



10 December 2024

To the Independent Shareholders,

Dear Sir/Madam,

**MANDATORY UNCONDITIONAL CASH OFFER
BY VALUABLE CAPITAL LIMITED FOR AND ON BEHALF OF
THE JOINT OFFERORS TO ACQUIRE ALL THE ISSUED SHARES OF
JIAYUAN SERVICES HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED BY THE JOINT OFFERORS
AND PARTIES ACTING IN CONCERT WITH ANY OF THEM)**

INTRODUCTION

Reference is made to the Joint Announcement.

On 5 September 2024, the Receivers and the Purchaser entered into the Sale and Purchase Agreement, pursuant to which the Receivers agreed to sell, and the Purchaser agreed to acquire, the Sale Shares (representing approximately 73.56% of the issued share capital of the Company as at the Latest Practicable Date), at a total consideration of HK\$99,000,000, being HK\$0.22 per Sale Share, free from all encumbrances and together with all rights attaching thereto, including the right to receive all and any dividends, distributions and other rights declared, made, distributed or paid in respect of the Sale Shares the record date for which falls on a date which is on or after the Completion Date.

The consideration in the total amount of HK\$99,000,000 was satisfied by the Purchaser by way of application and set-off of part of the Outstanding Debt in the amount of HK\$99,000,000 on a dollar-for-dollar basis pursuant to the Deed of Set-off against and towards the payment of the consideration on the Completion Date.

Completion took place on 5 September 2024. Immediately before Completion, the Joint Offerors and parties acting in concert with any of them were interested in 450,000,000 Shares in the capacity of holder of a security interest. Immediately after Completion and as at the Latest Practicable Date, the Joint Offerors and parties acting in concert with any of them were interested in 450,000,000 Shares, representing approximately 73.56% of the total issued share capital of the Company.

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Pursuant to Rule 26.1 of the Takeovers Code, the Joint Offerors are required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned or agreed to be acquired by the Joint Offerors and the parties acting in concert with any of them). We, VCL, have been appointed by the Joint Offerors to make the Offer for and on behalf of the Joint Offerors.

This letter forms part of this Composite Document and sets out, among other things, the details of the Offer, certain information on the Joint Offerors and the intention of the Joint Offerors regarding the Group. The terms of the Offer and the procedures of acceptances are set out in this letter, Appendix I to this Composite Document and the Form of Acceptance.

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

PRINCIPAL TERMS OF THE OFFER

VCL is making the Offer on behalf of the Joint Offerors in compliance with the Takeovers Code on the following basis:

The Offer

For each Offer Share heldHK\$0.22 in cash

The Offer Price of HK\$0.22 per Offer Share is the same as the price per Sale Share payable by the Purchaser under the Sale and Purchase Agreement.

The Offer is unconditional in all respects.

The Joint Offerors will acquire the Offer Shares tendered for acceptance by the Independent Shareholders in accordance with the terms of the Offer. Any and all the Offer Shares tendered for acceptance by the Independent Shareholders will be taken up by Linkto, as has been agreed among the Joint Offerors.

Comparison of value

The Offer Price of HK\$0.22 per Offer Share represents:

- (i) a discount of approximately 20.0% to the closing price of HK\$0.275 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 20.0% to the closing price of HK\$0.275 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 11.6% to the closing price of HK\$0.249 per Share as quoted on the Stock Exchange on 30 March 2023, being the last Business Day immediately preceding the Last Trading Day;

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- (iv) a discount of approximately 31.6% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the 5 consecutive trading days up to and including the Last Trading Day of approximately HK\$0.322 per Share;
- (v) a discount of approximately 39.1% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the 10 consecutive trading days up to and including the Last Trading Day of approximately HK\$0.361 per Share;
- (vi) a discount of approximately 47.9% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the 30 consecutive trading days up to and including the Last Trading Day of approximately HK\$0.422 per Share;
- (vii) a premium of approximately 361.5% to the unaudited consolidated net liabilities per Share as at 30 June 2024 of approximately HK\$0.08 with reference to the unaudited consolidated net liabilities of the Group of approximately RMB46,836,000 (equivalent to approximately HK\$51,468,000) as at 30 June 2024 and 611,709,000 Shares in issue as at the Latest Practicable Date; and
- (viii) a premium of approximately 209.5% to the audited consolidated net liabilities per Share as at 31 December 2023 of approximately HK\$0.20 with reference to the audited consolidated net liabilities of the Group of approximately RMB111,801,000 (equivalent to approximately HK\$122,858,000) as at 31 December 2023 and 611,709,000 Shares in issue as at the Latest Practicable Date.

