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## THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Dafeng Port Heshun Technology Company Limited, you should at once hand this Composite Document and the accompanying Form of Acceptance and Transfer to the purchaser(s) or the transferee(s) or to the bank or 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 Form of Acceptance and Transfer, the contents of which form part of the terms and conditions of the Share Offer contained herein.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Composite Document and the accompanying Form of Acceptance and Transfer, make no representation as to their accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Composite Document and the accompanying Form of Acceptance and Transfer.

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**Dafeng Port (HK) Development Limited**  
*(Incorporated in Hong Kong with limited liability)*

**Dafeng Port Heshun Technology Company Limited**  
**大豐港和順科技股份有限公司**  
*(Incorporated in Cayman Islands with limited liability)*  
**(Stock code: 8310)**

**COMPOSITE DOCUMENT RELATING TO  
UNCONDITIONAL MANDATORY CASH OFFER BY  
HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED  
FOR AND ON BEHALF OF  
DAFENG PORT (HK) DEVELOPMENT LIMITED  
TO ACQUIRE ALL THE ISSUED SHARES IN  
DAFENG PORT HESHUN TECHNOLOGY COMPANY LIMITED  
(OTHER THAN THOSE OWNED AND/OR AGREED TO BE ACQUIRED BY  
DAFENG PORT (HK) DEVELOPMENT LIMITED  
AND PARTIES ACTING IN CONCERT WITH IT)**

**Financial adviser to Dafeng Port (HK) Development Limited**



**华泰国际**  
HUATAI INTERNATIONAL

**Independent Financial Adviser to the Independent Board Committee of  
Dafeng Port Heshun Technology Company Limited**

**ALTUS CAPITAL LIMITED**

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

A "Letter from Huatai" containing, among other things, the details of the terms of the Share Offer is set out on pages 7 to 16 of this Composite Document. A "Letter from the Board" is set out on pages 17 to 26 of this Composite Document. A "Letter from the Independent Board Committee" containing its recommendations to the Offer Shareholders in respect of the Share Offer is set out on pages 27 to 28 of this Composite Document. A "Letter from the Independent Financial Adviser" containing its advice and recommendations to the Independent Board Committee, the Offer Shareholders in respect of the Share Offer is set out on pages 29 to 48 of this Composite Document. A report from Forvis Mazars CPA Limited and a report from Altus Capital in relation to the Profit Warning are set out on pages V-1 to V-3 and V-4 to V-5 of this Composite Document, respectively.

The procedures for acceptance and settlement of the Share Offer are set out in Appendix I to this Composite Document and in the accompanying Form of Acceptance and Transfer. Acceptance of the Share Offer should be received by the Registrar no later than 4:00 p.m. (Hong Kong time) on Friday, 21 March 2025 or such later time(s) and/or date(s) as the Offeror and the Company may jointly announce, with the consent of the Executive, in accordance with the Takeovers Code.

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

This Composite Document will remain on the website of the Stock Exchange at <https://www.hkexnews.hk> and the website of the Company at <http://dfport.com.hk>.

Hong Kong, 28 February 2025

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## CHARACTERISTICS OF GEM

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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

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

Despatch date of this Composite Document and  
the Form of Acceptance and Transfer (*Note 1*) . . . . . Friday, 28 February 2025

Opening date of the Share Offer (*Note 1*) . . . . . Friday, 28 February 2025

Latest time and date for acceptance of the Share Offer  
(*Notes 2, 3 and 5*) . . . . . 4:00 p.m. on Friday, 21 March 2025

Closing Date (*Notes 2 and 3*) . . . . . Friday, 21 March 2025

Announcement of the results of the Share Offer  
(or its extension or revision, if any)  
on the website of the Stock Exchange (*Note 2*) . . . . . no later than 7:00 p.m. on Friday,  
21 March 2025

Latest date for posting of remittances for the amount  
due in respect of valid acceptances received  
under the Share Offer (*Notes 4 and 5*) . . . . . Tuesday, 1 April 2025

*Notes:*

- (1) The Share Offer, which is unconditional in all respects, is made on the date of posting of this Composite Document, and is capable of acceptance on and from that date until 4:00 p.m. on the Closing Date. Acceptance of the Share Offer shall be irrevocable and not capable of being withdrawn, except in the circumstances as set out in the section headed “6. Right of withdrawal” in Appendix I to this Composite Document.
- (2) In accordance with the Takeovers Code, the Share Offer must initially be open for acceptance for at least 21 days following the date on which this Composite Document is posted. The Share Offer will be closed for acceptance on the Closing Date. The latest time and date for acceptance of the Share Offer will be at 4:00 p.m. on Friday, 21 March 2025 unless the Offeror extends the Share Offer in accordance with the Takeovers Code. The Offeror and the Company will jointly issue an announcement through the website of the Stock Exchange by no later than 7:00 p.m. on Friday, 21 March 2025, stating the result of the Share Offer and whether the Share Offer has been extended or has closed for acceptance. In the event that the Offeror decides to extend the Share Offer and the announcement does not specify the next closing date, at least 14 days’ notice by way of an announcement will be given before the Share Offer is closed to those Offer Shareholders who have not accepted the Share Offer.
- (3) 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 should note the timing requirements (set out in Appendix I to this Composite Document) for causing instructions to be made to CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures.

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## EXPECTED TIMETABLE

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- (4) Remittances in respect of the consideration (after deducting the seller's ad valorem stamp duty) payable for the Offer Shares tendered under the Share Offer will be posted to those Offer Shareholders accepting the Share Offer by ordinary post at their own risk as soon as possible, but in any event no later than seven (7) Business Days following the date of receipt by the Registrar of the duly completed Form of Acceptance and Transfer and all requisite documents to render the acceptance under the Share Offer complete and valid in accordance with the Takeovers Code.
- (5) If there is a tropical cyclone warning signal number 8 or above, or a "black rainstorm warning" or "extreme condition" caused by super typhoon:
- (i) in force in Hong Kong at any local time before 12:00 noon but no longer in force after 12:00 noon on the latest date for acceptance of the Share Offer and the latest date for posting of remittances for the amounts due under the Share Offer in respect of valid acceptances, the latest time for acceptance of the Share Offer will remain at 4:00 p.m. on the same Business Day and the posting of remittances will remain on the same Business Day; or
  - (ii) in force in Hong Kong at any local time at 12:00 noon and/or thereafter on the latest date for acceptance of the Share Offer or the latest date for posting of remittances for the amounts due under the Share Offer in respect of valid acceptances (together, the "Key Deadlines"), as the case may be, the Key Deadlines will be rescheduled to the following Business Day which does not have any warnings at 12:00 noon and/or thereafter.

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

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

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## **IMPORTANT NOTICE**

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### **NOTICE TO OVERSEAS OFFER SHAREHOLDERS**

The making and implementation of the Share Offer to holders of the Offer Shares who are not resident in Hong Kong may be subject to the laws of the relevant jurisdictions in which such holders are located. Such holders should inform themselves about and observe any applicable legal or regulatory requirements. It is the responsibility of the Overseas Offer Shareholders wishing to accept the Share Offer to satisfy themselves 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 which may be required, or the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdiction from such Overseas Offer Shareholders. Based on the Register of Members as at the Latest Practicable Date, none of Shareholders registered as a shareholder on the Register of Members is an Overseas Offer Shareholder. Please see the paragraph headed “7. Overseas Offer Shareholders” in Appendix I to this Composite Document.

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

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

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## DEFINITIONS

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

“acting in concert”	has the meaning ascribed to it in the Takeovers Code
“Agreement”	the sale and purchase agreement dated 31 December 2024 and entered into, among others, the Vendors and the Offeror in relation to the acquisition of the Sale Shares
“associate”	has the meaning ascribed to it in the Takeovers Code
“Balance Settlement Day”	means after the completion of the Share Offer, (a) if the Company can still meet the minimum public float requirements under the GEM Listing Rules immediately after the completion of the Share Offer, the 10th business day (i.e. any day on which banks in Hong Kong and PRC are generally open for business (excluding Saturdays or Sundays or public holidays in Hong Kong and PRC and any day when a tropical cyclone warning signal number 8 or above or a black rainstorm warning is hoisted or there is extreme condition caused by super typhoon in Hong Kong between 9:00 am and 5:00 pm)) after the completion of the Share Offer; or (b) if the Company fails to meet the minimum public float requirements under the GEM Listing Rules immediately after completion of the Share Offer, the 10th business day after the Company restores the minimum public float under the GEM Listing Rules and the Vendor Group has fulfilled their obligations under the Vendors’ undertakings in relation to restoration of the Company’s public float, details of which are set out in the paragraph headed “Vendors’ undertakings in relation to restoration of the Company’s public float” of the section “THE AGREEMENT” in the “Letter from Huatai” of this Composite Document
“Board”	the board of Directors of the Company
“Business Day”	a day on which the Stock Exchange is open for transaction of business
“BVI”	British Virgin Islands
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Closing Date”	the date stated in this Composite Document as the closing date of the Share Offer or any subsequent closing date as may be announced by the Offeror and approved by the Executive

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## DEFINITIONS

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“Company”	Dafeng Port Heshun Technology Company Limited (大豐港和順科技股份有限公司), 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: 08310)
“Completion”	completion of the sale of the Sale Shares pursuant to the Agreement
“Completion Date”	15 January 2025
“Composite Document”	the composite offer and response document to be jointly issued by the Offeror and the Company to the Shareholders in connection with the Share Offer in compliance with the Takeovers Code
“Consideration”	the total consideration in the sum of US\$60,000,000 payable by the Offeror to the Vendors for the acquisition of the Sale Shares
“Consideration I”	the consideration in the sum of US\$32,000,000 (equivalent to HK\$251,200,000) payable by the Offeror to Top Bright for the acquisition of the Sale Shares I
“Consideration II”	the consideration in the sum of US\$18,000,000 (equivalent to HK\$141,300,000) payable by the Offeror to Success Pacific for the acquisition of the Sale Shares II
“Consideration III”	the consideration in the sum of US\$10,000,000 (equivalent to HK\$78,500,000) payable by the Offeror to Jiangsu Huahai for the acquisition of the Sale Shares III
“Dafeng Port Development Group”	Jiangsu Yancheng Port Dafeng Port Development Group Co., Ltd.* 江蘇鹽城港大豐港開發集團有限公司, a company incorporated in the PRC
“Deduction Amount”	such amount equal to the consideration, together with stamp duty and other transaction costs, payable for such number of Shares which the Vendor Group shall purchase or procure to be purchased as required by the Offeror to restore the minimum public float requirement of the Company
“Director”	the director(s) of the Company
“Executive”	the executive director of the Corporate Finance Division of the SFC from time to time and any delegate of such executive director



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## DEFINITIONS

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“Form of Acceptance and Transfer”	the form of acceptance and transfer in respect of the Share Offer accompanying this Composite Document
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HKSCC Nominees”	HKSCC Nominees Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Huatai”	Huatai Financial Holdings (Hong Kong) Limited, a licensed corporation, licensed with the SFC to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 3 (leveraged foreign exchange trading), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 7 (providing automated trading services) and Type 9 (asset management) regulated activities
“Independent Board Committee”	an independent committee of the Board comprising all the non-executive Directors who are not interested in the Share Offer, namely Mr. Lau Hon Kee, Mr. Yu Xugang and Ms. Hui Alice established for the purpose of advising and giving a recommendation to the Offer Shareholders in respect of the Share Offer and in particular as to whether the Share Offer is, or is not fair and reasonable and as to acceptance of the Share Offer
“Independent Financial Adviser” or “Altus Capital”	Altus Capital Limited, a corporation licensed to carry on Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, which has been appointed as the independent financial adviser to advise the Independent Board Committee, the Offer Shareholders in connection with the Share Offer
“Jiangsu Huahai”	Jiangsu Huahai Investment Co., Ltd.* 江蘇華海投資有限公司, a company incorporated in the PRC, which is held as to 55% by Mr. Ji Longtao and 45% by Mr. Ji Lei
“Jiangsu Yancheng”	Jiangsu Yancheng Port Holding Group Co., Ltd.* 江蘇鹽城港控股集團有限公司, a company incorporated in the PRC

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## DEFINITIONS

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“Joint Announcement”	the joint announcement issued by the Offeror and the Company on 31 December 2024 in relation to, among others, the Share Offer
“Last Trading Day”	30 December 2024, being the last full trading day of the Shares prior to the publication of the Joint Announcement
“Latest Practicable Date”	25 February 2025, being the latest practicable date prior to the printing of the Composite Document for the purpose of ascertaining certain information for inclusion in this Composite Document
“Offer Period”	has the meaning ascribed to it under the Takeovers Code
“Offer Price”	HK\$0.4800 per Offer Share in respect of the Share Offer
“Offer Share(s)”	all the Share(s) in issue, other than those Shares already owned or agreed to be acquired by the Offeror and the Offeror Concert Parties
“Offer Shareholders”	the Shareholders other than the Offeror and the Offeror Concert Parties
“Offeror”	Dafeng Port (HK) Development Limited 大豐港(香港)發展有限公司, a company incorporated in Hong Kong with limited liability and wholly owned by Dafeng Port Development Group
“Offeror Concert Parties”	the parties acting in concert, or presumed to be acting in concert, with the Offeror, Dafeng Port Development Group and Jiangsu Yancheng under the definition of “acting in concert” under the Takeovers Code, including but not limited to the Vendors, the Target Company, Mr. Ji Longtao, Mr. Ji Lei and Mr. Yang Yuezhou and their respective concert parties
“Overseas Offer Shareholders”	Shareholder(s) whose addresses, as shown on the Register of Members, are outside Hong Kong
“PRC”	the People’s Republic of China (for the purpose of this Composite Document, excluding Hong Kong, the Macao Special Administrative Region and Taiwan)
“Profit Warning Announcement”	the profit warning announcement published by the Company dated 24 January 2025
“Register of Members”	the register of members of the Company
“Registrar”	Tricor Investor Services Limited, the share registrar of the Company in Hong Kong at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong

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## DEFINITIONS

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“Relevant Period”	the period from 30 June 2024, being the date that is six months before the date of the commencement of the Offer Period, up to and including the Latest Practicable Date
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Share(s)”	an aggregate of 60,000,000 shares in the Target Company held by the Vendors, representing 60% of the total issued share capital of the Target Company as at the date of the Agreement
“Sale Shares I”	an aggregate of 32,000,000 shares in the Target Company held by Top Bright, representing 32% of the total issued share capital of the Target Company as at the date of the Agreement
“Sale Shares II”	an aggregate of 18,000,000 shares in the Target Company held by Success Pacific, representing 18% of the total issued share capital of the Target Company as at the date of the Agreement
“Sale Shares III”	an aggregate of 10,000,000 shares in the Target Company held by Jiangsu Huahai, representing 10% of the total issued share capital of the Target Company as at the date of the Agreement
“SFC”	the Securities and Futures Commission
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Share Offer”	the unconditional mandatory cash offer to be made by Huatai for and on behalf of the Offeror for the Offer Shares in accordance with the Takeovers Code
“Shareholders”	holders of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Success Pacific”	Success Pacific Investment Group Limited 興亞投資集團有限公司, a company incorporated in the BVI, which is held as to 55% by Mr. Ji Longtao and 45% by Mr. Ji Lei
“Takeovers Code”	the Code on Takeovers and Mergers published by the SFC

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## DEFINITIONS

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“Target Company”	Yancheng Port Overseas Investment Holdings Limited 鹽城港海外投資控股有限公司 (formerly known as Dafeng Port Overseas Investment Holdings Limited 大豐港海外投資控股有限公司), a company incorporated in Hong Kong with limited liability
“Top Bright”	Top Bright Surplus Limited 頂億有限公司, a company incorporated in Hong Kong, the ultimate beneficial owner of which is Mr. Yang Yuezhou
“Unpaid Share Capital I”	the unpaid share capital of the Target Company in the sum of US\$16,450,000 payable by Top Bright
“Unpaid Share Capital II”	the unpaid share capital of the Target Company in the sum of US\$14,000,000 payable by Success Pacific
“US\$”	US dollar, the lawful currency of the United States of America
“Vendors”	collectively, Top Bright, Success Pacific and Jiangsu Huahai
“Vendor Group”	collectively, the Vendors, Mr. Ji Longtao, Mr. Ji Lei and Mr. Yang Yuezhou

*For the purpose of this Composite Document, unless otherwise stated, (i) all amounts denominated in US\$ has been translated (for information only) into HK\$ using the exchange rate of US\$1.00:HK\$7.85; (ii) all amounts denominated in RMB has been translated (for information only) into HK\$ using the exchange rate of RMB1.00:HK\$1.0632. Such translation shall not be construed as a representation that amounts of US\$ or RMB was or may have been converted.*

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## LETTER FROM HUATAI

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62/F, The Center,  
99 Queen's Road Central,  
Hong Kong

28 February 2025

*To the Offer Shareholders*

Dear Sir or Madam,

**UNCONDITIONAL MANDATORY CASH OFFER BY  
HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED  
FOR AND ON BEHALF OF  
DAFENG PORT (HK) DEVELOPMENT LIMITED  
TO ACQUIRE ALL THE ISSUED SHARES IN  
DAFENG PORT HESHUN TECHNOLOGY COMPANY LIMITED  
(OTHER THAN THOSE OWNED AND/OR AGREED TO BE ACQUIRED BY  
DAFENG PORT (HK) DEVELOPMENT LIMITED  
AND PARTIES ACTING IN CONCERT WITH IT)**

### INTRODUCTION

Reference is made to the Joint Announcement.

### THE AGREEMENT

#### Subject of the Agreement

On 31 December 2024, the Offeror as the purchaser and the Vendors as the vendors entered into the Agreement, pursuant to which (i) Top Bright, Success Pacific and Jiangsu Huahai conditionally agreed to sell 32%, 18% and 10%, respectively, of the total issued share capital of the Target Company as at the date of the Agreement, and (ii) the Offeror conditionally agreed to acquire from Top Bright, Success Pacific and Jiangsu Huahai an aggregate of 60% of the total issued share capital of the Target Company as at the date of the Agreement.

#### Consideration

The total consideration for the sale and purchase of the Sale Shares amounted to a sum of US\$60,000,000, which would be settled by the Offeror in the following manner:

Consideration I:

- (a) for the liability portion of Consideration I, on Completion, the Offeror assumed the Unpaid Share Capital I payable by Top Bright to the Target Company; and

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## LETTER FROM HUATAI

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- (b) for the cash portion of Consideration I:
  - (i) US\$4,665,000 (representing 30% of the cash portion of Consideration I) was remitted to Top Bright on Completion; and
  - (ii) subject to the completion of the Share Offer:
    - (A) the amount which equals to the Deduction Amount attributable to Top Bright out of the balance of the cash portion of Consideration I would be deemed to have been paid (if applicable); and
    - (B) after setting off the Deduction Amount attributable to Top Bright, subject to the Completion, on the Balance Settlement Day, the balance of the cash portion of Consideration I would be remitted to Top Bright.

### Consideration II:

- (a) for the liability portion of Consideration II, on Completion, the Offeror assumed the Unpaid Share Capital II payable by Success Pacific to the Target Company; and
- (b) for the cash portion of Consideration II:
  - (i) US\$1,200,000 (representing 30% of the cash portion of Consideration II) was remitted to Success Pacific on Completion; and
  - (ii) subject to the completion of the Share Offer:
    - (A) the amount which equals to the Deduction Amount attributable to Success Pacific out of the balance of the cash portion of Consideration II would be deemed to have been paid (if applicable); and
    - (B) after setting off the Deduction Amount attributable to Success Pacific, subject to the Completion, on the Balance Settlement Day, the balance of the cash portion of Consideration II would be remitted to Success Pacific.

### Consideration III:

- (a) US\$3,000,000 (representing 30% of the cash portion of Consideration III) was remitted to Jiangsu Huahai on Completion;
- (b) subject to the completion of the Share Offer:
  - (A) the amount which equals to the Deduction Amount attributable to Jiangsu Huahai out of the balance of the cash portion of Consideration III would be deemed to have been paid (if applicable); and

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## LETTER FROM HUATAI

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- (B) for the remaining amount of Consideration III, after setting off the Deduction Amount attributable to Jiangsu Huahai, subject to the Completion, on the Balance Settlement Day, the balance of the cash portion of Consideration III would be remitted to Jiangsu Huahai.

