Company Limited*), a company established in the PRC and principally engaged in investment and import and export trading. He is also the sole shareholder and a director of 粵港澳融熙(廣州)投資有限公司 (YueGangAo Rongxi (Guangzhou) Investment Company Limited*), a company established in the PRC and principally engaged in property and other investment and import and export trading.

REASONS FOR THE PARTIAL OFFER

The Offeror believes that the stock market in Hong Kong is currently in a valuation depression when compared with the global capital market. The Offeror has confidence in the long-term development of Hong Kong's capital market, and is keen to make long-term investments in the Hong Kong stock market. The Offeror believes that the Offeree Company's business in property development and sand mining has long term development potential. In particular, the property development business in the PRC has been adversely affected by the depressed property development market and poor sentiment in the PRC. Closely monitoring the business development of the Offeree Group and the industry development trend in the PRC, the Offeror is of the view that the property development market will turnaround and the Offeree Group will benefit from the industry-wide support from both national and local governments.

With reference to the announcements of the Offeree Company dated 28 August 2023, 12 September 2023, 5 October 2023, 15 November 2023, 10 January 2024, 7 February 2024, 20 March 2024, 25 March 2024 and 6 May 2024, the Offeror noted that the Offeree Company received a winding up petition (the "**Petition**") from Shiny Solar Limited for the winding-up of the Offeree Company, which claims for an outstanding principal of a loan of HK\$240,000,000 and the interest and default interest in the amount of HK\$53,948,523.07. The hearing of the Petition has been adjourned to 11 June 2024. Furthermore, due to the delay in publication of the 2023 Annual Results, the trading in the Shares on the Stock Exchange has been suspended from 2 April 2024. Nevertheless, the Offeror considers that the Offeree Company has value in its assets. Given the existence of the Petition and the loss-making performance for the six months ended 30 June 2023, the Offeror considers that such circumstances have resulted in the decrease in the price of the Shares in the past year. Based on the Offeror's assessment, the market price of the Shares is extremely undervalued. The closing price of the Shares was HK\$0.032 per Share on the Last Trading Day, representing a deep discount of approximately 97.30% to the unaudited consolidated net asset value attributable to the Shareholders of approximately HK\$1.1854 per Share as at 30 June 2023. Therefore, the Offeror considers that the Partial Offer represents an opportunity for him to acquire shares of the Offeree Company, which has value in its assets notwithstanding the risk that the Shares may be subject to prolonged trading suspension or even delisting if the 2023 Annual Results could not be published as scheduled. While balancing with the risk posed by the Trading Suspension and considering his own financial resources needed for

the Partial Offer, the Offeror did not make a full general offer for all the Shares and intends to acquire approximately 4.71% of the issued share capital of the Offeree Company. However, the Trading Suspension and the low trading liquidity of the Shares make it difficult for the Offeror to acquire such number of the Shares in the open market. As such, the Offeror proposes to initiate the Partial Offer instead of a full general offer for the purpose of investment. The increase in shareholding in the Offeree Company by the Offeror and parties acting in concert with him can also demonstrate the Offeror's confidence towards the prospects of the Offeree Group.

PUBLIC FLOAT OF THE OFFEREE COMPANY

The Stock Exchange has stated that if, at the closing of the Partial Offer, less than the minimum prescribed percentage applicable to the Offeree Company, being 25% of the issued Shares are held by the public, or if the Stock Exchange believes that:

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

then it will consider exercising its discretion to suspend dealings in the Shares.

As at the Latest Practicable Date, the Offeree Company has a public float of approximately 63.27% of the Shares in issue. Assuming (i) full acceptances of the number of Offer Shares under the Partial Offer by the Qualifying Shareholders; and (ii) that there are no changes to the issued share capital of the Offeree Company between the Latest Practicable Date and up to the Final Closing Date, the Offeree Company will have a public float of above 25% of the Shares in issue immediately following the close of the Partial Offer. Accordingly, the number of Shares in public hands will continue to meet the 25% minimum public float requirement under Rule 8.08 of the Listing Rules. As required to be disclosed pursuant to Rule 14.81(1) of the Listing Rules, the Offeror intends that the Offeree Company remains listed on the Stock Exchange. The Offeror undertakes to the Stock Exchange to take appropriate steps if required to ensure that sufficient public float exists in the Shares as a result of the Partial Offer.

ACCEPTANCE AND SETTLEMENT OF THE PARTIAL OFFER

Your attention is drawn to the details regarding the procedures for acceptance and settlement of the Partial Offer as set out in Appendix I to this Offer Document and the accompanying Form of Acceptance.

COMPULSORY ACQUISITION

The Offeror will not have the power of compulsory acquisition of any Offer Shares outstanding and not acquired under the Partial Offer after the close of the Partial Offer.

GENERAL

All documents and remittances will be sent to the Shareholders by ordinary post at their own risk. These documents and remittances will be sent to them at their respective addresses as they appear in the register of members, or, in case of joint holders to the Shareholder whose name appears first in the said register of members. None of the Offeror, parties acting in concert with him, Rainbow Capital and their respective ultimate beneficial owners, directors, advisers, agents or associates or any other person involved in the Partial Offer 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.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information regarding the Partial Offer set out in the appendices to this Offer Document and the accompanying Form of Acceptance, which form part of this Offer Document.

Yours faithfully,
For and on behalf of
Rainbow Capital (HK) Limited

A handwritten signature in black ink that reads "Larry Choi". The signature is written in a cursive, flowing style.

Larry Choi
Managing Director