Highest and lowest Share Prices

During the Relevant Period, as the trading in the Shares on the Stock Exchange has remained suspended, the highest closing price and the lowest closing price of the Shares as quoted on the Stock Exchange remained to be HK\$0.275, being the closing price of the Shares as at the Last Trading Day.

Total value of the Offer

Based on the 611,709,000 Shares in issue as at the Latest Practicable Date and excluding the 450,000,000 Shares held by the Purchaser, a total of 161,709,000 Shares will be subject to the Offer. Assuming there is no change in the issued share capital of the Company from the Latest Practicable Date to the close of the Offer, on the basis of the Offer Price of HK\$0.22 per Offer Share, the total consideration of the Offer would be HK\$35,575,980 in the event that the Offer is accepted in full.

Confirmation of financial resources available to the Joint Offerors

The maximum aggregate amount payable by the Joint Offerors for the Offer would be HK\$35,575,980 based on (i) the Offer Price of HK\$0.22 per Offer Share; (ii) 161,709,000 Shares subject to Offer; and (iii) assuming full acceptance of the Offer. The Joint Offerors

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intend to finance the consideration payable under the Offer by its internal cash resources. The Joint Offerors do not intend that the payment of interest on, repayment of or security for any liability (contingent or otherwise) will depend to any significant extent on the business of the Company.

Grande Capital Limited, being the financial adviser to the Joint Offerors in respect of the Offer, is satisfied that there are sufficient financial resources available to the Joint Offerors to satisfy full acceptances of the Offer.

Effect of accepting the Offer

Acceptance of the Offer by any Shareholder will be deemed to constitute a warranty by such person that all Offer Shares sold by such person under the Offer are fully paid and free from all liens, claims, charges, encumbrances, rights of pre-emption and any third party rights of any nature and together with all rights attached to them, including but not limited to the right to receive all dividends and distributions declared, made or paid, if any, on or after the date the Offer is made, being the date of despatch of the Composite Document.

As at the Latest Practicable Date, the Company confirmed that (i) there was no declared but unpaid dividend by the Board; and (ii) the Board has not declared and does not intend to pay or declare any dividends or distributions during the Offer Period (as defined under the Takeovers Code).

The Offer is unconditional in all respects and will remain open for acceptance from the date of this Composite Document until 4:00 p.m. on the Closing Date unless the Joint Offerors revise or extend the Offer in accordance with the Takeovers Code. Acceptance of the Offer will be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code, details of which are set out in the paragraph headed “RIGHT OF WITHDRAWAL” in Appendix I to this Composite Document.

Payment

Payment in cash in respect of acceptances of the Offer will be made by the Joint Offerors as soon as possible but in any event no later than seven (7) Business Days after the receipt of duly completed acceptances of the Offer.

No fractions of a cent will be payable and the amount of cash consideration payable to a Shareholder who accepts the 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 acceptances of the Offer will be payable by the relevant Independent Shareholders at a rate of 0.1% of (i) the market value of the Offer Shares; or (ii) the consideration payable by the Joint Offerors in

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respect of the relevant acceptances of the Offer, whichever is higher, and the amount of such duty will be deducted from the cash amount payable by the Joint Offerors to the relevant Independent Shareholders accepting the Offer.