Save as to the consideration paid and payable by the Offeror to the Vendors under the Agreement, there is no other consideration, compensation or benefits in whatever form provided or to be provided by the Offeror and parties acting in concert with it (other than the Vendors) to the Vendors and parties acting in concert with any of them.

### **Vendors' undertakings in relation to restoration of the Company's public float**

The Vendor Group unconditionally and irrevocably undertake to the Offeror that if, immediately after closing of the Share Offer, the Company fails to satisfy the minimum public float requirement under the GEM Listing Rules, the Vendors shall provide all assistance and take all actions to restore the Company's public float. The Offeror has the absolute discretion to request any or all the members of the Vendor Group to purchase or procure to be purchased such number of the Shares as requested by the Offeror at a price equal to the Offer Price, and the Vendors agree that the Offeror may directly deduct the Deduction Amount from the cash portion of the Consideration payable to the Vendors without further consent of the Vendors.

### **Completion**

On the Completion Date, the Offeror and the Company jointly announced that Completion took place on even date.

Upon Completion, the Unpaid Share Capital I and Unpaid Share Capital II were assumed by the Offeror and the 30% of the cash portion of Consideration I, Consideration II and Consideration III was paid by the Offeror from its internal cash resources and the Offeror will finance the consideration of the remaining amount of Consideration by its internal cash resources. None of the Sale Shares acquired and the Offer Shares to be acquired by the Offeror is pledged or will be pledged (as the case may be) by the Offeror for financing the payment of the Sale Shares or the consideration payable under the Share Offer (as the case may be).

Immediately after the Completion and as at the Latest Practicable Date, (i) the Offeror held 60% of the total number of issued shares of the Target Company; (ii) Dafeng Port Development Group held 40% of the total number of issued shares of the Target Company.

As at the Latest Practicable Date, the Company had a total of 1,288,000,000 Shares in issue.

As at the Latest Practicable Date, the Target Company held 740,040,000 Shares, representing approximately 57.46% of the entire issued share capital of the Company. For details, please see section headed "3. Disclosure of Interests of the Offeror and Offeror Concert Parties" in Appendix IV to this Composite Document.

The Offeror has acquired a statutory control (as referred to under the Takeovers Code) over the Target Company and the voting rights in the Company held by the Target Company have effectively passed to the Offeror.

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## LETTER FROM HUATAI

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Pursuant to Note 8 to Rule 26.1 of the Takeovers Code and Practice Note 19 to the Takeovers Code, the Offeror is required to make an unconditional mandatory general offer for all the issued Shares of the Company (other than those already owned or agreed to be acquired by the Offeror and the Offeror Concert Parties).

This letter forms part of this Composite Document and sets out, amongst other things, the details of the Share Offer, certain information on the Offeror, and the intention of the Offeror on the Group. Further terms of the Share Offer and the procedures for acceptances of the Share Offer are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance and Transfer.

Offer 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 Independent Financial Adviser” and the appendices as set out in this Composite Document before reaching a decision as to whether or not to accept the Share Offer.

### INFORMATION OF THE SHARE OFFER

Huatai makes the Share Offer on behalf of the Offeror, subject to the terms set out in this Composite Document and in the Form of Acceptance and Transfer, on the following basis:

For each Offer Share . . . . . HK\$0.4800 in cash

**The Offeror will not increase the Offer Price. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Price and the Offeror does not reserve the right to increase the Offer Price.**

The Share Offer is extended to all Offer Shareholders in accordance with the Takeovers Code. Under the terms of the Share Offer, the Offer Shares will be acquired fully paid and free from all encumbrances and with all rights and benefits at any time accruing and attaching thereto on or after the date on which the Share Offer is made, being the date of despatch of the Composite Document, including but not limited to the rights to receive all dividends and distributions declared, and any return of capital, if any, which may be paid, made or declared or agreed to be made or paid thereon or in respect thereof on or after the date on which the Share Offer is made, being the date of despatch of this Composite Document.

The Company confirmed that as at the date of the Latest Practicable Date, (i) it has not declared any dividend or other distributions which have not yet paid; and (ii) it does not have any intention to declare or pay any future dividend or make other distributions prior to and including the date of closing of the Share Offer.

### Comparisons of value

The Offer Price of HK\$0.4800 represents:

- (i) a premium of approximately 2.13% to the closing price of HK\$0.47 per Share as quoted on the Stock Exchange on the Latest Practicable Date;



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## LETTER FROM HUATAI

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- (ii) a premium of approximately 11.63% to the closing price of HK\$0.43 per Share as quoted on the Stock Exchange on 30 December 2024, being the Last Trading Day;
- (iii) a premium of approximately 10.85% to the average closing price of approximately HK\$0.4330 per Share based on the daily closing prices as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a premium of approximately 16.22% to the average closing price of approximately HK\$0.4130 per Share based on the daily closing prices as quoted on the Stock Exchange for the ten (10) consecutive trading days immediately prior to and including the Last Trading Day; and
- (v) a premium of approximately 26.42% to the average closing price of approximately HK\$0.3797 per Share based on the daily closing prices as quoted on the Stock Exchange for the thirty (30) consecutive trading days immediately prior to and including the Last Trading Day.

As at 31 December 2023, the value of the Group's audited consolidated net liabilities attributable to equity holders of the Company was approximately HK\$466 million and based on a total of 1,288,000,000 Shares in issue as at the Latest Practicable Date, the value of the audited net liabilities per Share was approximately HK\$0.3615.

As at 30 June 2024, the value of the Group's unaudited consolidated net liabilities attributable to equity holders of the Company was approximately HK\$487 million and based on a total of 1,288,000,000 Shares in issue as at the Latest Practicable Date, the value of the unaudited net liabilities per Share was approximately HK\$0.3782.

### **Highest and lowest Closing prices of the Share**

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the Relevant Period were HK\$0.475 per Share on 9, 16, 21 to 23, 28 January, 7, 11 to 14, 19 to 21 and 24 February 2025 and HK\$0.285 per Share on 10 September and 4 November 2024, respectively.

### **TOTAL VALUE OF THE SHARE OFFER**

On the basis of the Offer Price of HK\$0.4800 per Offer Share and 547,960,000 Shares subject to the Share Offer (excluding the Shares held by the Target Company), the Share Offer is valued at approximately HK\$263,020,800.

### **CONFIRMATION OF FINANCIAL RESOURCES SUFFICIENCY**

The Offeror intends to finance and satisfy the Share Offer by way of internal cash resources.

Huatai, being the financial adviser to the Offeror in respect of the Share Offer, is satisfied that sufficient financial resources are available to the Offeror to satisfy the full acceptance of the Share Offer.

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## LETTER FROM HUATAI

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### EFFECTS OF ACCEPTING THE SHARE OFFER

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

By accepting the Share Offer, the relevant Shareholders will be deemed to warrant that all Offer Shares to be sold by such person under the Share Offer are fully paid and free from all encumbrances and with all rights and benefits at any time accruing and attaching thereto as at the date of the Composite Document or subsequently becoming attached to them, including but not limited to the rights to receive all dividends and distributions declared, and any return of capital, if any, which may be paid, made or declared or agreed to be made or paid thereon or in respect thereof on or after the date on which the Share Offer is made, being the date of despatch of the Composite Document.

### HONG KONG STAMP DUTY

In Hong Kong, seller's ad valorem stamp duty payable by the Offer Shareholders who accept the Share Offer and calculated 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 the higher, will be deducted from the amount payable by the Offeror to the relevant Offer Shareholders on the 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 who 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.

### PAYMENT

Payment in cash in respect of acceptances of the Share Offer will be made as soon as possible but in any event no later than seven (7) Business Days following the date on which the duly completed acceptance of the Share Offer and the relevant documents of title of the Offer Shares in respect of such acceptance are received by the Registrar or for the Offeror to render each such acceptance complete and valid in accordance with the Takeovers Code. No fractions of a cent will be payable and the amount of the consideration payable to a Shareholder who accepts the Share Offer will be rounded up to the nearest cent.

### 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 Share Offer. None of the Offeror, the Company, Huatai, Altus Capital, and (as the case may be) their respective ultimate beneficial owners, directors, officers, agents, advisers or associates or any other person involved in the Share Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Share Offer.

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## LETTER FROM HUATAI

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### OVERSEAS OFFER SHAREHOLDERS

The Offeror intends to make the Share Offer available to all Offer Shareholders, including those with a registered address in a jurisdiction outside Hong Kong. The availability of the Share Offer to persons with a registered address in a jurisdiction outside Hong Kong may be affected by the laws of the relevant overseas jurisdictions. The making of the Share Offer to persons with a registered address in jurisdictions outside Hong Kong may be prohibited or limited by the laws or regulations of the relevant jurisdictions. The Overseas Offer Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice. It is the responsibilities of the Overseas Offer Shareholders who wish to accept the Share 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 Share Offer (including the obtaining of any governmental, exchange control 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 Offer Shareholders in respect of such jurisdictions).

Any acceptance by Shareholders and beneficial owners of the Shares who are citizens, residents or nationals of a jurisdiction outside Hong Kong will be deemed to constitute a representation and warranty from such persons to the Offeror that the local laws and requirements have been complied with. Shareholders who are in doubt as to the action they should take should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

As at the Latest Practicable Date, there was nil Overseas Offer Shareholder.

### COMPULSORY ACQUISITION

The Offeror does not intend to privatise the Company by availing itself of any powers of compulsory acquisition of the remaining Shares not acquired under the Share Offer after the close of the Share Offer.

### SHAREHOLDINGS AND DEALING IN SECURITIES OF THE COMPANY

Your attention is drawn to the sections headed “4. Dealings in Shares” of Appendix III to this Composite Document. Save as disclosed in those sections, as at the Latest Practicable Date, there are no other shareholdings in the Company:

- (1) of the Offeror;
- (2) in which the directors of the Offeror are interested;
- (3) which any persons acting in concert with the Offeror own or control;
- (4) which the Offeror and the Offeror Concert Parties have borrowed or lent; or

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## LETTER FROM HUATAI

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- (5) which the persons identified in paragraphs (1) to (4) above have dealt for value during the period commencing six months prior to the commencement of the Offer Period up to and including the Latest Practicable Date.

Nor are there any other arrangements of the kind referred to in the third paragraph of Note 8 to Rule 22 of the Takeovers Code which exist between the Offeror, or any person acting in concert with it, and any other person.

### INFORMATION ON THE OFFEROR

The Offeror is an investment holding company incorporated in Hong Kong with limited liability, which is wholly-owned by Dafeng Port Development Group as at the Latest Practicable Date. The principal activity of the Offeror is investment holding. Dafeng Port Development Group is wholly owned by Jiangsu Yancheng, which is in turn owned as to approximately 40.8% by 鹽城市人民政府 (the People's Government of Yancheng City\*), approximately 29.7% by 鹽城市大豐區人民政府 (the People's Government of Dafeng District of Yancheng City\*), approximately 9.9% by 鹽城市射陽縣人民政府 (the People's Government of Sheyang County of Yancheng City\*), approximately 9.9% by 鹽城市響水縣人民政府 (the People's Government of Xiangshui County of Yancheng City\*) and approximately 9.7% by 鹽城市濱海縣人民政府 (the People's Government of Binhai County of Yancheng City\*). The principal activity of Dafeng Port Development Group is port development and construction, terminal and other port facility operations, aquaculture, sales of agricultural products (except for non-packaged seeds) and self-operated and import and export agency business of various commodities. The principal activity of Jiangsu Yancheng is port operation, engineering construction, agricultural technology and sales of commodity.

As at the Latest Practicable Date, the Target Company held 740,040,000 Shares, representing approximately 57.46% of the entire issued share capital of the Company.

Save as disclosed above, none of the Offeror and the Offeror Concert Parties is interested in any Shares.

### INTENTIONS OF THE OFFEROR REGARDING THE GROUP

Upon the completion of the Proposed Change of Name and the close of the Share Offer, the Offeror intends to continue the existing principal businesses of the Group.

The Offeror will conduct a review of the existing principal businesses, business development strategy and the financial position of the Group following the close of the Share Offer for the purpose of formulating business plans and strategies for the future development and expansion of the Group's principal business. Subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, business rationalization, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group. Should such corporation actions materialize, further announcement(s) will be made in accordance with the GEM Listing Rules and the Takeovers Code (if applicable).

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## LETTER FROM HUATAI

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Save for the Offeror's intention regarding the Group as set out above, as at the Latest Practicable Date, no investment or business opportunity has been identified nor has the Offeror entered into any agreements, arrangements, understandings or negotiation in relation to the injection of any assets or business into the Group, and the Offeror has no intention to discontinue the employment of the employees or to redeploy any fixed assets of the Group (other than in the ordinary and usual course of business of the Group) as at the Latest Practicable Date.

### **PROPOSED CHANGE OF THE BOARD COMPOSITION**

The Board is currently made up of one executive Director, three non-executive Directors and three independent non-executive Directors.

It is intended that Mr. Ji Longtao and Mr. Yang Yuexia will resign from the Board at the earliest time permitted under the Takeovers Code.

The Offeror intends to nominate new Directors to the Board in accordance with relevant requirements of the Takeovers Code, the GEM Listing Rules or other applicable regulations. Any changes to the Board composition will be made in compliance with the Takeovers Code and the GEM Listing Rules. As at the date of the Composite Document, the Offeror has not reached any final decision as to who will be nominated as new Directors. Further announcement(s)/disclosure(s) will be made upon any changes to the composition to the Board in accordance with the requirements of the GEM Listing Rules and the Takeovers Code as and when appropriate.

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

The Offeror intends to maintain the listing of the Shares on the Stock Exchange.

The Stock Exchange has stated that if, at the close of the Share Offer, less than the minimum prescribed percentage applicable to the 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) 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.

Therefore, it should be noted that upon closing of the Share Offer, there may be insufficient public float of the Shares and the trading in the Shares may be suspended until sufficient public float exists for the Shares.

Each of the Offeror and the new Directors to be appointed (if any) will undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares after the close of the Share Offer.

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## LETTER FROM HUATAI

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### FURTHER MATTERS RELATING TO THE SHARE OFFER

Please refer to Appendix I to this Composite Document for information regarding the acceptance of the Share Offer and settlement of consideration.

### GENERAL

All documents and remittances will be sent to the Offer Shareholders by ordinary post at their own risk. Such documents and remittances will be sent to them at their respective addresses as they appear in the Register of Members or in the case of joint holders of the Offer Shares, to the Offer Shareholder whose name appears first in the Register of Members, unless otherwise specified in the accompanying Form of Acceptance and Transfer completed, returned and received by the Registrar. None of the Company, the Offeror, Huatai, Altus Capital or any of their respective directors or professional advisers or other parties involved in the Share Offer will be responsible for any loss or delay in transmission or any other liabilities that may arise as a result thereof.

### ADDITIONAL INFORMATION

Shareholders are strongly encouraged and advised to read this Composite Document carefully, including the “Letter from the Board”, the “Letter from the Independent Board Committee” and the “Letter from the Independent Financial Adviser”, as to whether the Share Offer is fair and reasonable so far as the Offer Shareholders are concerned, and to consult their professional advisers as they see fit and necessary, before deciding whether or not to accept the Share Offer. Shareholders’ attention is further drawn to the additional information set out in the appendices to this Composite Document, which form part of this Composite Document.

Yours faithfully,

For and on behalf of

**Huatai Financial Holdings (Hong Kong) Limited**

**LIU Taojiang**

*Executive Director*

*Head of M&A Division*

**YIM Chi Hang**

*Vice President*

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LETTER FROM THE BOARD

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**Dafeng Port Heshun Technology Company Limited**  
**大豐港和順科技股份有限公司**

*(Incorporated in Cayman Islands with limited liability)*

**(Stock code: 8310)**

*Executive Director:*

Mr. Zhao Liang (*Chairman*)

*Non-executive Directors:*

Mr. Ji Longtao

Mr. Yang Yue Xia

Mr. Zhang Shukai

*Independent non-executive Directors:*

Mr. Lau Hon Kee

Mr. Yu Xugang

Ms. Hui Alice

*Registered Office:*

Cricket Square

Hutchins Drive,

P.O. Box 2681

Grand Cayman, KY1-1111

Cayman Islands

*Headquarters and Principal Place of*

*Business in Hong Kong:*

Unit 1009, Exchange Tower

33 Wang Chiu Road

Kowloon Bay, Kowloon

Hong Kong

28 February 2025

*To the Offer Shareholders:*

Dear Sir/Madam,

**UNCONDITIONAL MANDATORY CASH OFFER BY  
HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED  
FOR AND ON BEHALF OF  
DAFENG PORT (HK) DEVELOPMENT LIMITED  
TO ACQUIRE ALL THE ISSUED SHARES IN  
DAFENG PORT HESHUN TECHNOLOGY COMPANY LIMITED  
(OTHER THAN THOSE OWNED AND/OR AGREED TO BE ACQUIRED BY  
DAFENG PORT (HK) DEVELOPMENT LIMITED  
AND PARTIES ACTING IN CONCERT WITH IT)**

**INTRODUCTION**

Reference is made to the Joint Announcement in relation to, among other things, the Agreement and the Share Offer.

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## LETTER FROM THE BOARD

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The Company was informed by the Vendors that on 31 December 2024, the Offeror as the purchaser entered into the Agreement with the Vendors as the vendors, pursuant to which (i) Top Bright, Success Pacific and Jiangsu Huahai conditionally agreed to sell 32%, 18% and 10%, respectively, of the total issued share capital of the Target Company as at the date of the Agreement, and (ii) the Offeror conditionally agreed to acquire from Top Bright, Success Pacific and Jiangsu Huahai an aggregate of 60% of the total issued share capital of the Target Company as at the date of the Agreement, for a cash Consideration of US\$60,000,000.

On the Completion Date, the Offeror and the Company jointly announced that Completion took place on even date. Immediately after the Completion and as at the Latest Practicable Date, (i) the Offeror held 60% of the total number of issued shares of the Target Company; (ii) Dafeng Port Development Group held 40% of the total number of issued shares of the Target Company.

As at the Latest Practicable Date, the Company had a total of 1,288,000,000 Shares in issue.

As at the Latest Practicable Date, the Target Company held 740,040,000 Shares, representing approximately 57.46% of the entire issued share capital of the Company.

As the Offeror acquired a statutory control (as referred to under the Takeovers Code) over the Target Company upon Completion and the Offeror and the Offeror Concert Parties are interested in approximately 57.46% in the Company, the Offeror is required to make an unconditional mandatory general offer for all the issued shares of the Company (other than those already owned or agreed to be acquired by the Offeror and the Offeror Concert Parties) pursuant to Note 8 to Rule 26.1 of the Takeovers Code and Practice Note 19 to the Takeovers Code.

As stated in the “Letter from Huatai”, Huatai, on behalf the Offeror, makes the Share Offer on the following basis:

For each Offer Share . . . . . HK\$0.4800 in cash

The purpose of this Composite Document (of which this letter forms part) is to provide you with, among other things, (i) information relating to the Group, the Offeror and the Share Offer, (ii) the letter from Huatai containing, among others, details of the Share Offer; (iii) the letter from the Independent Board Committee containing its recommendations to the Offer Shareholders in relation to the Share Offer; (iv) the letter from the Independent Financial Adviser containing its advice to the Independent Board Committee in relation to the Share Offer; and (v) procedures for acceptance of the Share Offer.

This letter forms part of this Composite Document and sets out, amongst other things, certain background information of the Offeror and the intentions of the Offeror in relation to the Group. Further details on the terms of the Share Offer are set out in this letter, Appendix I to this Composite Document and in the accompanying Form of Acceptance and Transfer. Terms used in this letter shall have the same meanings as those defined in this Composite Document unless the context otherwise requires.