The Joint Offerors will arrange for payment of the seller's Hong Kong ad valorem stamp duty on behalf of the relevant Independent Shareholders accepting the Offer and pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

OVERSEAS SHAREHOLDERS

The availability of the Offer to persons who are not residents in Hong Kong may be affected by the applicable laws of the relevant jurisdiction in which they are residents. Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements in their own jurisdictions and, where necessary, seek their own legal advice. It is the responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due by such Overseas Shareholders in respect of such jurisdictions). There was no overseas Shareholder identified as at the Latest Practicable Date.

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

TAXATION ADVICE

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

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SHAREHOLDING STRUCTURE OF THE COMPANY

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

	Immediately before Completion		Immediately after Completion and as at the Latest Practicable Date	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
<i>Shareholders</i>				
The Joint Offerors and parties acting in concert				
Linkto	–	–	–	–
VCL	–	–	450,000,000	73.56
Sub-total – the Joint Offerors and parties acting in concert	–	–	450,000,000	73.56
Other Shareholders				
Chuangyuan (<i>Note</i>)	450,000,000	73.56	–	–
Other Public Shareholders	161,709,000	26.44	161,709,000	26.44
Total	611,709,000	100.0	611,709,000	100.0

Note: These Shares were held by the Receivers, Mr. Osman Mohammed Arab and Mr. Lai Wing Lun, acting as receivers and managers of the Sale Shares under the Deed of Appointment. Chuangyuan was a controlling shareholder of the Company which was interested in approximately 73.56% of the issued share capital of the Company immediately prior to Completion. On 23 November 2022, Chuangyuan (as the borrower and chargor), being the then controlling shareholder of the Company, by way of a Security Deed, charged the Sale Shares in favour of the Purchaser (as lender and chargee) to secure all the present and future outstanding liabilities to the Purchaser under certain finance documents. Chuangyuan has maintained securities trading accounts with the Purchaser and has borrowed funds or margin financing from the Purchaser in relation thereto. Chuangyuan has since defaulted in making repayments to the Purchaser on or about 9 May 2023, and the Receivers were appointed as joint and several receivers and managers of the Sale Shares by way of the Deed of Appointment.

As at the Latest Practicable Date, none of the Directors had any interests in any Shares.

INFORMATION ON THE GROUP

Details of the information on the Group are set out in the paragraph headed “INFORMATION ON THE GROUP” in the “Letter from the Board” in this Composite Document.

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INFORMATION ON THE JOINT OFFERORS

VCL

VCL is a limited company incorporated in Hong Kong and a licensed corporation to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 5 (advising on futures contracts) and type 9 (asset management) regulated activities under the SFO. The directors of VCL are Cheung Ting, Lee Ching, Wong Kwong Tung and Zhou Teng.

VCL is an indirect wholly-owned subsidiary of VCGL. VCGL is a limited liability company incorporated in the Cayman Islands. VCGL is a leading technology-driven financial solution provider. It offers efficient, tailored, comprehensive and quality services to millions of retail individuals, as well as institutional and corporate clients across the globe. Its service has a global presence with operations in Mainland China, Hong Kong SAR, Singapore, the United States and Saudi Arabia. The directors of VCGL are Liu Yunli, Cheung Ting, Xu Ge, Deng Qingxu, Wu Weifa, Li Jinji and Lee Ching.

VCGL is owned by (i) Liu Yunli as to 8.83%; (ii) Xu Ge as to 19.34%; (iii) Wu Weifa as to 7.25%; (iv) Sina Corporation as to 17.46%; (v) Weibo Corporation as to 21.37%; and (vi) other 14 shareholders, which includes Top Prima Group Limited, Ever Torch Limited, Cloud Phoenix Limited, Wisdom River Holding Limited, Absolute Proficient Limited, Yan Wang, Li Kwok Fu, Glory Hunter Limited, Gu Gang, Fenghe Harvest Ltd, JAS Investment Group Limited, Rainbow Asia International Limited, AMG Music Holdings Corporation and SEENER Technology Limited, as to 25.75% in total.

Linkto

Linkto is a company incorporated in Hong Kong with limited liability, which is principally engaged in investment holding.

Madam Gao is the sole director and the sole beneficial shareholder of Linkto. Madam Gao started her career in 1974 as a technician at a paper manufacturing factory in Langxi County, Anhui Province, the PRC. During the period from 2015 to 2021, she served as a director and Supply Chain Manager of Wuhu Guote E-Commerce Company Limited (蕪湖果特電子商務有限責任公司), which is principally engaged in e-commerce business. During such period, she was in charge of the company's supply chain planning, supplier management and procurement, as well as supply chain risk management. She has served as the sole director of Linkto since 2021, responsible for the overall objectives and strategic development of Linkto.

VCL and Linkto are third parties independent from the Company and its connected persons, and are independent from each other but for their acting in concert in connection with the Offer. They have been a business acquaintance to each other for a few years. As VCL intended to purchase the Sale Shares and would be required to make a mandatory offer under the Takeovers Code, it approached and discussed with a few potential investors including Linkto in respect of the sale and purchase of the Sale Shares and financing or investing in the subsequent Offer, whereupon Linkto agreed to act in concert with VCL and accept all the Shares tendered for acceptance in the Offer as Madam Gao is interested in the future business development of the Company. Linkto did not own any Shares in the Company prior to the Completion of the Sale and Purchase Agreement.

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INTENTION OF THE JOINT OFFERORS IN RELATION TO THE GROUP

Upon Completion, the Joint Offerors became the controlling shareholders of the Company and were interested in approximately 73.56% of the issued share capital of the Company. Upon completion of the Offer, while continuing the principal business of the Group, the Joint Offerors will assist the Group in reviewing its existing capabilities and resources for the purpose of developing detailed business plans and strategies or to tap into new business opportunities. The Joint Offerors will continue to review the business operations and financial position of the Group from time to time for development of a sustainable business plan and strategy to the Group. The Joint Offerors have no intention to introduce major changes to the existing business of the Group. The intention of the Joint Offerors is to maintain the Company's existing principal activities, and as at the Latest Practicable Date, no investment or business opportunity had been identified nor had the Joint Offerors entered into any agreement, arrangement, understandings or negotiation in relation to the injection of any asset or business into the Group.

The Joint Offerors will, depending on the business operations and development of the Group in the future, constantly review the employee structure of the Group so as to meet the needs of the Group from time to time. As at the Latest Practicable Date, the Joint Offerors had no intention to (i) discontinue the employment of any employees of the Group (who are not Directors of the Company); or (ii) redeploy the fixed assets of the Company other than those in its ordinary and usual course of business.

PROPOSED CHANGE TO THE BOARD COMPOSITION

As at the Latest Practicable Date, the Board comprised Mr. Bao Guojun and Mr. Pang Bo as executive Directors; and Ms. Liang Yunxu, Mr. Wang Huimin and Mr. Wong Kwok Yin as independent non-executive Directors.

It is intended that all of the five Directors will resign with effect from (1) the earliest time permitted under the Listing Rules and Rule 7 of the Takeovers Code; or (2) the publication of all outstanding financial results (i.e. the annual results of the Group for the financial years ended 31 December 2022 and 2023 and the interim results of the Group for the six months ended 30 June 2023 and 2024), whichever is later. The Joint Offerors intend to nominate new Directors to the Board immediately after the publication of the Composite Document and before the resumption of trading in the Shares in compliance with Rule 26.4 of the Takeovers Code and/or the Listing Rules. Further announcement(s) will be made as and when appropriate.

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The Joint Offerors propose to nominate Mr. Xin Bing (辛冰) and Mr. Li Meng (李猛) as executive Directors, and Mr. Zhang Chen (張辰), Ms. Cui Yan (崔艷) and Mr. Cai Sitao (蔡思韜) as independent non-executive Directors. The biographies of the new Directors to be nominated are set out below:

BIOGRAPHIES OF NEW DIRECTORS NOMINATED BY THE JOINT OFFERORS

Mr. Xin Bing (辛冰) (formerly known as Xin Bing 辛兵), aged 57, nominated by the Joint Offerors as an executive Director, obtained a bachelor's degree in engineering from Huazhong University of Science and Technology* (華中科技大學) (formerly known as Huazhong University of Science and Technology* (華中理工大學)) in 1988 and a master's degree in business administration from China Europe International Business School* (中歐國際工商學院) in 2022. Mr. Xin has been the director of Beijing Extreme Experience Travel Service Co., Ltd.* (北京極度體驗旅游服務有限公司) since 2016. Prior to that, he worked as administration general manager at Chongqing Zhongya Zhongli Tax Agents Co., Ltd.* (重慶中亞眾力稅務師事務所有限公司) from 2005 to 2015, and as deputy general manager at Chongqing Chunyu Industrial (Group) Co., Ltd.* (重慶春語實業(集團)有限公司) from 2001 to 2004. He also worked as deputy general manager at Chongqing City Yubei Housing Development Co., Ltd.* (重慶市渝北房屋開發公司) from 1999 to 2001 and as manager of the planning department at Chongqing Jiashou Property Development Co., Ltd.* (重慶加州物業服務有限公司) from 1992 to 1999. He served as assistant engineer at Chengdu Industrial Economic Technology Development Co., Ltd.* (成都工業經濟技術開發公司) from 1988 to 1991. It is proposed that Mr. Xin will enter into a service contract with the Company for a term of three years and his remuneration will be determined by the Board and the remuneration committee of the Board by reference to his background, experience, qualifications, duties and responsibilities with the Company, the remuneration policy of the Company as well as the prevailing market rates.

Mr. Li Meng (李猛), aged 32, is nominated by the Joint Offerors as an executive Director. Mr. Li has extensive experience in the bond capital market and financing, particularly in various standardized bond issuances and non-standard business financing. Since 2021, Mr. Li has been serving as vice president of the fixed income department at VCL, responsible for the debt capital market business. Mr. Li is currently licensed by the SFC to carry out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO. Prior to that, from 2016 to 2020, Mr. Li worked at Sinotruk (Hong Kong) International Investment Limited* (中國重汽(香港)國際資本有限公司), where he was responsible for financing, investment, and sales in the Hong Kong market, successfully expanding several high-end overseas markets. Mr. Li obtained a bachelor's degree in engineering from Shandong Jiaotong University in 2015. It is proposed that Mr. Li will enter into a service contract with the Company for a term of three years and his remuneration will be determined by the Board and the remuneration committee of the Board by reference to his background, experience, qualifications, duties and responsibilities with the Company, the remuneration policy of the Company as well as the prevailing market rates.

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Mr. Zhang Chen (張辰), aged 40, nominated by the Joint Offerors as an independent non-executive Director, obtained his bachelor's degree in dental surgery from the University of Hong Kong in November 2008 and his master's degree in dental surgery (periodontology) from the University of Hong Kong in November 2012. He has been a registered dentist in Hong Kong since August 2008. Mr. Zhang has over 9 years of experience in business management. Mr. Zhang has been serving as an independent non-executive director at Beijing UBOX Online Technology Corp.* (北京友寶在線科技股份有限公司) (Stock Code: 2429) since June 2021. Mr. Zhang has established and operated his own clinic, Dr. Johnson's Clinic Limited* (張辰醫生牙科診所有限公司) since 2014. From June 2010 to 2014, he worked as a dentist at Dental World Ltd. It is proposed that Mr. Zhang will enter into a letter of appointment with the Company for a term of three years and his remuneration will be determined by the Board and the remuneration committee of the Board by reference to his background, experience, qualifications, duties and responsibilities with the Company, the remuneration policy of the Company as well as the prevailing market rates.