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## LETTER FROM THE BOARD

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Your attention is also drawn to the “Letter from Huatai”, the “Letter from the Independent Board Committee” to the Offer Shareholders and the “Letter from Independent Financial Adviser” to the Independent Board Committee, the Offer Shareholders, as contained in this Composite Document, the accompanying Form of Acceptance and Transfer and the appendices which form part of this Composite Document.

### INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

Pursuant to Rule 2.1 of the Takeovers Code, the Independent Board Committee has been formed in accordance with Rule 2.8 of the Takeovers Code to advise and give a recommendation to the Offer Shareholders in respect of the Share Offer, as to whether the Share Offer is fair and reasonable and as to the acceptance of the Share Offer. The Independent Board Committee comprises of all the non-executive Directors who are not interested in the Share Offer, being Mr. Lau Hon Kee, Mr. Yu Xugang and Ms. Hui Alice. As (i) Mr. Zhang Shukai has served as the deputy general manager of Dafeng Port Development Group, a controlling shareholder of the Company; (ii) Mr. Yang Yuexia is the brother of Mr. Yang Yuezhou, the ultimate beneficial owner of Top Bright; and (iii) Mr. Ji Longtao is the shareholder of Success Pacific and Jiangsu Huahai, they are considered to have direct or indirect interest in the Share Offer.

Altus Capital has been appointed as the Independent Financial Adviser and such appointment has been approved by the Independent Board Committee to advise the Independent Board Committee in respect of the Share Offer, as to whether the Share Offer is, or is not fair and reasonable, and as to the acceptance of the Share Offer pursuant to Rule 2.1 of the Takeovers Code.

The full text of the letter from the Independent Board Committee addressed to the Offer Shareholders 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 Share Offer.**

### THE SHARE OFFER

Huatai, on behalf the Offeror, makes the Share Offer on the following basis:

For each Offer Share ..... HK\$0.4800 in cash

**The Offeror will not increase the Offer Price. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Price and the Offeror does not reserve the right to increase the Offer Price.**

The Share Offer is extended to all Offer Shareholders in accordance with the Takeovers Code. Under the terms of the Share Offer, the Offer Shares will be acquired fully paid and free from all encumbrances and with all rights and benefits at any time accruing and attaching thereto on or after the date on which the Share Offer is made, being the date of despatch of the Composite Document,

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## LETTER FROM THE BOARD

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including but not limited to the rights to receive all dividends and distributions declared, and any return of capital, if any, which may be paid, made or declared or agreed to be made or paid thereon or in respect thereof on or after the date on which the Share Offer is made, being the date of despatch of this Composite Document.

The Company confirms that as at the Latest Practicable Date, (i) it has not declared any dividend or other distributions which have not yet paid; and (ii) it does not have any intention to declare or pay any future dividend or make other distributions prior to and including the date of closing of the Share Offer.

### Comparisons of value

The Offer Price of HK\$0.4800 represents:

- (i) a premium of approximately 2.13% to the closing price of HK\$0.4700 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a premium of approximately 11.63% to the closing price of HK\$0.43 per Share as quoted on the Stock Exchange on 30 December 2024, being the Last Trading Day;
- (iii) a premium of approximately 10.85% to the average closing price of approximately HK\$0.4330 per Share based on the daily closing prices as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a premium of approximately 16.22% to the average closing price of approximately HK\$0.4130 per Share based on the daily closing prices as quoted on the Stock Exchange for the ten (10) consecutive trading days immediately prior to and including the Last Trading Day; and
- (v) a premium of approximately 26.42% to the average closing price of approximately HK\$0.3797 per Share based on the daily closing prices as quoted on the Stock Exchange for the thirty (30) consecutive trading days immediately prior to and including the Last Trading Day.

As at 31 December 2023, the value of the Group's audited consolidated net liabilities attributable to equity holders of the Company was approximately HK\$466 million and based on a total of 1,288,000,000 Shares in issue as at the Latest Practicable Date, the value of the audited net liabilities per Share was approximately HK\$0.3615.

As at 30 June 2024, the value of the Group's unaudited consolidated net liabilities attributable to equity holders of the Company was approximately HK\$487 million and based on a total of 1,288,000,000 Shares in issue as at the Latest Practicable Date, the value of the unaudited net liabilities per Share was approximately HK\$0.3782.

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## LETTER FROM THE BOARD

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### Highest and lowest closing prices of the Shares

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the Relevant Period were HK\$0.475 per share on 9, 16, 21 to 23, 28 January, 7, 11 to 14, 19 to 21 and 24 February 2025 and HK\$0.285 per Share on 10 September and 4 November 2024, respectively.

### Further details of the Share Offer

Further details of the Share Offer, including, among other things, its extension to the Overseas Offer Shareholders, taxation advice, the terms and conditions and the procedures for acceptance and settlement and acceptance period can be found in the “Letter from Huatai” and Appendix I to this Composite Document and the accompanying Form of Acceptance and Transfer.

### INFORMATION OF THE GROUP

The Company is a company incorporated in the Cayman Islands with limited liability and its Shares are listed on the GEM of the Stock Exchange. The Group is principally engaged in trading business and the provision of petrochemical products storage business in the PRC.

The following table is a summary of certain audited consolidated financial information of the Group for the financial years ended 31 December 2022 and 31 December 2023, as extracted from the annual reports of the Company for the years ended 31 December 2022 and 31 December 2023, respectively and the unaudited consolidated financial information of the Group for the six-month periods ended 30 June 2023 and 2024 as extracted from the Company’s interim reports for the six months ended 30 June 2023 and 2024:

	For the year ended 31 December		For the six months ended 30 June	
	2022	2023	2023	2024
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
	(Audited)	(Audited)	(Unaudited)	(Unaudited)
Revenue	795,967	1,158,042	419,628	690,507
(Loss)/Profit before income tax	(64,162)	53,489	(33,964)	(18,094)
(Loss)/Profit for the year or period (where appropriate) attributable to the owners of the Company	(61,967)	54,715	(34,226)	(17,758)
Net (liabilities)	(501,793)	(446,983)	(535,533)	(469,561)

Further financial and general information in relation to the Group are set out in Appendix II titled “Financial Information of the Group” and Appendix III titled “General Information of the Group” to this Composite Document.

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## LETTER FROM THE BOARD

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### PROPOSED CHANGE OF COMPANY NAME

Reference is made to the Company's announcement (the "**Proposed Change of Name Announcement**") dated 10 February 2025 in relation to the proposed change of the Company's name.

Based on the Proposed Change of Name Announcement, the Company proposed to (i) change the English name of the Company from "Dafeng Port Heshun Technology Company Limited" to "Yancheng Port International Co., Limited" and adopt "鹽城港國際股份有限公司" as the Chinese name of the Company in place of its existing Chinese name of "大豐港和順科技股份有限公司" (the "**Proposed Change of Name**").

The Proposed Change of Name shall not affect the procedures and Shareholder's entitlement of the Share Offer.

### PROFIT WARNING ANNOUNCEMENT AND PROFIT FORECAST

Reference is made to the Profit Warning Announcement whereby, among others, it was announced that based on the information currently available and the preliminary assessment of the unaudited consolidated financial statements of the Group for the year ended 31 December 2024, the Group is expected to record (1) revenue of approximately HK\$781.7 million for the year ended 31 December 2024, representing a decrease of 32.50% as compared to approximately HK\$1,158.0 million for the corresponding period in 2023; and (2) net loss of approximately HK\$47.8 million for the year ended 31 December 2024 as opposed to a profit of approximately HK\$53.5 million for the corresponding period in 2023 (the "**Profit Warning**").

This was mainly due to the following reasons:

1. the revenue generated from the Group's trading business decreased by 32.70% to approximately HK\$768.5 million for the year ended 31 December 2024 from approximately HK\$1,141.9 million in the corresponding period in 2023. Such decrease was attributable to the reduced scale of the Group's trading business with its certain major customers which are state-owned enterprises due to the new regulatory policies issued by the State-owned Assets Supervision and Administration Commission; and
2. the Group recognised a one-off gain on disposal of 40% equity interest in Jiangsu Yancheng Port Hairong Petrochemical Terminal Co., Ltd. of approximately HK\$108.9 million for the year ended 31 December 2023 while no such gain on disposal recognised for the year ended 31 December 2024.

The Profit Warning constituted a profit forecast for the purposes of Rule 10 of the Takeovers Code and as it was made during the Offer Period, the Company is required to comply with the requirements under Rule 10 of the Takeovers Code.

The Profit Warning has been reported on in accordance with Rule 10 of the Takeovers Code by Forvis Mazars CPA Limited, the auditor of the Company, and Altus Capital. Your attention is drawn to the reports issued by Forvis Mazars CPA Limited and Altus Capital set out in Appendix V to this Composite Document.

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## LETTER FROM THE BOARD

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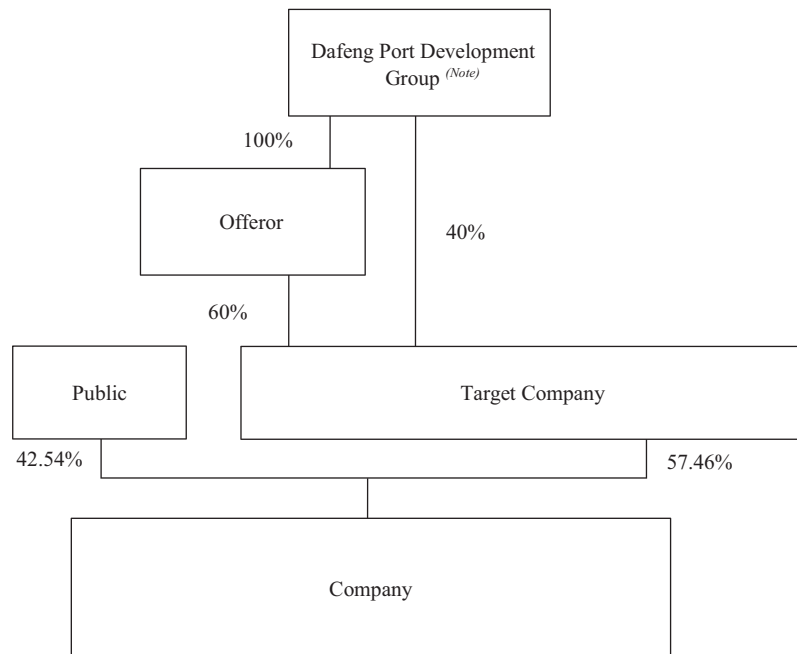
In deciding whether or not to accept the Share Offer, the Offer Shareholders should consider the material uncertainty related to going concern raised by the auditors of the Group in the annual reports of the Company for the years ended 31 December 2021, 2022 and 2023 (for further details please refer to Appendix II to this Composite Document), which may have an impact to the financial results of the Company.

Pursuant to Note 3 to Rule 2 of the Takeovers Code, the Board would like to draw the attention of the Offer Shareholders and the Independent Board Committee to the material uncertainty in respect of the “going concern” issue (please refer to Appendix II to this Composite Document for details). The material uncertainty relating to the “going concern” basis of the Company means that the Offer Shareholders are advised to take into account the foregoing and consider carefully the terms of the Share Offer. If the Offer Shareholders decide not to accept the Share Offer, they should be aware of the potential risks associated with the material uncertainty in respect of the “going concern” issue.

### SHAREHOLDING STRUCTURE OF THE COMPANY AND THE TARGET COMPANY

As at the Latest Practicable Date, (i) the Offeror was the single largest shareholder of the Target Company holding 60% of all issued shares of the Target Company; and (ii) the Target Company held approximately 57.46% of all issued Shares.

### Simplified shareholding structure of the Company and the Target Company as at the Latest Practicable Date



*Note:* Dafeng Port Development Group is wholly owned by Jiangsu Yancheng, which is in turn owned as to approximately 40.8% by 鹽城市人民政府 (the People’s Government of Yancheng City\*).

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## LETTER FROM THE BOARD

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The following table sets out the shareholding structure of the Company as at the Latest Practicable Date:

Shareholder	No. of Shares	Approximate %
<i>The Offeror and the Offeror Concert Parties</i>		
The Offeror	—	—
Target Company	740,040,000 (Note 1)	57.46
<i>Public Shareholders</i>	<u>547,960,000</u>	<u>42.54</u>
<b>Total</b>	<b><u>1,288,000,000</u></b>	<b><u>100</u></b>

*Notes:*

1. The Target Company is directly owned as to 60% by the Offeror and as to 40% by Dafeng Port Development Group. The Offeror is wholly-owned by Dafeng Port Development Group.
2. Certain percentage figures included in this table may be subject to rounding adjustments, if any.

### INFORMATION ON THE OFFEROR

Your attention is drawn to the paragraph headed “Information on the Offeror” in the “Letter from Huatai” and Appendix IV “General Information relating to the Offeror” to this Composite Document.

### INTENTION OF THE OFFEROR REGARDING THE GROUP

Please refer to the paragraph headed “Intentions of the Offeror regarding the Group” in the “Letter from Huatai” in this Composite Document for detailed information on the Offeror’s intention on the business and management of the Group.

The Board is aware of the intention of the Offeror in respect of the Company as disclosed and is willing to render reasonable cooperation to Offeror to support its intention regarding the Group to the extent it considers that it is in the interests of the Company and Shareholders as a whole.

### PROPOSED CHANGE OF THE BOARD COMPOSITION

The Board is currently made up of one executive Director, three non-executive Directors and three independent non-executive Directors.

It is intended that Mr. Ji Longtao and Mr. Yang Yuexia will resign from the Board at the earliest time permitted under the Takeovers Code.

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## LETTER FROM THE BOARD

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The Offeror intends to nominate new Directors to the Board in accordance with relevant requirements of the Takeovers Code, the GEM Listing Rules or other applicable regulations. Any changes to the Board composition will be made in compliance with the Takeovers Code and the GEM Listing Rules. As at the date of this Composite Document, the Offeror has not reached any final decision as to who will be nominated as new Directors. Further announcement(s)/disclosure(s) will be made upon any changes to the composition to the Board in accordance with the requirements of the GEM Listing Rules and the Takeovers Code as and when appropriate.

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

As mentioned in the “Letter from Huatai” in this Composite Document, the Offeror intends to maintain the listing of the Shares on the Stock Exchange after the closing of the Share Offer.

Pursuant to the GEM Listing Rules, if, at the closing of the Share Offer, less than the minimum prescribed percentage of public float applicable to the Company, being 25.0% of the issued share capital of the Company, 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.

Therefore, it should be noted that upon closing of the Share Offer, there may be insufficient public float of the Shares and the trading in the Shares may be suspended until sufficient public float exists for the Shares.

Each of the Offeror and the new Directors to be appointed (if any) will undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares after the close of the Share Offer.

### **RECOMMENDATION**

Your attention is drawn to the “Letter from the Independent Board Committee” set out on pages 27 to 28 of this Composite Document and the “Letter from the Independent Financial Adviser” set out on pages 29 to 48 of this Composite Document, which contain, among other things, their advice in relation to the Share Offer and the principal factors considered by them in arriving at their recommendation. The Offeror Shareholders are urged to read those letters carefully before taking any action in respect of the Share Offer.

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## LETTER FROM THE BOARD

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### ADDITIONAL INFORMATION

Your attention is drawn to the additional information contained in the appendices to this Composite Document. You are also recommended to read carefully Appendix I titled “Further Terms and Procedures for Acceptance of the Share Offer” to this Composite Document and the accompanying Form of Acceptance and Transfer for further details in respect of the procedures for acceptance of the Share Offer.

In considering what action to take in connection with the Share Offer, you should consider your own tax positions, if any, and, in case of any doubt, consult your professional advisers.

Yours faithfully,  
By order of the Board  
**Dafeng Port Heshun Technology Company Limited**  
**Zhao Liang**  
*Chairman*



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## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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*The following is the text of a letter of recommendation from the Independent Board Committee to the Offer Shareholders in respect of the Share Offer prepared for the purpose of inclusion in this Composite Document.*



### **Dafeng Port Heshun Technology Company Limited**

**大豐港和順科技股份有限公司**

*(Incorporated in Cayman Islands with limited liability)*

**(Stock code: 8310)**

28 February 2025

*To the Offer Shareholders:*

Dear Sir/Madam,

**UNCONDITIONAL MANDATORY CASH OFFER BY  
HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED  
FOR AND ON BEHALF OF  
DAFENG PORT (HK) DEVELOPMENT LIMITED  
TO ACQUIRE ALL THE ISSUED SHARES IN  
DAFENG PORT HESHUN TECHNOLOGY COMPANY LIMITED  
(OTHER THAN THOSE OWNED AND/OR AGREED TO BE ACQUIRED BY  
DAFENG PORT (HK) DEVELOPMENT LIMITED  
AND PARTIES ACTING IN CONCERT WITH IT)**

We refer to this Composite Document dated 28 February 2025 jointly issued by the Company and the Offeror, of which this letter forms part. Unless the context otherwise requires, terms used in this letter have the same meanings as defined in this Composite Document.

We have been appointed by the Board to constitute the Independent Board Committee to consider the terms of the Share Offer and to advise you (i.e. the Offer Shareholders) as to whether or not, in our opinion, the Share Offer is fair and reasonable so far as the Offer Shareholders are concerned, and to make recommendation in respect of the acceptance of the Share Offer.

Altus Capital has been appointed as the Independent Financial Adviser to make recommendation to us in respect of the Share Offer and, in particular, whether the Share Offer is fair and reasonable so far as the Offer Shareholders are concerned, and to make recommendation in respect of the acceptance of the Share Offer. 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” on pages 29 to 48 of this Composite Document.

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## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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We further draw your attention to the “Letter from Huatai” set out on pages 7 to 16 of this Composite Document which contains, among other things, information about the Share Offer. We also draw your attention to the “Letter from the Board” set out on pages 17 to 26 of this Composite Document and the additional information set out in this Composite Document, including the Appendices to this Composite Document and the accompanying Form of Acceptance and Transfer in respect of the terms of the Share Offer and acceptance and settlement procedures for the Share Offer.

### RECOMMENDATION

Having considered the terms of the Share Offer, the information contained in this Composite Document and having taken into account the advice and recommendations of the Independent Financial Adviser and the principal factors taken into consideration by it in arriving at its opinion, we consider that the Share Offer is fair and reasonable insofar as the Offer Shareholders are concerned. Therefore, we recommend the Offer Shareholders to accept the Share Offer.

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.

Notwithstanding our recommendation, the Offer Shareholders should consider carefully the terms of the Share Offer and then decide whether to accept or not to accept the Share Offer. You are strongly recommended to read the full text of the “Letter from the Independent Financial Adviser” as set out in this Composite Document.

Yours faithfully,  
For and on behalf of  
the Independent Board Committee of  
**Dafeng Port Heshun Technology Company Limited**

**Mr. Lau Hon Kee**  
*Independent*  
*Non-executive Director*

**Mr. Yu Xugang**  
*Independent*  
*Non-executive Director*

**Ms. Hui Alice**  
*Independent*  
*Non-executive Director*

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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*Set out below is the text of a letter received from Altus Capital Limited, the Independent Financial Adviser to the Independent Board Committee in respect of the Share Offer for the purpose of inclusion in the Composite Document.*

**ALTUS**

**Altus Capital Limited**  
21 Wing Wo Street  
Central  
Hong Kong

28 February 2025

*To the Independent Board Committee*

**Dafeng Port Heshun Technology Company Limited**  
Unit 1009, Exchange Tower  
33 Wang Chiu Road  
Kowloon Bay, Kowloon  
Hong Kong

Dear Sir or Madam,

**UNCONDITIONAL MANDATORY CASH OFFER  
BY HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED  
FOR AND ON BEHALF OF  
DAFENG PORT (HK) DEVELOPMENT LIMITED  
TO ACQUIRE ALL THE ISSUED SHARES IN  
DAFENG PORT HESHUN TECHNOLOGY COMPANY LIMITED  
(OTHER THAN THOSE OWNED AND/OR AGREED TO BE ACQUIRED BY  
DAFENG PORT (HK) DEVELOPMENT LIMITED  
AND PARTIES ACTING IN CONCERT WITH IT)**

### **INTRODUCTION**

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Share Offer. Our aforesaid appointment has been approved by the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code. Details of the Share Offer are set out in the “Letter from the Board” contained in the Composite Document dated 28 February 2025, of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Composite Document unless the context requires otherwise.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### **The Agreement**

On 31 December 2024, the Offeror as the purchaser and the Vendors as the vendors entered into the Agreement, pursuant to which (i) Top Bright, Success Pacific and Jiangsu Huahai conditionally agreed to sell 32%, 18% and 10%, respectively, of the total issued share capital of the Target Company as at the date of the Agreement, and (ii) the Offeror conditionally agreed to acquire from Top Bright, Success Pacific and Jiangsu Huahai an aggregate of 60% of the total issued share capital of the Target Company as at the date of the Agreement. Immediately after Completion, the Target Company will be directly owned as to 60% by the Offeror and as to 40% by Dafeng Port Development Group. The Offeror is wholly owned by Dafeng Port Development Group.

Completion is conditional upon the fulfilment of the Conditions, details of which are set out in the section headed “Conditions of the Agreement” in the Joint Announcement.

As at the Latest Practicable Date, Target Company held 740,040,000 Shares, which represented approximately 57.46% of all the issued shares of the Company. As the Offeror and the Offeror Concert Parties has acquired statutory control (as referred to under the Takeovers Code) over the Target Company upon Completion, the Offeror is required to, subject to Completion, make an unconditional mandatory general offer for all the issued shares of the Company (other than those already owned or agreed to be acquired by the Offeror and the Offeror Concert Parties) pursuant to Note 8 to Rule 26.1 of the Takeovers Code and Practice Note 19 to the Takeovers Code. The Offeror is, through Huatai, making the Share Offer for all the Offer Shares pursuant to Note 8 to Rule 26.1 of the Takeovers Code.

### **THE INDEPENDENT BOARD COMMITTEE**

The Independent Board Committee comprising Mr. Lau Hon Kee, Mr. Yu Xugang and Ms. Hui Alice, being all the non-executive Directors who are not interested in the Share Offer, has been established pursuant to Rule 2.1 of the Takeovers Code to make a recommendation to the Offer Shareholders as to whether the Share Offer is, or is not, fair and reasonable and as to the acceptance of the Share Offer, after taking into account the recommendation of the Independent Financial Adviser.

### **THE INDEPENDENT FINANCIAL ADVISER**

As the Independent Financial Adviser with respect to the Share Offer, our role is to provide the Independent Board Committee with an independent opinion and recommendation as to whether the Share Offer is, or is not, fair and reasonable and as to the acceptance of the Share Offer.

We (i) are not in the same group as the financial or other professional advisers to the Offeror or the Company; (ii) are not associated or connected, financial or otherwise, with the Company or the Offeror, their respective controlling shareholders or any parties acting, or presumed to be acting, in concert with any of them; and (iii) have not acted as the financial adviser or independent financial adviser in relation to any transaction of the Company or the Offeror, their respective controlling shareholders or any parties acting in concert with any of them in the last two years prior to the date of the Joint Announcement and including and up to the Latest Practicable Date. Pursuant to Rule 17.96 of the GEM Listing Rules and Rule 2 of the Takeovers Code, and given that (i) remuneration for our engagement to opine on the Share Offer is at market level and not conditional upon the outcome of

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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the Share Offer; (ii) no arrangement exists whereby we shall receive any fees or benefits from the Company (other than our said remuneration) or the Offeror, their respective controlling shareholders or any parties acting in concert with any of them; and (iii) our engagement is on normal commercial terms and approved by the Independent Board Committee, we are independent of the Company or the Offeror, their respective controlling shareholders or any parties acting in concert with any of them and can act as the independent financial adviser to the Independent Board Committee in respect of the Share Offer.

### **BASIS OF OUR ADVICE**

In formulating our opinion, we have reviewed, amongst others (i) the Composite Document; (ii) the annual report of the Company for the year ended 31 December 2023 (the “**2023 Annual Report**”); (iii) the interim report for the six months ended 30 June 2024 (the “**2024 Interim Report**”); and (iv) other announcements made by the Company up to the Latest Practicable Date.

We have relied on the statements, information, opinions and representations contained or referred to in the Composite Document and/or provided to us by the Company, the Directors and the management of the Company (collectively the “**Management**”). We have assumed that all statements, information, opinions and representations contained or referred to in the Composite Document and/or provided to us were true, accurate and complete in all material aspects at the time they were made and continued to be so as at the Latest Practicable Date. The Company will notify the Offer Shareholders of any material changes to information contained or referred to in the Composite Document as soon as practicable in accordance with Rule 9.1 of the Takeovers Code. The Offer Shareholders will also be informed as soon as practicable when there are any material changes to the information contained or referred to herein as well as changes to our opinion, if any, throughout the Offer Period.

We have no reason to believe that any statements, information, opinions or representations relied on by us in forming our opinion is untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render the statements, information, opinions or representations provided to us untrue, inaccurate or misleading. We have assumed that all the statements, information, opinions and representations for matters relating to the Group contained or referred to in the Composite Document, and information relating to the Company provided to us by the Company and the Management have been reasonably made after due and careful enquiry. We have relied on such statements, information, opinions and representations and consider that we have been provided with and have reviewed sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not conducted any independent investigation into the business, financial conditions and affairs or the future prospects of the Group.

We have not considered the taxation implications on Offer Shareholders arising from acceptance or non-acceptance of the Share Offer, if any, and therefore we will not accept responsibility for any tax effect or liability that may potentially be incurred by the Offer Shareholders as a result of the Share Offer. In particular, the Offer Shareholders who are subject to Hong Kong or overseas taxation on dealings in securities are urged to seek their own professional advisers on tax matters.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### PRINCIPAL FACTORS AND REASONS CONSIDERED FOR THE SHARE OFFER

In arriving at our advice for the Share Offer, we have considered the following principal factors and reasons:

#### 1. Business and financial information of the Group

The Group is principally engaged in (i) trading businesses of importing and exporting of electronic products, petrochemical products, medical treatment products and soybean products primarily in the PRC and the (ii) provision of petrochemical products storage business in the PRC.

During FY2022 and FY2023 and 6M JUNE 2024 (as defined below), approximately 98.9%, 98.6% and 98.7% of the Group's total revenue was generated from its trading business. In terms of product nature of its trading business, the Group's focus has gradually shifted towards trading soybeans, with approximately 66.9%, 97.0%, and 99.95% of its revenue from trading business during FY2022, FY2023, and 6M JUNE 2024, respectively, derived from trading of soybean products. In terms of the geographical contribution to its trading business, the majority of the Group's revenue was derived from the PRC, accounting for approximately 83.2%, 97.8%, and 100.0% of the Group's revenue from trading business during FY2022, FY2023, and 6M JUNE 2024 respectively, while the remainder was derived from other regions, primarily including Hong Kong and Taiwan, during the same periods.

##### *1.1 Financial information of the Group*

Set out below is a summary of (i) the audited consolidated financial information of the Group for the financial years ended 31 December 2022 (“**FY2022**”) and 2023 (“**FY2023**”) respectively, which has been extracted from the 2023 Annual Report; and (ii) the unaudited consolidated financial information of the Group for the six months ended 30 June 2023 (“**6M JUNE 2023**”) and 2024 (“**6M JUNE 2024**”) respectively, which has been extracted from the 2024 Interim Report.

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**LETTER FROM THE INDEPENDENT FINANCIAL ADVISER**

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**Extract of consolidated statement of profit or loss**

	<b>For the year ended</b>		<b>For the six months</b>	
	<b>31 December</b>		<b>ended 30 June</b>	
	<b>2022</b>	<b>2023</b>	<b>2023</b>	<b>2024</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(audited)</i>	<i>(audited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Revenue	795,967	1,158,042	419,628	690,507
Cost of revenue	(781,147)	(1,148,906)	(419,265)	(689,223)
Gross profit	14,820	9,136	363	1,284
Gross profit margin	1.86%	0.79%	0.09%	0.19%
Gain on disposal of an associate	—	108,909	—	—
<b>Profit (Loss) for the year/period</b>	<b>(64,241)</b>	<b>53,489</b>	<b>(33,973)</b>	<b>(18,094)</b>

**Extract of consolidated statement of financial position**

	<b>As at 31 December</b>		<b>As at</b>
	<b>2022</b>	<b>2023</b>	<b>30 June</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(audited)</i>	<i>(audited)</i>	<i>(unaudited)</i>
<b>Non-current assets</b>			
— Property, plant and equipment	122,678	114,028	103,523
— Right-of-use assets	38,873	36,467	35,054
<b>Current assets</b>			
— Trade and other receivables	573,585	255,530	436,204
— Bank balances and cash	17,863	158,274	21,838
<b>Current liabilities</b>			
— Trade and other payables	(592,240)	(297,867)	(615,516)
— Bank and other borrowings	(606)	(473,409)	(57,109)
<b>Non-current liabilities</b>			
— Bank and other borrowings	(624,700)	(209,477)	(363,728)
<b>Net liabilities</b>	<b>(501,793)</b>	<b>(446,983)</b>	<b>(469,561)</b>

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### *FY2023 compared to FY2022*

The Group recorded a significant increase in revenue by approximately 45.5%, from approximately HK\$796.0 million in FY2022 to HK\$1,158.0 million in FY2023. Both the trading business and petrochemical products storage business experienced increases in revenue, where (i) the trading business' revenue increased from HK\$787.2 million in FY2022 to HK\$1,141.9 million in FY2023 due to the expansion of the trading business and the Group's active exploration of new market channels and customer groups; and (ii) the petrochemical products storage business' revenue increased from approximately HK\$8.8 million in FY2022 to HK\$16.1 million in FY2023; such increase was driven by the higher sales of petrochemical products of the Group's customers who ultimately sold such products in both international and domestic markets due to gradual recovery of the petrochemical markets both domestically and abroad as the adverse impact of the Omicron variant on the logistics has gradually reduced, which in turn resulted in the higher demands for the Group's storage services.

Nevertheless, the Group recorded a decrease in gross profit margin in FY2023 as compared to FY2022, from approximately 1.9% in FY2022 to 0.8% in FY2023. Such decrease was mainly due to the complexity of the global economic environment and the intensification of trade barriers, where the Group offers competitive pricing to attract and retain customers. As a result, despite the substantial increase in revenue as mentioned above, the Group's gross profit decreased from approximately HK\$14.8 million in FY2022 to HK\$9.1 million in FY2023.

Notwithstanding a decreased gross profit in FY2023, the Group recorded a profit for the year of approximately HK\$53.5 million in FY2023 due to the reason that the Group recognised a one-off gain of approximately HK\$108.9 million on disposal of 40% its equity interest in Jiangsu Yancheng Port Hairong Petrochemical Terminal Co. Ltd, an associate engaged in the provision of terminal handling and berthing services.

### *6M JUNE 2023 compared with 6M JUNE 2024*

The Group's revenue increased by approximately 64.55% due to (i) the increase in revenue recorded from the Group's trading business from approximately HK\$412.0 million in 6M JUNE2023 to HK\$681.7 million in 6M JUNE 2024 as a results of the expansion of the trading business and the Group's efforts in exploring new market channels; and (ii) the increase in the Group's petrochemical products storage from approximately HK\$7.6 million in 6M JUNE2023 to HK\$8.8 million in 6M JUNE 2024 mainly due to the Company's increased business volume from expanding customer base and enhancing service levels and competitiveness in storage businesses.

The Group recorded a reduce in loss for the period from approximately HK\$34.0 million during 6M JUNE 2023 to approximately HK\$18.1 million during 6M JUNE 2024 mainly due to the combined effect of (i) an increase in gross profit from HK\$0.4 million during 6M JUNE 2023 to HK\$1.3 million during 6M JUNE 2024 due to the increase in revenue as mentioned above and a slight improvement in the Group's



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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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gross profit margin (6M JUNE 2023: 0.09%; 6M JUNE 2024: 0.19%); (ii) a decrease in administrative expenses from approximately HK\$20.5 million in 6M JUNE 2023 to approximately HK\$9.9 million in 6M JUNE 2024; and (iii) a decrease in finance costs from HK\$13.7 million during 6M JUNE 2023 to HK\$11.3 million during 6M JUNE 2024.

However, as a result of the introduction of new regulatory policies issued by the by the State-owned Assets Supervision and Administration Commission in October 2023 requiring state-owned enterprises to conduct trading activities only according to their core businesses, the Group's revenue for the second half of 2024 decreased significantly. For details, please refer to the section headed "1.3 Outlook" of this letter.

### *31 December 2022 compared with 31 December 2023*

The Group's non-current assets mainly comprise property, plant and equipment and right-of-use assets. Of the Group's property, plant and equipment balance as at 31 December 2022 and 2023, approximately 87.6% and 86.1% is attributable to the Group's storage facilities. Right-of-use assets represent prepaid lease payments in relation to a piece of land for warehouse usage in the PRC. The Group's current assets comprise mainly trade and other receivables and bank balances and cash. The significant increase in bank balances and cash from approximately HK\$17.9 million as at 31 December 2022 to HK\$158.3 million as at 31 December 2023 was primarily due to the cash received for the disposal of its equity interest in Jiangsu Yancheng Port Hairong Petrochemical Terminal Co. Ltd during FY2023 as aforementioned.

The Group's liabilities comprise of mainly trade and other payables and bank and other borrowings. Traded and other payables amounted to approximately HK\$592.2 million and HK\$297.9 million as at 31 December 2022 and 2023 respectively, while bank and other borrowings totalled to approximately HK\$625.3 million and HK\$682.9 million as at the respective dates.

As a result of the above, the Group recorded net liabilities of HK\$501.8 million and HK\$447.0 million as at 31 December 2022 and 2023 respectively.

### *30 June 2024 compared with 31 December 2023*

As a results of the net effect of (i) the decrease in bank balances and cash primarily due to repayment of borrowings as well as increase in trade and other receivables, resulting in an increase in current asset; (ii) decrease in overall bank and other borrowings; and (iii) the substantial increase in trade and other payables at a percentage higher than the increase in trade and other receivables primarily due to (a) the increase in trade payables from trading business from approximately HK\$194.3 million as at 31 December 2023 to approximately HK\$365.2 million as at 30 June 2024 as result of the timing of recognition of trade payables in June 2024 amounting to approximately RMB144.3 million, which has yet been settled as of 30 June 2024;

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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as well as (b) the increase in the amount due to connected companies for the financing of the Group's operations, the Group's net liabilities position increased from approximately HK\$447.0 million as at 31 December 2023 to HK\$469.6 million as at 30 June 2024.

### *Going concern*

The Group incurred loss of approximately HK\$64.2 million for FY2022 and, as at 31 December 2022, the Group had net current liabilities and net liabilities of approximately HK\$34.6 million and HK\$501.8 million respectively. As at 31 December 2023, the Group had net current liabilities and net liabilities of approximately HK\$390.7 million and HK\$447.0 million respectively.

These conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and, therefore that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The directors, having considered the measures being taken by the Group as disclosed in note 2 to the consolidated financial statements of the 2023 Annual Report, including (i) issuing credit enhanced guarantee bonds; and (ii) obtaining a loan from a connected party, are of the opinion that the Group would be able to continue as a going concern. Accordingly, the directors have prepared the consolidated financial statements on a going concern basis. Save for such material uncertainty, the auditor's reports issued by Mazars CPA Limited (name changed to Forvis Mazars CPA Limited with effect from 10 July 2024), in respect of the audited consolidated financial statements of the Group for the years ended 31 December 2022 and 2023, did not contain any modified opinion and emphasis of matter.

### *Dividend distribution*

We note that the Company has not declared and distributed any dividend in the last five financial years. The Company confirmed that as at the date of the Latest Practicable Date, (i) it has not declared any dividend or other distributions which have not yet paid; and (ii) it does not have any intention to declare or pay any future dividend or make other distributions prior to and including the date of closing of the Share Offer.

### *1.3 Outlook*

The Group's principal activities primarily included (i) trading businesses; and (ii) provision of petrochemical product storage services. The Group's main source of revenue is from trading of soybeans, with approximately 99.95% of its revenue from trading business derived from trading of soybean products during 6M JUNE 2024. As such, the prospect of the Group is largely dependent on the demand from its customers, as well as market demand within the end markets where the Group's customers eventually distribute the products. While the Group primarily generated revenue from customers based in the PRC, these customers ultimately sold their products to international and/or domestic markets. Therefore, the sales of the Group is subject to the recovery of the global economy.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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The global economic recovery has been sluggish due to factors such as pressures from persistent global inflation, regional conflicts (e.g., the Russia-Ukraine War, the Israeli-Hamas War), and intensified geopolitical volatility between the PRC and the United States. According to the reports of the World Economic Outlook issued by the International Monetary Fund, global GDP growth is expected to remain stable yet underwhelming, with forecasted growth at 3.3% in 2025, which is still well below the historical average of 3.7% from 2000 to 2019; meanwhile, global headline inflation is expected to decrease from an annual average of 6.7% in 2023 to 4.2% in 2025.

Furthermore, recent adjustments in domestic policies have also significantly impacted the Company's operations. The State-owned Assets Supervision and Administration Commission introduced new regulatory policies in October 2023, requiring state-owned enterprises to conduct trading activities only according to their core businesses (the "**2023 New Regulatory Policies**"). Due to the introduction of these policies, some of the Group's state-owned enterprise customers, who accounted for approximately 34.5% and 92.0% of the Group's total revenue in FY2023 and 6M JUNE 2024 respectively, decreased their demands for the Group's soybean products. Although the 2023 New Regulatory Policies were introduced in the last quarter of 2023, state-owned enterprise customers needed time to interpret and respond to the policy requirements. Consequently, during the second half of 2024, these state-owned enterprises began reducing their trading activities with the Company, leading to a significant decrease in the Group's revenue for the year ended 31 December 2024.

Such uncertainties both within international and domestic economic environments, alongside changes in domestic policies and geopolitical conflicts, negatively affect customer demand for the Group's trading of soybean products and petrochemical product storage services.

All in all, the Group expects that the economy will show a slow and steady growth in anticipation of the continuously easing global inflation. The Company will operate the existing businesses of the Group in a prudent manner, and actively seize the opportunities from the integrated development of Yancheng, Jiangsu Province. As the outlook and prospects of the Group remain uncertain, hence going forward, the Group will rationally reorganise and optimise the resources of the Company, simplify and restructure resources and prudently identify investment opportunities such as introducing businesses to the Group, and streamlining business lines. However, the Group does not have concrete plans in relation to the above as at the Latest Practicable Date.

Having considered the above factors, we concur with the view of the Company that the economic recovery of global remains uncertain, leading to uncertainties in the Group's outlook and prospects.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### 2. Background information of the Offeror

#### 2.1 *The Offeror*

The Offeror is an investment holding company incorporated in Hong Kong with limited liability, which is wholly owned by Dafeng Port Development Group as at the Latest Practicable Date. The principal activity of the Offeror is investment holding. Dafeng Port Development Group is wholly owned by Jiangsu Yancheng, which is in turn owned as to approximately 40.8% by 鹽城市人民政府 (the People's Government of Yancheng City\*), approximately 29.7% by 鹽城市大豐區人民政府 (the People's Government of Dafeng District of Yancheng City\*), approximately 9.9% by 鹽城市射陽縣人民政府 (the People's Government of Sheyang County of Yancheng City\*), approximately 9.9% by 鹽城市響水縣人民政府 (the People's Government of Xiangshui County of Yancheng City\*) and approximately 9.7% by 鹽城市濱海縣人民政府 (the People's Government of Binhai County of Yancheng City\*).

The principal activity of Dafeng Port Development Group is port development and construction, terminal and other port facility operations, aquaculture, sales of agricultural products (except for non-packaged seeds) and self-operated and import and export agency business of various commodities. The principal activity of Jiangsu Yancheng is port operation, engineering construction, agricultural technology and sales of commodity.

#### 2.2 *The Offeror's intention in relation to the Company and composition of the Board*

Following the close of the Share Offer, the Offeror intends to continue the existing principal businesses of the Group.