Ms. Cui Yan (崔艷), aged 43, nominated by the Joint Offerors as an independent non-executive Director, obtained her bachelor's degree in management from the University of Petroleum, Beijing* (石油大學(北京)) in 2003 and her master's degree in management from the China University of Petroleum, Beijing* (中國石油大學(北京)) in 2006. Ms. Cui has been serving as executive director, board secretary and vice president at Beijing UBOX Online Technology Corp.* (北京友寶在線科技股份有限公司) (Stock Code: 2429) since 2016 and worked as financial director in the same company from 2012 to 2016. She worked as manager at Grant Thornton Zhitong Certified Public Accountants LLP* (致同會計師事務所(特殊普通合伙)) from 2006 to 2011. It is proposed that Ms. Cui will enter into a letter of appointment with the Company for a term of three years and her remuneration will be determined by the Board and the remuneration committee of the Board by reference to her background, experience, qualifications, duties and responsibilities with the Company, the remuneration policy of the Company as well as the prevailing market rates.

Mr. Cai Sitao (蔡思韜), aged 39, nominated by the Joint Offerors as an independent non-executive Director, obtained his associate degree in fashion design and craftsmanship from Guangzhou University* (廣州大學) in 2008. Mr. Cai is a multimedia creator with extensive experience in brand positioning and brand design. Mr. Cai has been serving as brand director for Guangzhou City Guangjiu Catering Management Co., Ltd.* (廣州市廣九餐飲管理有限公司) since 2022, and for Guangzhou Songyuan Cuisine Co., Ltd.* (廣州松苑飲食有限公司) since 2023. Additionally, he has been serving as supervisor and executive director at Guangzhou Fastfoot Branding Strategy Co., Ltd.* (廣州急急腳品牌策略有限公司) since 2019, and as executive director at Guangzhou Fastfoot Coffee Co., Ltd.* (廣州急急腳咖啡有限公司) since 2019. Mr. Cai is also the executive director of Guangzhou Zaisan Art and Culture Co., Ltd.* (廣州再叁文化藝術有限公司) since 2016. It is proposed that Mr. Cai will enter into a letter of appointment with the Company for a term of three years and his remuneration will be determined by the Board and the remuneration committee of the Board by reference to his background, experience, qualifications, duties and responsibilities with the Company, the remuneration policy of the Company as well as the prevailing market rates.

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Save as disclosed above, as at the Latest Practicable Date, each of the new Directors nominated by the Joint Offerors did not (i) hold any other interests in the Shares of the Company within the meaning of Part XV of the SFO; (ii) have any relationship with any other directors, senior management, substantial shareholder or controlling shareholder (as defined under the Listing Rules) of the Company; (iii) hold any other positions with the Company or other members of the Group; and (iv) hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years prior to the date of this Composite Document.

Save as disclosed above, there are no other matters relating to the appointment of new Directors nominated by the Joint Offerors that need to be brought to the attention of the Shareholders of the Company nor any information to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

MAINTAINING THE LISTING STATUS OF THE COMPANY

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

- a false market exists or may exist in the trading of the shares; or
- that there are insufficient shares in public hands to maintain an orderly market;

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

The Joint Offerors intend the Company to remain listed on the Stock Exchange. The directors of the Joint Offerors and the new Directors to be appointed to the Board of the Company will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Company's Shares.

ACCEPTANCE AND SETTLEMENT OF THE OFFER

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

COMPULSORY ACQUISITION

The Joint Offerors do not intend to exercise any power of compulsory acquisition of any outstanding Offer Shares not acquired under the Offer after the close of the Offer.

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GENERAL

All documents and remittances to be sent to the Shareholders will be sent to them by ordinary post at their own risk. Such documents and remittances will be sent to the Shareholders at their respective addresses as they appear in the registers of the members of the Company and in the case of joint holders, to such holder whose name appears first in the relevant registers. The Joint Offerors and parties acting in concert with any of them, the Company, VCL, Grande Capital Limited, the Independent Financial Adviser, the Registrar and their respective ultimate beneficial owners, directors, officers, agents, advisers and associates or any other parties involved in the Offer will not be responsible for any loss or delay in transmission or any other liabilities that may arise as a result thereof or in connection therewith.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this Composite Document 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”, the “Letter from the Independent Financial Adviser” contained in this Composite Document.

Yours faithfully,
for and on behalf of
Valuable Capital Limited
Cheung Ting
Chief Executive Officer