The Offeror will conduct a review of the existing principal businesses and the financial position of the Group following the close of the Share Offer for the purpose of formulating business plans and strategies for the future development and expansion of the Group's principal business. Subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, business rationalization, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group. Should such corporation actions materialize, further announcement(s) will be made in accordance with the GEM Listing Rules and Takeovers Code (if applicable).

Save for the Offeror's intention regarding the Group as set out above, as at the Latest Practicable Date, no investment or business opportunity has been identified nor has the Offeror entered into any agreements, arrangements, understandings or negotiation in relation to the injection of any assets or business into the Group, and the Offeror has no intention to discontinue the employment of the employees or to redeploy any fixed assets of the Group (other than in the ordinary and usual course of business of the Group) as at the Latest Practicable Date.

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It is intended that Mr. Ji Longtao and Mr. Yang Yuexia will resign from the Board at the earliest time permitted under the Takeovers Code. The Company confirms that the resignation of Mr. Ji Longtao and Mr. Yang Yuexia will not have adverse material impacts on the business operations of the Group, considering that (i) both Mr. Ji Longtao and Mr. Yang Yuexia are non executive Directors who were not extensively involved in the daily operations of the Group; and (ii) the Offeror intends to nominate new Directors to the Board.

The Offeror intends to nominate new Directors to the Board in accordance with relevant requirements of the Takeovers Code, the GEM Listing Rules or other applicable regulations. Any changes to the Board composition will be made in compliance with the Takeovers Code and the GEM Listing Rules. As at the Latest Practicable Date, the Offeror has not reached any final decision as to who as well as how many individual(s) will be nominated as new Directors. Further announcement(s)/disclosure(s) will be made upon any changes to the composition to the Board in accordance with the requirements of the GEM Listing Rules and the Takeovers Code as and when appropriate.

### *2.3 Listing status of the Company and public float*

The Stock Exchange has stated that if, at the close of the Share Offer, less than the minimum prescribed percentage applicable to the 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) 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. Mr. Yang Meng, the sole director of the Offeror, has undertaken and the new Directors to be appointed (if any) will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares after the close of the Offer.

Based on the above, we note that the Company's listing status will be maintained and Offer Shareholders who do not accept the Share Offer will continue to be able to trade their Shares through the market after the close of the Share Offer.

Also, except for the proposed changes in composition of the Board, as well as the potential formulation of business plans and strategies for the future development and expansion of the Group's principal business after the Offeror conducts a review of the Group as mentioned above, no material changes in terms of the Group's business strategy and directions as well as operations are expected after the close of the Share Offer. Based on the communication with the Company, the Group's trading business will achieve comprehensive synergies with the Offeror through supply chain integration, shared customer resources, and expansion of sales and supply channels after completion of the Share Offer. There appears no material concern of the Offeror introducing radical changes

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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to the Group which may materially alter the prevailing status and situations of the Group. We are of the view that this allows the Offer Shareholders to conduct their own assessments of whether to continue investing in the Shares based on development of the Group that they are already informed of.

### 3. The Offer Price

The Offer Price is HK\$0.48 for each Offer Share. The Offeror will not increase the Offer Price.

To assess the fairness and reasonableness of the Offer Price, we have considered the following factors.

#### 3.1 *The Offer Price comparison*

The Offer Price of HK\$0.4800 per Offer Share represents:

- (i) a premium of approximately 2.13% to the closing price of HK\$0.4700 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a premium of approximately 11.63% to the closing price of HK\$0.4300 per Share as quoted on the Stock Exchange on 30 December 2024, being the Last Trading Day;
- (iii) a premium of approximately 10.85% to the average closing price of approximately HK\$0.4330 per Share based on the daily closing prices as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a premium of approximately 16.22% to the average closing price of approximately HK\$0.4130 per Share based on the daily closing prices as quoted on the Stock Exchange for the ten (10) consecutive trading days immediately prior to and including the Last Trading Day; and
- (v) a premium of approximately 26.42% to the average closing price of approximately HK\$0.3797 per Share based on the daily closing prices as quoted on the Stock Exchange for the thirty (30) consecutive trading days immediately prior to and including the Last Trading Day.

As at 30 June 2024, the value of the Group's unaudited consolidated net liabilities attributable to equity holders of the Company was approximately HK\$487 million and based on a total of 1,288,000,000 Shares in issue as at the Last Trading Day, the value of the unaudited net liabilities per Share was approximately HK\$0.3782.

From the above, the Offer Price represents premium ranging from approximately 2.13% to 26.42% to recent market trading price as mentioned above as well as the Group's

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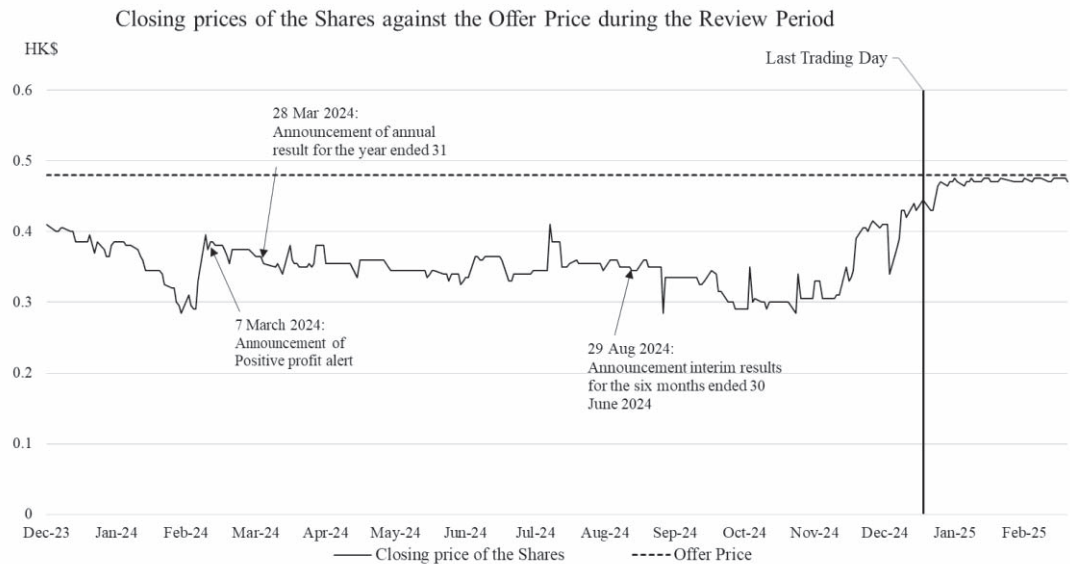
## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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net liabilities position of approximately HK\$501.8 million, HK\$447.0 million, and HK\$469.6 million as at 31 December 2022 and 2023 and 30 June 2024 respectively, based on the 2023 Annual Report and the 2024 Interim Report. We have conducted further analysis on the fairness and reasonableness of the Offer Price as presented below.

### 3.2 Historical price performance of the Shares

Set out below is a chart showing the movement of the closing prices of the Shares against the Offer Price from 31 December 2023, being one year prior to the Last Trading Day, to 30 December 2024, being the Last Trading Day (“**Pre-Announcement Period**”), and up to the Latest Practicable Date (the “**Post-Announcement Period**”) (collectively, the “**Review Period**”). We are of the view that the price performance of the Shares during the Pre-Announcement Period can sufficiently and fairly reflect the market perception on the Company’s performance, outlook and effects of certain specific events without the possible effect from the announcement of the Offer, which may be relevant to our analysis. The Share price movement during the Post Announcement Period is also presented for the Offer Shareholders’ information.



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

Over the Pre-Announcement Period, the highest and lowest closing price of the Shares were HK\$0.4450 per Share recorded on 27 December 2024 and HK\$0.2850 per Share recorded on 23 February 2024, 10 September 2024 and 4 November 2024 respectively. The Offer Price, being HK\$0.4800 per Offer Share, is above the aforesaid range of the closing price of the Shares. The average daily closing price per Share was approximately HK\$0.3514 per Share, and the Offer Price represents a premium of approximately 36.60% over it.



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Over the Post-Announcement Period, the highest and lowest closing price of the Shares were HK\$0.4750 per Share recorded on 9 January, 16 January, 21 to 23 January, 28 January, 7 February, 11 to 14 February, 19 to 21 February and 24 February of 2025 and HK\$0.4300 per Share recorded on 31 December 2024 respectively. The Offer Price, being HK\$0.4800 per Offer Share, is above the aforesaid range of the closing price of the Shares. The average daily closing price per Share was approximately HK\$0.4705 per Share, and the Offer Price represents a premium of approximately 2.01% over it.

As illustrated in the graph above, the closing price of the Shares was below the Offer Price throughout the Pre-Announcement Period. Between 31 December 2023 and 1 March 2024, the closing price of Shares trended downwards. We did not identify any public announcement of the Company that may explain such decline. Between 4 March 2024 and 8 March 2024, the closing price of Shares increased sharply during the week. This may be attributable to the positive profit alert announcement published on 7 March 2024. Subsequent to 8 March 2024 and up to the Last Trading Day, the closing price of Shares had been relatively stable.

During the one-year period prior to the date of the Joint Announcement, being a period without the possible effect from the announcement of the Share Offer, the closing price of the Share had consistently traded at a discount to the Offer Price with an average of approximately HK\$0.3514 per Share, representing a discount of approximately 26.79% to the Offer Price. Therefore, from the perspective of the historical market trading price performance of the Shares, we are of the view that the Offer Price is fair and reasonable.

During the Post-Announcement Period, the Share price closed at HK\$0.4300 on the Date of the Joint Announcement, and the closing price increased to HK\$0.4650 on 2 January 2025 and maintained relatively stable up to the Latest Practicable Date. The closing price of the Share had consistently traded below the Offer Price with an average of approximately HK\$0.4705 per Share, representing a discount of approximately 1.97% to the Offer Price.

Shareholders should note that the information set out above is not an indication of the future performance of the Shares and that the price of the Shares may increase or decrease during the period between the Latest Practicable Date and the close of the Share Offer.

### *3.3 Comparable Analysis*

The Group is principally engaged in trading business and the provision of petrochemical products storage business in the PRC. The Group's main source of revenue is from trading of soybean products, with approximately 66.9%, 97.0%, and 99.95% of its revenue from trading business during FY2022, FY2023, and 6M JUNE 2024, respectively, derived from trading of soybean products. Given the above, in evaluating the fairness and reasonableness of the Offer Price, we conducted an analysis comparing the Group's implied valuation at the Offer Price with the current market valuation of other companies listed on the Stock Exchange (a) which are engaged in trading of agricultural products in China



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which are comparable to the trading business of the Group; (b) with a market capitalisation of under HK\$1.0 billion, which are comparable in size to the Company and (c) with shares of which are trading as at the Latest Practicable Date. Based on these criteria, we have identified six companies (“Comparable Companies”).

In selecting the appropriate trading multiples, we consider price-to-book ratio is not applicable due to the Company’s net liabilities position as at 31 December 2023 and 30 June 2024. Additionally, we consider price-to-earnings ratio not applicable as the profit attributable to the owners of the Company for the year ended 31 December 2023 was driven by a one-off gain on disposal of an associate, without which the Company would have been loss-making over the past three financial years. As a result, we had applied the price-to-sales ratio, being a commonly used trading multiple, as a benchmark for comparison against the Comparable Companies.

Whilst no companies have an identical business model, scale of operation, trading prospect, target markets, product mix and capital structure as the Company, and we have not conducted an in-depth investigation into the business and operations of the Comparable Companies beyond the aforesaid criteria, we believe the selected Comparable Companies are appropriate as a benchmark reference for our analysis. Based on the research, the Comparable Companies are exhaustive within the criteria set out above and we are of the view that it would serve as a fair and representative sample for drawing a meaningful comparison to the Offer Price. Our findings are summarised in the table below:

Stock code	Company name	Principal activities	Revenue (HK\$000) (Note 1)	Market capitalisation (HK\$000) (Note 2)	Price-to-sales ratio (times) (Note 3)
682	Chaoda Modern Agriculture (Holdings) Limited	Principally engaged in the distribution of crops, fruits and vegetables, as well as breeding and sale livestock. Its agricultural products include melon, tangerine, cherry tomato, sweet pepper, broccoli, cabbage, cauliflower, pumpkins, among others.	79,680	37,899	0.48
841	Asia Cassava Resources Holdings Limited	Principally engaged in the sales of dried cassava chips. The company operates through three segments. The Procurement and Sale of Dried Cassava Chips segment is engaged in the procurement and sales of dried cassava chips. The Property Investment segment is engaged in the investment in office and industrial properties for its potential rental income. The Hotel Operations segment is engaged in hotel operation in China. It is also involved in the provision of shipping agency services through its subsidiaries.	1,193,032	64,320	0.05
875	Congyu Intelligent Agricultural Holdings Ltd	Principally engaged in agriculture and meat products business. The company is mainly engaged in agricultural products cultivation, meat products, seafood and prepared foods processing, buying and selling business. The company is also engaged in the trading, supply and logistic of agricultural and meat products, poultry, seafood and prepared food to supermarkets and online platforms. In addition, the company is engaged in the sale of tea leaves business.	1,439,402	273,065	0.19

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Stock code	Company name	Principal activities	Revenue (HK\$000) (Note 1)	Market capitalisation (HK\$000) (Note 2)	Price-to-sales ratio (times) (Note 3)
1298	Yunnan Energy International Limited	Principally engaged in supply chain business. The company operates its business through two segments. The Supply Chain segment is engaged in the trading of diversified industrial and consumer products, mainly including construction materials, agricultural commodities and medical devices. The Distribution Business segment is engaged in the distribution of life science and general laboratory instruments such as chromatographs, spectrometers and electron microscopes. The Segment is also engaged in the provision of customized hardware and software and related after-sales services.	341,863	217,595	0.64
8250	Silk Road Energy Services Group Limited	Principally engaged in the trading of fresh products. The company operates through four segments. Trading of Fresh Produce Products segment engaged in the provision of trading of fruit and raw meat products. Coal Mining Services segment is engaged in the provision of the construction engineering of coal mine, the installation of mechanical equipment and coal production and technical services. Money Lending segment engaged in the provision of money lending services in Hong Kong and China. Heating Supply Services segment engaged in the provision of heating supply.	5,847,757	59,799	0.01
8269	Wealth Glory Holdings Limited	Principally engaged in the design, manufacture and sale of trendy fashion merchandises. The company operates its business through four segments. The Branding, Trendy Fashion Merchandise and Other Consumers Products segment engages in the design, manufacture and sale of trendy fashion merchandises. The Natural Resources and Commodities segment engages in the trading of natural resources and commodities including iron ore concentrate, coal and crude palm oil. The Money Lending segment engages in the money lending business. The Securities Investment segment engages in the securities investment business.	32,265	46,318	1.44
				High end:	1.44
				Low end:	0.01
				Median:	0.33

### *Based on the Offer Price*

8310	The Company	The Group is principally engaged in trading business and the provision of petrochemical products storage business in the PRC.	1,158,042	618,240	0.53
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### *Notes*

- Revenue is extracted from the most recent full-year audited financial statements of the company that were available as at the Latest Practicable Date, with necessary adjustments made for relevant exchange rates.
- Market capitalisation is calculated based on the closing share price and the number of shares in issue as at the Latest Practicable Date based on information from the website of the Stock Exchange. In the case of the Company, it is calculated based on the Offer Price.
- Price-to-sales ratio is calculated by dividing market capitalisation by revenue.

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As shown in the table above, the price-to-sales ratios of the Comparable Companies ranged from approximately 0.01 to 1.44 times with a median of approximately 0.33 times. The implied price-to-sales ratio of the Company based on the Offer Price is approximately 0.53 times, which is within the range and is higher than the median of approximately 0.33. On this basis, we are of the view that from a comparable analysis perspective, the Offer Price is fair and reasonable and is in the interests of the Offer Shareholders as a whole.

#### 4. Trading liquidity of the Shares

The Share Offer represents an opportunity for Offer Shareholders to dispose of their holding in the Shares at a fixed price. In order to compare this to the ability of Offer Shareholders to do the same in the open market, we have conducted analysis on the historical trading liquidity of the Shares.

The table below sets out the average daily number of Shares traded in each month, and the respective percentages of the Shares' daily trading volume during the Review Period as compared to (i) the total number of issued Shares held in public as at the Latest Practicable Date; and (ii) the total number of issued Shares as at the Latest Practicable Date.

	<b>Average daily trading volume (Number of Shares)</b>	<b>Approximate % of average daily trading volume to total issued Shares</b>	<b>Approximately % of average daily trading volume to the total number of Shares held in public</b>
<b>Pre-Announcement Period</b>			
<b>2023</b>			
December (31 December 2023)	N/A	N/A	N/A
<b>2024</b>			
January	797,045	0.06%	0.15%
February	203,684	0.02%	0.04%
March	687,000	0.05%	0.13%
April	349,500	0.03%	0.06%
May	432,857	0.03%	0.08%
June	118,421	0.01%	0.02%
July	157,273	0.01%	0.03%
August	131,364	0.01%	0.02%
September	40,000	0.003%	0.01%
October	180,000	0.01%	0.03%
November	349,048	0.03%	0.06%
December (up to Last Trading Day)	850,500	0.07%	0.16%
Average	360,673	0.03%	0.07%

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	<b>Average daily trading volume <i>(Number of Shares)</i></b>	<b>Approximate % of average daily trading volume to total issued Shares</b>	<b>Approximately % of average daily trading volume to the total number of Shares held in public</b>
<b>Post-Announcement Period</b>			
<b>2024</b>			
December (31 December 2024)	340,000	0.03%	0.06%
<b>2025</b>			
January	5,094,211	0.40%	0.93%
February (up to the Latest Practicable Date)	972,941	0.08%	0.18%
Average	3,072,162	0.24%	0.56%

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

*Notes:*

1. Based on the total number of issued Shares as at each month end.
2. Based on the total number of issued Shares held by the public Shareholders of the Company as at each month end.
3. 31 December 2023 was not a trading day, and thus the trading volume analysis of December 2023 is not applicable.

### *Pre-Announcement Period*

As illustrated in the above table, during the Pre-Announcement Period, the percentage of the average daily trading volume to the total number of issued Shares ranged from approximately 0.003% to 0.07%. When compared to the total number of Shares held by public Shareholders, the percentage ranged from approximately 0.01% to 0.16% over the Pre-Announcement Period. The average daily trading volume of Shares during the Pre-Announcement Period was approximately 360,673 Shares, representing approximately 0.03% of the total number of issued Shares as at the Latest Practicable Date and approximately 0.07% of the total number of Shares held by public Shareholders on the Latest Practicable Date.

Overall, the trading volume of the Shares was thin during the Pre-Announcement Period, with average daily trading volume to the total number of Shares held by public Shareholders of approximately 0.07%.

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### *Post-Announcement Period*

We note that the trading volume of Shares increased after the publication of the Joint Announcement. Trading volume increased substantially on the day when trading in Shares resumed after publication of the Announcement where 14,430,000 Shares were traded. The average daily trading volume of Shares during the Post-Announcement Period amounted to approximately 3,072,162 Shares, representing approximately 0.24% of the total number of issued Shares as at the Latest Practicable Date and approximately 0.56% of the total number of Shares held by public Shareholders on the Latest Practicable Date. It can be concluded that the publication of the Joint Announcement has spurred trading activities.

Given that the average trading volume during the Pre-Announcement Period represents less than 0.1% of the total number of issued Shares and the average trading volume during the Post-Announcement Period represents less than 0.5% of the total number of issued Shares, we are of the view that the trading volume of Shares was generally low, and in normal circumstances, if Shareholders are to dispose of Shares in the market, it may exert downward pressure on the market price of Shares.

Given that the Offer Price is above the prevailing market price of Shares as at the Latest Practicable Date, we are of the view that the Share Offer represent an opportunity for Shareholders to dispose of Shares at a Offer Price.

### RECOMMENDATIONS

In summary, in relation to the Share Offer, we have considered the below factors and reasons in reaching our conclusion and recommendations:

- (i) As detailed in section “**1.2 Financial information of the Group**”, the operating performance of the Group in the years ended 31 December 2022 and 2023 and the six months ended 30 June 2024 had not been satisfactory and that the Company has not declared and distributed any dividend in the last five financial years;
- (ii) As detailed in section “**1.3 Outlook**” above, the recovery of global and domestic economies remains uncertain, resulting in uncertainties regarding the Group’s outlook and prospects. Although the Group intends to introduce new businesses as well as streamline business lines, the Group does not have concrete plans on such as at the Latest Practicable Date;
- (iii) As detailed in section “**2.2 The Offeror’s intention in relation to the Company and composition of the Board**”, the Offeror intends to continue the existing principal businesses of the Group while also planning to formulate business plans and strategies for the future development and expansion of the Group’s principal business after the Offeror conducts a review of the Group, but such business plans have yet materialised;
- (iv) As detailed in sections “**3.1 The Offer Price comparison**” and “**3.2 Historical price performance of the Shares**” above, the Offer Price is substantially above the closing prices and the average closing prices per Share during the Review Period as well as the Group’s net liabilities position based on the 2023 Annual Report and the 2024 Interim Report;

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- (v) As detailed in section “**3.3 Comparable Analysis**” above, the implied price-to-sales ratio of the Company based on the Offer Price is approximately 0.53 times, which is within the range and is higher than the median of the Comparable Companies;
- (vi) As detailed in section “**4. Trading liquidity of the Shares**” above, the trading volume of Shares was generally low, and in normal circumstances, if Shareholders are to dispose of Shares in the market, it may exert downward pressure on the market price of Shares.

In light of the above, we consider that the Share Offer is fair and reasonable. Accordingly, we recommend the Independent Board Committee to advise the Offer Shareholders to accept the Share Offer.

**As different Offer Shareholders would have different investment criteria, objectives or risk appetite and profiles, we recommend any Offer Shareholders 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 behalf of  
**Altus Capital Limited**  
**Leo Tam**  
*Responsible Officer*

*Mr. Leo Tam (“**Mr. Tam**”) is a Responsible Officer of Altus Capital Limited licensed to carry on Type 6 (advising on corporate finance) regulated activity under the SFO and permitted to undertake work as a sponsor. He has over ten years of experience in corporate finance and advisory in Hong Kong, in particular, he has participated in sponsorship work for initial public offerings and acted as financial adviser or independent financial adviser in various corporate finance transactions. Mr. Tam is a certified public accountant of the Hong Kong Institute of Certified Public Accountants.*

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

- (i) To accept any of the Share Offer, you should duly complete and sign the relevant accompanying Form of Acceptance and Transfer in accordance with the instructions printed thereon, which instructions form part of the terms of the relevant Share Offer.
- (ii) 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 in respect of your Offer Shares (whether in full or in part), you must deliver the duly completed and signed Form of Acceptance and Transfer 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, by post or by hand, to the Registrar marked “Dafeng Port Heshun Technology Company Limited — Share Offer” on the envelope so as to reach the Registrar as soon as possible but in any event by no later than 4:00 p.m. (Hong Kong time) on the Closing Date or such later time(s) and/or date(s) as the Offeror may determine and announce with the consent of the Executive and in accordance with the Takeovers Code.
- (iii) 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:
  - (a) 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 authorising it to accept the Share Offer on your behalf and requesting it to deliver the Form of Acceptance and Transfer 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 your Offer Shares tendered for acceptance to the Registrar; or
  - (b) arrange for the Offer Shares to be registered in your name by the Company through the Registrar, and deliver the duly completed and signed Form of Acceptance and Transfer 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

- (c) 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 to accept the Share Offer on your behalf on or before the deadline set by HKSCC Nominees. In order to meet the deadline set by HKSCC Nominees, you should check with your licensed securities dealer/registered institution in securities/custodian bank for the timing on the processing of your instruction, and submit your instruction to your licensed securities dealer/registered institution in securities/custodian bank as required by them; or
  - (d) 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 the CCASS Internet System on or before the deadline set by HKSCC Nominees.
- (iv) If you have lodged transfer(s) of any of your Offer Shares for registration in your name and have not yet received your share certificate(s), and you wish to accept the Share Offer in respect of those Offer Shares, you should nevertheless duly complete and sign the Form of Acceptance and Transfer and deliver it to the Registrar together with the transfer receipt(s), if any, duly signed by yourself and/ or other document(s) of title (as the case may be). Such action will constitute an irrevocable authority to the Offeror and/or Huatai 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 was/ they were delivered to the Registrar with the Form of Acceptance and Transfer.
- (v) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title 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 in respect of any of your Offer Shares, the Form of Acceptance and Transfer should nevertheless be duly 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 subsequently find such document(s) or if it/they become(s) available, the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title 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 in respect of your Offer Shares, you should also write to the Registrar for a form of letter of indemnity which, when completed and signed in accordance with the instructions given, should be provided to the Registrar. The Offeror has absolute discretion to decide whether any Offer Shares in respect of which the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title is/are not readily available and/or is/are lost will be taken up by the Offeror.



- (vi) Acceptance of the Share Offer will be treated as valid only if the duly completed and signed Form of Acceptance and Transfer is received by the Registrar by no later than 4:00 p.m. (Hong Kong time) on the Closing Date (or such later time and/or date as the Offeror may determine and announce in accordance with the Takeovers Code) and the Registrar has recorded that the acceptance and any relevant documents required by Note 1 to Rule 30.2 of the Takeovers Code have been so received, and is:
- (a) accompanied by 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 and, if that/those share certificate(s) and/or any other document(s) of title is/are not in your name, such other document(s) (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
  - (b) from a registered Shareholder or his/her personal representative (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 (vi)); or
  - (c) certified by the Registrar or the Stock Exchange.
- (vii) If the Form of Acceptance and Transfer 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.
- (viii) No acknowledgement of receipt of any Form of Acceptance and Transfer and/or 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 tendered for acceptance will be given.
- (ix) The address of the Registrar is 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (x) In making their decision, Offer Shareholders must rely on their own examination of the Group and the terms of the Share Offer, 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 of Acceptance and Transfer, shall not be construed as any legal or business advice on the part of any of the Offeror, the Company, Huatai and Altus Capital or their respective professional advisers. Shareholders should consult their own professional advisers for professional advice.

**2. SETTLEMENT UNDER THE SHARE OFFER**

Provided that a duly completed and signed Form of Acceptance and Transfer and 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 relevant Offer Shares as required by Note 1 to Rule 30.2 of the Takeovers Code are complete and in good order in all respects and have been received by the Registrar by no later than 4:00 p.m. (Hong Kong time) on the Closing Date or such later time(s) and/or date(s) as the Offeror may determine and announce with the consent of the Executive and in accordance with the Takeovers Code, a cheque from the Offeror for the amount representing the cash consideration due to each of the Offer Shareholders who accepts the Share Offer less seller's ad valorem stamp duty in respect of the Offer Shares tendered by him/her/it under the Share Offer will be despatched to such Offer 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 following the date of receipt of a duly completed and signed Form of Acceptance and Transfer together with all of the relevant document(s) by the Registrar to render such acceptance under the Share Offer valid.

Settlement of the consideration to which any Offer Shareholder is entitled under the Share Offer will be implemented in full in accordance with its terms (save in respect of the payment of the seller's ad valorem stamp duty) without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such Offer Shareholder.

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

**3. ACCEPTANCE PERIOD AND REVISIONS**

- (i) Unless the Share Offer is revised or extended with the consent of the Executive and in accordance with the Takeovers Code, to be valid, the Form of Acceptance and Transfer must be received by the Registrar, in accordance with the instructions printed thereon and in this Composite Document by no later than 4:00 p.m. (Hong Kong time) on the Closing Date. The Share Offer is unconditional.
- (ii) If the Share Offer is revised or extended, the Offeror will issue an announcement in relation to such revision or extension of the Share Offer, which announcement will state the next Closing Date. There is no obligation on the Offeror to extend the Share Offer. If, in the course of the Share Offer, the Offeror revises the terms of the Share Offer, all of the Offer Shareholders, whether or not they have already accepted the Share Offer, will be entitled to accept the revised Share Offer under the revised terms. Any revised Share Offer must be kept open for at least fourteen (14) days following the date on which the revised Share Offer document is posted.
- (iii) If the Closing Date is extended, any reference in this Composite Document and in the Form of Acceptance and Transfer to the Closing Date shall, except where the context otherwise requires, be deemed to refer to the subsequent Closing Date.

**4. NOMINEE REGISTRATION**

To ensure equality of treatment of all Shareholders, those Offer Shareholders who hold Offer Shares as nominee 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 the beneficial owners of the Offer Shares whose investments are registered in the names of nominees to provide instructions to their nominees of their intentions with regard to the Share Offer. Acceptance of the Share Offer by any nominee will be deemed to constitute a warranty by such nominee to the Offeror that the number of Offer Shares it has indicated in the Form of Acceptance and Transfer is the aggregate number of Offer Shares for which such nominee has received authorisation from the beneficial owners to accept the Share Offer on their behalf.

**5. ANNOUNCEMENTS**

- (i) 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 or extension of the Share Offer. 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 the Closing Date stating the results of the Share Offer. The announcement will state the following:
  - (a) the total number of Offer Shares for which acceptances of the Share Offer have been received;
  - (b) the total number of Offer Shares held, controlled or directed by the Offeror and/or parties acting in concert with it before the Offer Period;
  - (c) the total number of Offer Shares acquired or agreed to be acquired during the Offer Period by the Offeror and/or parties acting in concert with it; and
  - (d) details of any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror and/or parties acting in concert with it have borrowed or lent, save for any borrowed Offer Shares which have been either on-lent or sold.

The announcement will specify the percentages of the issued share capital, and the percentages of voting rights, represented by these numbers of Offer Shares.

- (ii) In computing the total number or principal amount of Offer Shares represented by acceptances, only valid acceptances that are complete, in good order and fulfill the acceptance conditions set out in this appendix, and which have been received by the Registrar (in respect of the Share Offer) by no later than 4:00 p.m. (Hong Kong time) on the Closing Date, unless the Share Offer are extended or revised in accordance with the Takeovers Code, shall be included.

- (iii) As required under the Takeovers Code, all announcements in relation to the Share Offer which the Executive and the Stock Exchange have confirmed that they have no further comments thereon must be made in accordance with the requirements of the Takeovers Code and the GEM Listing Rules respectively.

## **6. RIGHT OF WITHDRAWAL**

- (i) Acceptance of the Share Offer tendered by the Offer Shareholders shall be irrevocable and cannot be withdrawn, except in the circumstances set out in subparagraph (ii) below.
- (ii) If the Offeror is unable to comply with the requirements set out in the paragraph headed “5. ANNOUNCEMENTS” above, 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 requirements of Rule 19 of the Takeovers Code are met. In such case, when any Offer Shareholder(s) withdraw their acceptance(s), the Offeror shall, as soon as possible but in any event no later than seven (7) Business Days after the acceptance is withdrawn, return by ordinary post the Share certificate(s) and/or transfer receipt(s) (and/or any satisfactory indemnity or indemnities required in respect thereof) lodged with the Form of Acceptance and Transfer to the relevant Offer Shareholder(s).

## **7. OVERSEAS OFFER SHAREHOLDERS**

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

**Acceptance of the Share Offer by any Overseas Offer Shareholders will be deemed to constitute a representation and warranty from such Overseas Offer Shareholders to the Offeror that all the laws and requirements of the relevant jurisdictions have been complied with. The Overseas Offer Shareholders should consult their professional advisers if in any doubt. The Overseas Offer Shareholders who are in doubt as to the action they should take should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.**

**8. HONG KONG STAMP DUTY**

The seller's Hong Kong ad valorem stamp duty payable by the Offer Shareholders who accept the Share Offer and calculated 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 acceptances of the Share Offer, whichever is higher, will be deducted from the cash amount payable by the Offeror to the relevant Offer 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 relevant Offer Shareholders who accept the Share Offer and pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptances of the Share Offer and the transfers of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

**9. TAXATION ADVICE**

None of the Offeror, parties acting in concert with the Offeror, the Company, the Vendors, Huatai, Altus Capital, the Registrar or any of their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Share Offer is in a position to advise the Offer Shareholders on their individual tax implications. Offer Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Share Offer. None of the Offeror, parties acting in concert with the Offeror, the Company, the Vendors, Huatai, Altus Capital, the Registrar or any of their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Share Offer accepts any responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Share Offer.

**10. GENERAL**

- (i) All communications, notices, Form of Acceptance and Transfer, share certificate(s), transfer receipt(s), other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and remittances to settle the consideration payable under the Share Offer to be delivered by or sent to or from the Offer Shareholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk. None of the Offeror, parties acting in concert with the Offeror, the Company, the Vendors, Huatai, Altus Capital, the Registrar, and any of their respective directors and professional advisers and any other parties involved in the Share Offer and any of their respective agents accepts any liability for any loss or delay in postage or any other liabilities that may arise as a result thereof.
- (ii) The provisions set out in the Form of Acceptance and Transfer form part of the terms and conditions of the Share Offer.
- (iii) The accidental omission to despatch this Composite Document and/or Form of Acceptance and Transfer or any of them to any person to whom the Share Offer are made will not invalidate the Share Offer in any way.

- (iv) The Share Offer is, and all acceptances will be, governed by and construed in accordance with the laws of Hong Kong. Execution of a Form of Acceptance and Transfer by or on behalf of any person will constitute the agreement of such person that the courts of Hong Kong shall have exclusive jurisdiction to settle any dispute which may arise in connection with the Share Offer.
- (v) Due execution of the Form of Acceptance and Transfer will constitute an irrevocable authority to the Offeror, Huatai, the Registrar, or such person or persons as the Offeror may direct to complete, amend and execute any document on behalf of the person or persons accepting the Share Offer and to do any other act that may be necessary or expedient for the purposes of vesting in the Offeror, or such person or persons as they may direct, the Shares in respect of which such person or persons has/have accepted the Share Offer.
- (vi) Acceptance of the Share Offer by any Offer Shareholders will be deemed to constitute a warranty by such person or persons to the Offeror and the Company that the Offer Shares acquired under the Share Offer are sold by such person or persons free from all Encumbrances and together with all rights accruing or attaching thereto including (without limitation) the rights to receive in full any and all dividends and distributions declared, made or paid on or after the date on which the Share Offer is made.
- (vii) Reference to the Share Offer in this Composite Document and the Form of Acceptance and Transfer shall include any revision and/or extension thereof.
- (viii) The making of the Share Offer to the Overseas Offer Shareholders may be prohibited or affected by the laws of the relevant jurisdictions. The Overseas Offer Shareholders should inform themselves about and observe any applicable legal or regulatory requirements. It is the responsibility of each Overseas Offer Shareholder who wishes to accept the Share Offer to satisfy himself/herself/ itself as to the full observance of the laws and regulations of all relevant jurisdictions in connection therewith, including, but not limited to 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, regulatory and/or legal requirements. Such Overseas Offer Shareholders shall be fully responsible for the payment of any transfer or cancellation or other taxes and duties due by such Overseas Offer Shareholders in respect of the relevant jurisdictions. The Overseas Offer Shareholders are recommended to seek professional advice on deciding whether or not to accept the Share Offer.
- (ix) Acceptance of the Share Offer by any nominee will be deemed to constitute a warranty by such nominee to the Offeror that the number of Shares, in respect of which it is indicated in the Form of Acceptance and Transfer, is the aggregate number of Shares held by such nominee for such beneficial owners who accept the Share Offer.
- (x) Acceptance of the Share Offer by any Offer Shareholders will be deemed to constitute a warranty by such persons that such persons are permitted under all applicable laws and regulations to receive and accept the Share Offer, and any revision thereof, and such acceptances shall be valid and binding in accordance with all applicable laws and regulations. Any such persons will be responsible for any such issue, transfer and other applicable taxes or other governmental payments payable by such persons.

- (xi) Subject to the Takeovers Code, the Offeror reserves the right to notify any matter (including the making of the Share Offer) to all or any Offer Shareholders with registered address(es) outside Hong Kong or whom the Offeror, Huatai, knows to be nominees, trustees or custodians for such persons by announcement in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any such Offer Shareholders to receive or see such notice, and all references in this Composite Document to notice in writing shall be construed accordingly.
- (xii) The English text of this Composite Document and the Form of Acceptance and Transfer shall prevail over their respective Chinese text in case of inconsistency.

## 1. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

Set out below is a summary of the financial information of the Group for each of the years ended 31 December 2021, 2022 and 2023 as extracted from the annual reports of the Company for each of the financial years ended 31 December 2021, 2022 and 2023, and the financial information of the Group for the six months ended 30 June 2023 and 2024 as extracted from the interim reports of the Company for the six months ended 30 June 2023 and 2024.

	For the year ended			For the six months	
	31 December			ended 30 June	
	2021	2022	2023	2023	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue	908,411	795,967	1,158,042	419,628	690,507
Gross profit	7,195	14,820	9,136	363	1,284
(Loss) Profit before taxation	(70,671)	(64,162)	53,489	(33,964)	(18,094)
Income tax expense	(67)	(79)	(7)	(9)	—
(Loss) Profit for the year/period attributable to:					
— Owners of the Company	(73,472)	(61,967)	54,715	(34,226)	(17,758)
— Non-controlling interests	2,734	(2,274)	(1,233)	253	(336)
Total comprehensive (loss) income for the year/period attributable to:					
— Owners of the Company	(61,497)	(56,506)	57,907	(31,149)	(21,582)
— Non-controlling interests	3,694	(4,940)	(2,322)	(1,469)	(996)
(Loss) Earnings per share					
— Basic and diluted (HK cents)	(5.70)	(4.81)	4.25	(2.66)	(1.38)

For the years ended 31 December 2021, 2022 and 2023 and the six months ended 30 June 2023 and 2024, no dividend had been declared by the Group. The Group did not have any item of any income or expense which were material during each of the years ended 31 December 2021, 2022 or 2023 and the six months ended 30 June 2023 and 2024. As at the Latest Practicable Date, Company has no intention to make, declare or pay any future dividend/distribution at or before the close of the Share Offer.

There was no change in the Group's accounting policy during the three years ended 31 December 2021, 2022 and 2023 which would result in the figures in its consolidated financial statements being not comparable to a material extent.



Saved for the material uncertainty related to going concern disclosed in sub-paragraphs (i), (ii) and (iii) below, the auditor's reports issued by Mazars CPA Limited (name changed to Forvis Mazars CPA Limited with effect from 10 July 2024), in respect of the audited consolidated financial statements of the Group for the years ended 31 December 2021, 2022 and 2023, did not contain any modified opinion and emphasis of matter.

**(i) For the financial year ended 31 December 2021**

As set out in the auditor's report issued by Mazars CPA Limited, in respect of the audited consolidated financial statements of the Group for the year ended 31 December 2021, the Group incurred loss of HK\$70,738,000 for the year ended 31 December 2021 and, as at that date, the Group had net current liabilities and net liabilities of approximately HK\$156,506,000 and HK\$440,347,000 respectively. These conditions, along with other matters as set forth in note 2 to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and, therefore that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The directors, having considered the measures being taken by the Group as disclosed in note 2 to the consolidated financial statements, are of the opinion that the Group would be able to continue as a going concern. Accordingly, the directors have prepared the consolidated financial statements on a going concern basis. The consolidated financial statements do not include any adjustments that would result from a failure of achieving the measures. Mazars CPA Limited considers appropriate disclosures have been made in this respect. Mazars CPA Limited's opinion is not modified in respect of this matter.

**(ii) For the financial year ended 31 December 2022**

As set out in the auditor's report issued by Mazars CPA Limited, in respect of the audited consolidated financial statements of the Group for the year ended 31 December 2022, the Group incurred loss of HK\$64,241,000 for the year ended 31 December 2022 and, as at that date, the Group had net current liabilities and net liabilities of approximately HK\$34,600,000 and HK\$501,793,000 respectively. These conditions, along with other matters as set forth in note 2 to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and, therefore that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The directors, having considered the measures being taken by the Group as disclosed in note 2 to the consolidated financial statements, are of the opinion that the Group would be able to continue as a going concern. Accordingly, the directors have prepared the consolidated financial statements on a going concern basis. The consolidated financial statements do not include any adjustments that would result from a failure of achieving the measures. Mazars CPA Limited considers appropriate disclosures have been made in this respect. Mazars CPA Limited's opinion is not modified in respect of this matter.

**(iii) For the financial year ended 31 December 2023**

As set out in the auditor's report issued by Mazars CPA Limited, in respect of the audited consolidated financial statements of the Group for the year ended 31 December 2023, the Group had net current liabilities and net liabilities of approximately HK\$390,688,000 and HK\$446,983,000 respectively. These conditions, along with other matters as set forth in note 2 to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and, therefore that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The directors, having considered the measures being taken by the Group as disclosed in note 2 to the consolidated financial statements, are of the opinion that the Group would be able to continue as a going concern. Accordingly, the directors have prepared the consolidated financial statements on a going concern basis. The consolidated financial statements do not include any adjustments that would result from a failure of achieving the measures. Mazars CPA Limited considers appropriate disclosures have been made in this respect. Mazars CPA Limited's opinion is not modified in respect of this matter.

**2. CONSOLIDATED FINANCIAL INFORMATION**

The Company is required to set out or refer to in this Composite Document the consolidated statement of financial position, consolidated statement of cash flows, any other primary statement and significant accounting policies as shown in (i) the audited consolidated financial statements of the Group for the year ended 31 December 2021 (the "**2021 Financial Statements**"); (ii) the audited consolidated financial statements of the Group for the year ended 31 December 2022 (the "**2022 Financial Statements**"); (iii) the audited consolidated financial statements of the Group for the year ended 31 December 2023 (the "**2023 Financial Statements**"); and (iv) the unaudited consolidated financial statements of the Group for the six months ended 30 June 2024 (the "**2024 Interim Financial Statements**"), and, together with the notes to the relevant published financial statements which are of major relevance to the appreciation of the above financial information.

The 2021 Financial Statements are set out on pages 111 to 227 of the annual report of the Company for the year ended 31 December 2021 which was published on 30 March 2022. The annual report of the Company for the year ended 31 December 2021 was posted on the websites of the Stock Exchange and the Company. Please also see below a direct link:

<https://www1.hkexnews.hk/listedco/listconews/gem/2022/0330/2022033001564.pdf>

The 2022 Financial Statements are set out on pages 123 to 243 of the annual report of the Company for the year ended 31 December 2022 which was published on 31 March 2023. The annual report of the Company for the year ended 31 December 2022 was posted on the websites of the Stock Exchange and the Company. Please also see below a direct link:

<https://www1.hkexnews.hk/listedco/listconews/gem/2023/0331/2023033101423.pdf>

The 2023 Financial Statements are set out on pages 126 to 247 of the annual report of the Company for the year ended 31 December 2023 which was published on 22 April 2024. The annual report of the Company for the year ended 31 December 2023 was posted on the websites of the Stock Exchange and the Company. Please also see below a direct link:

<https://www1.hkexnews.hk/listedco/listconews/gem/2024/0422/2024042200768.pdf>

The 2024 Interim Financial Statements are set out on pages 5 to 29 of the interim report of the Company for the six months ended 30 June 2024 which was published on 10 September 2024. The interim report of the Company for the six months ended 30 June 2024 was posted on the websites of the Stock Exchange and the Company. Please also see below a direct link:

<https://www1.hkexnews.hk/listedco/listconews/gem/2024/0910/2024091000519.pdf>

The 2024 Interim Financial Statements, the 2023 Financial Statements, the 2022 Financial Statements and the 2021 Financial Statements (but not any other part of the interim report of the Company for the six months ended 30 June 2024 and the annual reports of the Company for the years ended 31 December 2023, 2022 and 2021 in which they respectively appear) are incorporated by reference into this Composite Document and form part of this Composite Document.

### 3. INDEBTEDNESS

As at the close of business on 31 December 2024, being the latest practicable date for the purpose of ascertaining the indebtedness of the Group prior to the printing of this Composite Document, the Group had the following indebtedness:

	<i>HK\$'000</i>
<b>Current</b>	
Bank loans, unsecured but guaranteed	42,315
Lease liabilities	365
Amount due to a director, unsecured and unguaranteed	1,160
Amounts due to connected companies, unsecured and unguaranteed	318,360
Amount due to a former associate, unsecured and unguaranteed	1,466
Loan from a former associate, unsecured and unguaranteed	532
Loan from a connected company, unsecured and unguaranteed	94,334
Loan from a non-banking financial institution, secured and guaranteed	<u>14,400</u>
	<u>472,932</u>
<b>Non-Current</b>	
Lease liabilities	659
Loan from a connected company, unsecured and unguaranteed	5,316
Loan from a former associate, unsecured and unguaranteed	31,573
Loan from a non-banking financial institution, secured and guaranteed	11,471
Listed credit enhanced guaranteed bonds, unsecured but guaranteed	<u>242,010</u>
	<u>291,029</u>
	<u><u>763,961</u></u>

#### *Bank facilities and guarantees*

As at 31 December 2024, the Group had obtained bank facilities in the aggregate amount of approximately HK\$42,528,000, of which HK\$42,315,000 were utilised as at 31 December 2024, which comprised of (i) a bank loan of approximately HK\$31,683,000 which is guaranteed jointly by Jiangsu Yancheng Port Dafeng Port Development Group Company Limited (“**Dafeng Port Development Group**”), and Jiangsu Yancheng Port Shipping International Trade Co., Limited (an indirect wholly-owned subsidiary of the Company) up to the extent of RMB30,000,000 (equivalent to HK\$31,896,000); and (ii) a bank loan of approximately HK\$10,632,000 which is guaranteed by an independent third party and further guaranteed by the Dafeng Port Development Group to cover any loss that make by that third party.

*Listed credit enhanced guaranteed bonds*

As at 31 December 2024, the Group had issued listed credit enhanced guaranteed bonds with an aggregate principal of US\$31,000,000 (approximately HK\$242,010,000) which was guaranteed by Dafeng Port Development Group.

*Non-bank facilities and guarantees*

As at 31 December 2024, the Group had a loan facility of up to RMB40,000,000 (equivalent to HK\$42,528,000) which was made available to the Group and is secured by storage facilities of the Group. In addition, the loan is guaranteed by Jiangsu Yancheng Port Holdings Group Co., Ltd, a connected party which has 100% equity interests in Dafeng Port Development Group.

*Commitment*

As at 31 December 2024, the Group had capital expenditure commitments contracted but not provided, net of deposit paid, for construction of property, plant and equipment of approximately HK\$212,862,000.

*Contingent liabilities*

As at 31 December 2024, the Group had no material contingent liabilities.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, at 31 December 2024, the Group did not have outstanding indebtedness or any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptable credits, debentures, mortgages, charges, leases liabilities or hire purchases commitments, guarantees, material covenants, or other material contingent liabilities.

**4. MATERIAL CHANGE**

The Directors confirm that, save and except for the following information, there has been no material change in the financial or trading position or outlook of the Group since 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Company were made up, up to and including the Latest Practicable Date.

The Group's bank and other borrowings as at 30 June 2024 has reduced by approximately 38.4% as compared to the balance recorded as at 31 December 2023, primarily due to the repayment of bank and other borrowings.

The Group's bank balances and cash as at 30 June 2024 declined by approximately 86.2% as compared to that as at 31 December 2023, which was mainly due to the repayment of borrowings.

The Group's revenue for the year ended 31 December 2024 is expected to decrease to approximately HK\$781.7 million, from approximately HK\$1,158.0 million during the year ended 31 December 2023 as a result of the substantial decrease in revenue generated from the Group's trading business, from approximately HK\$1,141.9 million during the year ended 31 December 2023 to approximately HK\$768.5 million during the year ended 31 December 2024. Such decrease was attributable to the reduced scale of the Group's trading business with its certain major customers of soybean products which are state-owned enterprises due to the new regulatory policies issued by the State-owned Assets Supervision and Administration Commission in October 2023 requiring state-owned enterprises to only conduct trading activities according to their core businesses (the "**2023 New Regulatory Policies**"). Due to the introduction of the 2023 New Regulatory Policies, the aforementioned major customers, who accounted for approximately 34.5% of the Group's total revenue in the year ended 31 December 2023, redirected their focus to their core businesses. As a result, they gradually reduced their involvement in soybean trading with the Group in 2024, leading to a significant decrease in the Group's revenue for the year ended 31 December 2024.

The Group is expected to record a net loss of approximately HK\$47.8 million for the year ended 31 December 2024, as compared to a net profit of approximately HK\$53.5 million in the year ended 31 December 2023. Such change resulted from the Group's recognition of a one-off gain on disposal of 40% equity interest in Jiangsu Yancheng Port Hairong Petrochemical Terminal Co., Ltd. of approximately HK\$108.9 million in the year ended 31 December 2023, while no such gain on disposal was recognised in the year ended 31 December 2024.

## 1. RESPONSIBILITY STATEMENT

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than that relating to the Offeror and parties acting in concert with it) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than opinions expressed by the sole 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 make any statement in this Composite Document misleading.

## 2. SHARE CAPITAL OF THE COMPANY

As at the Latest Practicable Date, the authorised share capital of the Company was HK\$100,000,000 divided into 10,000,000,000 Shares of HK\$0.01 each, of which 1,288,000,000 Shares had been issued and were fully paid or credited as fully paid. All the existing issued Shares are fully paid up and rank *pari passu* in all respects including all rights as to capital, dividends and voting.

Since 31 December 2023, being the date to which the latest audited financial statements of the Company were made up, the Company has not allotted and issued any Share.

As at the Latest Practicable Date, save as disclosed above, the Company had no outstanding 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 the Shares.

## 3. DISCLOSURE OF INTERESTS

### (a) **Interests and short positions of the Directors and chief executives in the shares, the underlying shares and debentures of the Company or any associated corporation**

As at the Latest Practicable Date, none of the Directors or chief executives of the Company and their associates had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required pursuant to Section 352 of the SFO to be entered in the register maintained by the Company referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the GEM Listing Rules or which were required to be disclosed under the Takeovers Code.

**(b) Interests and short positions of the substantial Shareholders in the Shares and underlying Shares**

As at the Latest Practicable Date, so far as was known to the Directors or chief executives of the Company, the following persons (other than the Directors or chief executives of the Company) had interests or short position in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO or required to be recorded in the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO, or were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group were as follows:

*Long positions in the Shares and the underlying Shares*

Name	Capacity	Number of Shares held	Approximate % of the issued share capital
Offeror	Interests of controlled corporation	740,040,000	57.46
The Target Company (Note)	Beneficial owner	740,040,000	57.46

*Note:* The 740,040,000 shares were held by the Target Company, which was held 60% by the Offeror and 40% by Dafeng Port Development Group. The Offeror is wholly-owned by Dafeng Port Development Group.

Other than disclosed herein, as at the Latest Practicable Date, so far as was known to the Directors or chief executives of the Company, the Company had not been notified of any other interests or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO or required to be recorded in the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO or were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

**(c) Interest in the Offeror**

As at the Latest Practicable Date, none of the Company nor any of its Directors had any interest in the shares of the Offeror or convertible securities, warrants, options or derivatives in respect of the shares of the Offeror.



**(d) Additional disclosure of interests in the Company and arrangement in connection with the Share Offer**

As at the Latest Practicable Date:

- (i) the Directors did not have any interest in the Shares, derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into the Shares;
- (ii) the Directors did not have any beneficial shareholdings in the Company which would entitle them to accept or reject the Share Offer;
- (iii) none of the subsidiaries of the Company, pension funds of the Company or any of its subsidiaries or the person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of acting in concert or who is an associate of the Company by virtue of class (2) of the definition of associate under the Takeovers Code but excluding exempt principal traders and exempt fund managers, owned or controlled any Shares or any other convertible securities, warrants, options or derivatives in respect of the Shares;
- (iv) there was no arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code between any person and 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;
- (v) no Shares or any other convertible securities, warrants, options or derivatives in respect of the Shares were managed on a discretionary basis by fund managers (other than exempt fund managers) connected with the Company; and
- (vi) none of the Company or any Directors had borrowed or lent any Shares or any other convertible securities, warrants, options or derivatives in respect of the Shares.

**4. DEALINGS IN SHARES**

During the Relevant Period and up to the Latest Practicable Date,

- (a) save for the Agreement entered into, among the Vendors, the Offeror, Mr. Yang Yuezhou, Mr. Ji Longtao and Mr. Ji Lei, where Mr. Ji Longtao, a non-executive Director of the Company being one of the beneficial owners of Success Pacific and Jiangsu Huahai, none of the Directors had dealt for value in any Shares, convertible securities, warrants, options, or derivatives in respect of any Shares.

- (b) none of the subsidiaries of the Company, pension funds of the Company or any of its subsidiaries or the person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of acting in concert or who is an associate of the Company by virtue of class (2) of the definition of associate under the Takeovers Code but excluding exempt principal traders and exempt fund managers had dealt for value in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company.
- (c) 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, and hence no such person had dealt for value in the Shares and other relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company.
- (d) no fund managers connected with the Company (other than exempt fund managers) who managed funds on a discretionary basis had dealt for value in any Shares or any other convertible securities, warrants, options or derivatives in respect of any Shares.
- (e) there was no understanding, arrangement or agreement which constitutes a special deal (as defined under Rule 25 of the Takeovers Code) between any Shareholder on one hand and the Company, its subsidiaries or associate companies on the other hand.

## **5. DEALINGS IN SHARES OF THE OFFEROR**

During the Relevant Period and up to the Latest Practicable Date, neither the Company, any of its subsidiaries, nor any Directors had dealt for value in any shares of the Offeror or any other convertible securities, warrants, options or derivatives or any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in respect of any shares of the Offeror.

## **6. ARRANGEMENTS AFFECTING DIRECTORS**

- (a) As at the Latest Practicable Date, no arrangement was in place for any benefit (other than statutory compensation) to be given to any Directors as compensation for loss of office or otherwise in connection with the Share Offer.
- (b) As at the Latest Practicable Date, there was no agreement or arrangement between any Directors and any other person which was conditional on or dependent upon the outcome of the Share Offer or is otherwise connected with the Share Offer.
- (c) As at the Latest Practicable Date, there was no material contract entered into by the Offeror in which any Director had a material personal interest.

## 7. SERVICE CONTRACT

As at the Latest Practicable Date, none of the Directors had entered or was proposing to enter into any service contract with the Company or any of its subsidiaries or associated companies which (i) (including both continuous and fixed term contracts) had been entered into or amended within six months before the Offer Period; or (ii) was a continuous contract with a notice period of 12 months or more; or (iii) was a fixed term contract with more than 12 months to run irrespective of the notice period.

## 8. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and, so far as the Directors are aware, no litigation or claims of material importance is pending or threatened by or against the Company and any of its subsidiaries.

## 9. MATERIAL CONTRACT

Save for the disposal agreement entered into between 江蘇鹽城港港航國際貿易有限公司 (Jiangsu Yancheng Port Port Shipping International Trade Co., Limited\*) (an indirect wholly-owned subsidiary of the Company) (the “**Vendor**”) and 鹽城市大豐區大豐港區海港開發建設有限公司 (Yancheng Dafeng District Dafeng Harbor Development and Construction Co., Ltd.\*) (the “**Purchaser**”) dated 30 November 2023, in relation to the disposal of 40% equity interests in 江蘇鹽城港海融石化碼頭有限公司 (Jiangsu Yancheng Port Hairong Petrochemical Terminal Co. Ltd\*) by the Vendor to the Purchaser at the consideration of RMB98,560,000, no contract (being the contracts not entered into in the ordinary course of business carried on or intended to be carried on by the Company or any of its subsidiaries) has been entered into by the Company or any of its subsidiaries within the date two years before the Offer Period up to and including the Latest Practicable Date, which are material.

## 10. EXPERTS

The following are the qualifications of the experts who have been named in this Composite Document and/or given opinion or advice which are contained in this Composite Document:

<b>Name</b>	<b>Qualification</b>
Forvis Mazars CPA Limited	Certified Public Accountants (Practising)
Altus Capital Limited	a corporation licensed to carry on Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, which has been appointed as the independent financial adviser to advise the Independent Board Committee, the Offer Shareholders in connection with the Share Offer

**11. CONSENTS**

Each of Forvis Mazars CPA Limited and Altus Capital has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion of the text of its letter and references to its name and logo in the form and context in which it is included.

**12. MISCELLANEOUS**

- (i) The registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.
- (ii) Altus Capital is the Independent Financial Adviser and its registered address is located at 21 Wing Wo Street, Central, Hong Kong.

**13. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection (i) on the website of the SFC at <http://www.sfc.hk>; (ii) on the website of the Company at <http://dfport.com.hk>; and (iii) (during normal business hours from 9:00 a.m. to 5:00 p.m. (except Saturdays, Sundays and gazetted public holidays in Hong Kong)) (Hong Kong time) at Unit 1009, Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong, from the date of this Composite Document up to the Closing Date:

- (a) the amended and restated memorandum of association of the Company;
- (b) the annual reports of the Company for each of the years ended 31 December 2021, 31 December 2022 and 31 December 2023 and the interim report of the Company for the six months ended 30 June 2024;
- (c) the letter from the Board, the text of which is set out on pages 17 to 26 of this Composite Document;
- (d) the letter from the Independent Board Committee, the text of which is set out on pages 27 to 28 of this Composite Document;
- (e) the letter from the Independent Financial Adviser, the text of which is set out on pages 29 to 48 of this Composite Document;
- (f) the reports issued by Forvis Mazars CPA Limited and Altus Capital on the Profit Warning set out in Appendix V to this Composite Document;
- (g) the Profit Warning Announcement;
- (h) the written consents referred to in paragraph 11 of this Appendix III; and
- (i) the material contract referred to in paragraph 9 of this Appendix III.

## 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 confirm, having made all reasonable enquires, that to the best of his knowledge, opinions expressed in this Composite Document (other than opinions 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 market prices of the Shares as quoted on the Stock Exchange (i) on the Latest Practicable Date; (ii) on the Last Trading Day; and (iii) at the end of each calendar month during the Relevant Period:

<b>Date</b>	<b>Closing price per Share HK\$</b>
28 June 2024	0.365
31 July 2024	0.35
30 August 2024	0.345
30 September 2024	0.345
31 October 2024	0.3
29 November 2024	0.39
30 December 2024 (the Last Trading Day)	0.43
31 December 2024	0.43
28 January 2025	0.475
25 February 2025 (the Latest Practicable Date)	0.47

During the Relevant Period, the highest closing price of Shares as quoted on the Stock Exchange was HK\$0.475 on 9, 16, 21 to 23, 28 January, 7, 11 to 14, 19 to 21 and 24 February 2025, and the lowest closing price of Shares as quoted on the Stock Exchange was HK\$0.285 on 10 September and 4 November 2024.

**3. DISCLOSURE OF INTERESTS OF THE OFFEROR AND OFFEROR CONCERT PARTIES**

As at the Latest Practicable Date, the Offeror is interested in 60% of the issued share capital of the Target Company, which in turn is interested in 740,040,000 Shares, representing approximately 57.46% of the entire issued share capital of the Company as at the Latest Practicable Date.

As at the Latest Practicable Date, details of the interests in the Shares, underlying Shares, debentures or other relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company held or controlled by the Offeror and its ultimate beneficial owner and Offeror Concert Parties were as follows:

Name	Capacity	Number of Shares held	Approximate % of the issued share capital
Offeror	Interests of controlled corporation	740,040,000	57.46
The Target Company (Note)	Beneficial owner	740,040,000	57.46

*Note:* The 740,040,000 shares were held by the Target Company, which was held 60% by the Offeror and 40% by Dafeng Port Development Group. The Offeror is wholly-owned by Dafeng Port Development Group.

As of the Latest Practicable Date, save as disclosed above, neither the Offeror, its ultimate beneficial owners nor the Offeror Concert Parties, Offeror's sole director owned or controlled any Shares or other relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company or any member of the Group.

**4. ADDITIONAL DISCLOSURE OF INTERESTS AND DEALINGS**

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

- (1) save as disclosed in the section "3. Disclosure of Interests of the Offeror and Offeror Concert Parties", none of the Offeror, Offeror's sole director, its ultimate beneficial owners and/or the Offeror Concert Parties, held or had control or direction over any voting rights or rights over the Shares or convertible securities, options, warrants or derivatives of the Company or held any relevant securities in the Company;
- (2) there was no outstanding derivative in respect of securities in the Company which was owned, controlled or directed by, or has been entered into by the Offeror, its ultimate beneficial owner and/or the Offeror Concert Parties;

- (3) the sole director of the Offeror was not interested in any Shares, convertible securities, warrants or options of the Company or any derivatives in respect of such securities in the Company, or held any relevant securities in the Company;
- (4) save for the Agreement, there was no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in the third paragraph of Note 8 to Rule 22 of the Takeovers Code in relation to the Shares between the Offeror or the Offeror Concert Parties and/or other associates of the Offeror and any other person;
- (5) save for the Agreement, there was no agreement or arrangement to which the Offeror, its ultimate beneficial owners or the Offeror Concert Parties is a party which relates to circumstances in which the Offeror may or may not seek to invoke a pre-condition or a condition to the Share Offer;
- (6) there was no agreement, arrangement or understanding which may result in the securities of the Company to be acquired pursuant to the Share Offer being transferred, charged or pledged to any other persons;
- (7) there is no understanding, arrangement or agreement which constitutes a special deal (as defined under Rule 25 of the Takeovers Code) between:
  - (A) (a) the Offeror, its ultimate beneficial owners or any parties acting in concert with any of them on one hand and (b) the Vendors, their ultimate beneficial owners and parties acting in concert with any of them on the other hand; or
  - (B) (a) the Offeror, its ultimate beneficial owners or any parties acting in concert with any of them on one hand and (b) the Shareholders on the other hand; and
- (8) other than the consideration payable to the Vendors under the Agreement, there is no other consideration, compensation or benefit in whatever form provided by the Offeror, its ultimate beneficial owners or their respective concert parties to any of the Vendors, their ultimate beneficial owners or parties acting in concert with any of them in respect of the Sale Shares;
- (9) there was no benefit given or to be given to any Director as compensation for loss of office or otherwise in connection with the Share Offer; and
- (10) there was no agreement, arrangement or understanding (including any compensation arrangement) existing between the Offeror or any of the parties acting in concert with it and any Directors, recent Directors, Shareholders or recent Shareholders having any connection with or dependence upon the Share Offer.

**5. DEALING IN SECURITIES AND ARRANGEMENTS IN RELATION TO DEALINGS**

During the Relevant Period and up to the Latest Practicable Date:

- (1) save for the Agreement, none of the Offeror, Offeror's sole director, its ultimate beneficial owners and/or the Offeror Concert Parties had dealt for value in any Shares or any options, warrants, derivatives or securities convertible into Shares or other derivatives in respect of securities in the Company;
- (2) no person had any arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Offeror, its ultimate beneficial owners, the Offeror's sole director or the Offeror Concert Parties or other associate (as defined under the Takeovers Code) of the Offeror;
- (3) the Offeror, Offeror's sole director, its ultimate beneficial owners and/or the Offeror Concert Parties have not received any irrevocable commitment to accept or reject the Share Offer from any person; and
- (4) the Offeror, Offeror's sole director, its ultimate beneficial owners and the Offeror Concert Parties have not borrowed or lent any Shares or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company.

**6. QUALIFICATION OF EXPERT**

The following is the name and the qualification of the professional adviser to the Offeror whose letter, opinion or advice is contained or referred to in this Composite Document:

<b>Name</b>	<b>Qualification</b>
Huatai	a corporation licensed under the SFO permitted to engage in Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 3 (leveraged foreign exchange trading), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 7 (providing automated trading services) and Type 9 (asset management) regulated activities (as defined under the SFO), and the financial adviser to the Offeror in respect of the Share Offer

**7. CONSENT**

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



**8. MISCELLANEOUS**

- (1) Principal members of the Offeror Concert Parties include the Offeror, the Target Company, Top Bright, Success Pacific, Jiangsu Huahai, Mr. Ji Longtao, Mr. Ji Lei and Mr. Yang Yuezhou.

The directors of the Target Company are Mr. Ji Yaosheng, Mr. Yang Meng, Mr. Pan Lei, Mr. Zhao Liang, Mr. Chen Wenxiang, Mr. Zhang Shukai and Ms. Xu Qi. The Target Company is owned as to 60% by the Offeror and 40% by Dafeng Port Development Group.

Dafeng Port Development Group is wholly-owned by Jiangsu Yancheng, which is in turn owned as to approximately 40.8% by 鹽城市人民政府 (the People's Government of Yancheng City\*), approximately 29.7% by 鹽城市大豐區人民政府 (the People's Government of Dafeng District of Yancheng City\*), approximately 9.9% by 鹽城市射陽縣人民政府 (the People's Government of Sheyang County of Yancheng City\*), approximately 9.9% by 鹽城市響水縣人民政府 (the People's Government of Xiangshui County of Yancheng City\*) and approximately 9.7% by 鹽城市濱海縣人民政府 (the People's Government of Binhai County of Yancheng City\*).

The directors of Dafeng Port Development Group are Ms. Yuan Xin, Mr. Li Qifeng, Mr. Yuan Jie, Mr. Zhao Hua and Mr. Wei Ling.

The directors of Jiangsu Yancheng are Mr. Zhang Zuzhen, Mr. Yang Chenglou, Mr. Cai Boliang, Mr. Zheng Youkuan, Mr. Zhou Zhengxiong, Mr. Lu Shuai and Ms. Liu Chunyan.

The ultimate beneficial owner of Top Bright is Mr. Yang Yuezhou. The sole director of Top Bright is Mr. Hua Yong.

Success Pacific is held as to 55% by Mr. Ji Longtao and 45% by Mr. Ji Lei. The sole director of Success Pacific is Mr. Ji Longtao.

Jiangsu Huahai is held as to 55% by Mr. Ji Longtao and 45% by Mr. Ji Lei. The sole director of Jiangsu Huahai is Mr. Ji Longtao.

- (2) The Offeror is wholly-owned by Dafeng Port Development Group.
- (3) The sole director of the Offeror is Mr. Yang Meng.
- (4) The registered office of the Offeror is situated at Unit 1009, Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong.
- (5) The main business address of Huatai is 62/F, The Center, 99 Queen's Road Central, Hong Kong.
- (6) The registered office of the Target Company is situated at Unit 1009, Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong.

- (7) The registered office of Dafeng Port Development Group is situated at Dafeng Port District, Dafeng District, Yancheng City, Jiangsu, PRC.
- (8) The registered office of Top Bright is situated at Flat E6, 10/F., Block E, Ka Ming Court, 688-690 Castle Peak Road, Kowloon, Hong Kong.
- (9) The registered office of Success Pacific is situated at Sea Meadow House, Blackburne Highway, (P.O. Box 116), Road Town, Tortola, British Virgin Islands.
- (10) The registered office of Jiangsu Huahai is situated at Room 123, Block 4, Hairong Square, Dafeng Port Economic Development Zone, Dafeng District, Jiangsu, PRC.
- (11) The correspondence address of Mr. Ji Longtao is Villa No. 3, Lingyanggu Area, Meishi Villa, Moling Street, Jiangning District, Nanjing, PRC.
- (12) The correspondence address of Mr. Ji Lei is Villa No. 3, Lingyanggu Area, Meishi Villa, Moling Street, Jiangning District, Nanjing, PRC.
- (13) The correspondence address of Mr. Yang Yuezhou is 4/F, Xiangqiao Building, No. 8280 Beihuan Road, Longhui Community, Taoyuan Street, Nanshan District, Shenzhen, PRC.

## **9. DOCUMENTS ON DISPLAY**

Copies of the following documents are available for inspection (i) on the website of the SFC at <http://www.sfc.hk>; (ii) on the website of the Company at <http://dfport.com.hk>; and (iii) (during normal business hours from 9:00 a.m. to 5:00 p.m. (except Saturdays, Sundays and gazetted public holidays in Hong Kong)) (Hong Kong time) at Unit 1009, Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong, from the date of this Composite Document up to the Closing Date:

- (1) the memorandum and articles of association of the Offeror;
- (2) the letter from Huatai, the text of which is set out on pages 7 to 16 of this Composite Document; and
- (3) the written consent referred to in the section headed “7. CONSENT” in this appendix;
- (4) this Composite Document and the accompanying Form of Acceptance and Transfer; and
- (5) the Agreement.

**1. REPORT FROM FORVIS MAZARS CPA LIMITED**

*The following is the text of a letter received from Forvis Mazars CPA Limited, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this Composite Document.*

The logo for Forvis Mazars, featuring the word "forvis" in a blue sans-serif font above the word "mazars" in a larger, bold, blue sans-serif font.

42nd Floor, Central Plaza  
18 Harbour Road  
Wanchai, Hong Kong  
香港灣仔港灣道18號中環廣場42樓  
Tel 電話 : +852 2909 5555  
Fax 傳真 : +852 2810 0032  
[forvismazars.com/hk](http://forvismazars.com/hk)

28 February 2025

The Directors  
Dafeng Port Heshun Technology Company Limited  
Suite Unit No 1009  
10th of Exchange Tower  
No 33 Wang Chiu Road  
Kowloon, Hong Kong

Dear Sirs,

**Dafeng Port Heshun Technology Company Limited (“the Company”) and its subsidiaries  
(collectively referred to as “the Group”)  
Profit Warning for the year ended 31 December 2024**

We refer to the estimate of net loss for the year ended 31 December 2024 (the “**Profit Warning**”) as set out in (i) the profit warning announcement of the Company dated 24 January 2025; and (ii) the paragraph included in the section headed “4. Material Change” in the Appendix II “Financial information of the Group” to the composite document of the Company in connection with unconditional mandatory cash offer by Huatai Financial Holdings (Hong Kong) Limited for and on behalf of Dafeng Port (HK) Development Limited to acquire all the issued shares of the Company.

The Profit Warning has been prepared by the directors of the Company (the “Directors”) and constitutes a profit forecast under Rule 10 of the Code on Takeovers and Mergers issued by The Securities and Futures Commission.

**Directors' Responsibilities**

The Profit Warning has been prepared by the Directors based on the unaudited consolidated financial statements of the Group for the year ended 31 December 2024.

The Directors are solely responsible for the Profit Warning.

**Our Independence and Quality Management**

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.

Our firm applies Hong Kong Standard on Quality Management (HKSQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, 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 Profit Warning 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 Directors have properly compiled the Profit Warning in accordance with the bases adopted by the Directors and as to whether the Profit Warning 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 Profit Warning has been properly compiled in accordance with a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in the annual report of the Group for the year ended 31 December 2023.

Yours faithfully,

**Forvis Mazars CPA Limited**  
*Certified Public Accountants*

## 2. REPORT FROM ALTUS CAPITAL

*The following is the text of a report received from Altus Capital, the Independent Financial Adviser, for the purpose of incorporation in this Composite Document.*

28 February 2025

The Board of Directors

**Dafeng Port Heshun Technology Company Limited**

Unit 1009, Exchange Tower

33 Wang Chiu Road

Kowloon Bay, Kowloon

Hong Kong

Dear Sirs,

We refer to the announcement dated 24 January 2025 (the “**Profit Warning Announcement**”) issued by the Company. Terms used in this letter shall have the same meanings as those defined in the Composite Document unless the context requires otherwise.

We also refer to the statements made by the Directors in the Profit Warning Announcement and the paragraph headed “4. Material Change” on page II-6 and II-7 of this Composite Document that, based on the information currently available and the preliminary assessment of the unaudited consolidated financial statements of the Group for the year ended 31 December 2024 (the “**2024 Unaudited Management Accounts**”), the Group expects to record (i) revenue of approximately HK\$781.7 million for the year ended 31 December 2024, representing a decrease of 32.50% as compared to approximately HK\$1,158.0 million for the corresponding period in 2023; and (ii) net loss of approximately HK\$47.8 million for the year ended 31 December 2024 as opposed to a profit of approximately HK\$53.5 million for the corresponding period in 2023 (together, the “**Profit Warning**”). The Profit Warning is regarded as a profit forecast under the Takeovers Code and therefore is required to be reported on pursuant to Rule 10 of the Takeovers Code.

The Profit Warning has been prepared by the Directors after their preliminary assessment based on the 2024 Unaudited Management Accounts, which were prepared on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in the annual report of the Group for the year ended 31 December 2023 (the “**Bases**”) the information currently available. Such estimated figures have not been reviewed by the audit committee of the Board nor audited by the auditor of the Company, and hence is subject to any adjustments if necessary.

We have reviewed the Profit Warning and other relevant information and documents (in particular, the 2024 Unaudited Management Accounts) and the Bases (no assumption was involved in making of the Profit Warning as it is related to a period already ended), which you as the Directors are solely responsible for, and discussed with you and the senior management of the Company Bases upon which the Profit Warning has been made. In addition, we have considered the report on the Profit Warning from Forvis Mazars CPA Limited addressed to the Directors dated 28 February 2025 regarding the accounting policies and calculations upon which the Profit Warning has been made.

Having reviewed and considered the above, we are of the opinion that the Profit Warning has been made by the Board with due care and consideration.

Yours faithfully,  
For and behalf of  
**Altus Capital Limited**

**Leo Tam**  
*Responsible Officer*

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 Form of Acceptance and Transfer, 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 Form of Acceptance and Transfer.

香港交易及結算有限公司、香港聯合交易所有限公司及香港中央結算有限公司對本接納及轉讓表格的內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示，概不對因本接納及轉讓表格全部或任何部分內容而產生或因依賴該等內容而引致的任何損失承擔任何責任。

Unless the context otherwise requires, terms used in this Form of Acceptance and Transfer shall bear the same meanings as those defined in the accompanying composite offer and response document dated 28 February 2025 (the "Composite Document") jointly issued by Dafeng Port (HK) Development Limited (the "Offeror") and Dafeng Port Heshun Technology Company Limited (the "Company"). 除文義另有所指外，本接納及轉讓表格所用詞彙與大豐港（香港）發展有限公司（「要約人」）及大豐港和順科技股份有限公司（「本公司」）於二零二五年二月二十八日聯合刊發隨附之綜合要約及回應文件（「綜合文件」）所界定者具有相同涵義。

FORM OF ACCEPTANCE AND TRANSFER FOR USE IF YOU WANT TO ACCEPT THE SHARE OFFER.

供閣下接納股份要約時使用之接納及轉讓表格。



## Dafeng Port Heshun Technology Company Limited

大豐港和順科技股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock code: 8310)

(股份代號：8310)

### FORM OF ACCEPTANCE AND TRANSFER OF ORDINARY SHARE(S)

IN THE ISSUED SHARE CAPITAL OF

DAFENG PORT HESHUN TECHNOLOGY COMPANY LIMITED

大豐港和順科技股份有限公司

已發行股本之普通股接納及轉讓表格

All parts should be completed except the sections marked "Do not Complete" 除註明「請勿填寫本欄」者外，全部均須填寫

Hong Kong share registrar and transfer office (the "Registrar"):

Tricor Investor Services Limited

17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong

香港股份過戶登記處（「過戶登記處」）：

卓佳證券登記有限公司

香港夏慤道16號遠東金融中心17樓

You must insert the total number of Share(s) for which Share Offer is accepted. 閣下必須填上接納股份要約之股份總數。	<b>FOR THE CONSIDERATION stated below, the "Transferor(s)" named below hereby accept(s) the Share Offer and transfer(s) to the "Transferee(s)" named below the Share(s) in the issued share capital of the Company specified below, upon and subject to the terms and conditions contained herein and in the accompanying Composite Document.</b> 下述之「轉讓人」謹此根據本表格及隨附綜合文件中列明的條款及條件並在其規限下，按下列代價，接納股份要約並將以下註明本公司已發行股本之股份轉讓予下述「承讓人」。		
	Total Number of Share(s) to be transferred <sup>(Note 1)</sup> 將予轉讓的股份總數 <sup>(附註1)</sup>	FIGURES 數量	WORDS 大寫
	Share certificate number(s) 股票號碼		
	TRANSFEROR(S) name(s) and address in full 轉讓人全名及地址 (EITHER TYPE-WRITTEN OR WRITTEN IN BLOCK LETTERS) (請用打字機或正楷填寫)	Surname(s) or company name(s): 姓氏或公司名稱：  Registered address: 登記地址：	Forename(s): 名字：  Telephone number: 電話號碼：
	CONSIDERATION <sup>(Note 2)</sup> 代價 <sup>(附註2)</sup>	For each Offer Share: HK\$0.4800 in cash 每股要約股份：現金0.4800港元	
TRANSFEREE 承讓人	Name 名稱 Correspondence address 通訊地址 Occupation 職業	Dafeng Port (HK) Development Limited 大豐港（香港）發展有限公司 Suite 1009, Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong 香港九龍九龍灣宏照道33號國際交易中心1009室 Corporation 法團	

Signed by or for and on behalf of the Transferor(s) in the presence of:

轉讓人或其代表在下列見證人見證下簽署：

Signature of Witness 見證人簽署

Name of Witness 見證人姓名

Address of witness 見證人地址

Occupation of Witness 見證人職業

ALL JOINT  
REGISTERED  
HOLDERS MUST  
SIGN HERE  
所有聯名  
登記持有人  
均須於本欄簽署

Signature(s) of Transferor(s) or its duly authorised agent(s)/company chop, if applicable  
轉讓人或其正式授權代理人簽署/公司印鑑（如適用）

Date of submission of this Form of Acceptance and Transfer  
提交本接納及轉讓表格之日期

The signing Shareholder(s) hereby acknowledge(s) that the Share Offer is subject to the terms and conditions as set out in the Composite Document.

署名股東謹此確認股份要約須受綜合文件所載條款和條件規限。

#### Do not complete 請勿填寫本欄

Signed by or for and on behalf of the Transferee in the presence of:

承讓人或其代表在下列見證人見證下簽署：

Signature of Witness

見證人簽署

Name of Witness

見證人姓名

Address of Witness

見證人地址

Occupation of Witness

見證人職業

For and on behalf of

代表

Dafeng Port (HK) Development Limited 大豐港（香港）發展有限公司

Authorised Signatory(ies)

獲授權簽署人

Signature of Transferee or its duly authorised agent(s)

承讓人或其正式授權代理人簽署

Date of signing by Transferee or its duly authorised agent(s)

承讓人或其正式授權代理人簽署日期

Note 1: Insert the total number of Shares for which the Share Offer is accepted. If no number is inserted or a number inserted is greater or smaller than those represented by the share certificate(s) and/or transfer receipts and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for Share(s) tendered for acceptance of the Share Offer, and you have signed this Form of Acceptance and Transfer, your Form of Acceptance and Transfer in respect of the Share Offer will be considered to be incomplete and accordingly, your acceptance of the Share Offer will be invalid. This Form of Acceptance and Transfer will be returned to you for correction and resubmission. Any corrected Form of Acceptance and Transfer must be resubmitted and received by the Registrar on or before the latest time of acceptance of the Share Offer.

附註1：請填上接納股份要約的股份總數。倘並無填上數目或所填數目大於或小於就接納股份要約所交回股份之股票及/或過戶收據及/或其他所有權文件（及/或就此所需令人信納的任何彌償保證）所代表數目，而閣下已簽署本接納及轉讓表格，則閣下有關於股份要約之接納及轉讓表格將被視為不完整，而閣下有關於股份要約之接納將因此為無效。則本接納及轉讓表格將退回予閣下，以供更正及重新遞交。任何經更正之接納及轉讓表格必須於接納股份要約之最後時間或之前重新遞交並送達過戶登記處。

Note 2: The consideration will be paid to an accepting shareholder less seller's ad valorem stamp duty.

附註2：代價將支付予接納股東，其中扣除賣方從價印花稅。



**THIS FORM OF ACCEPTANCE AND TRANSFER IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

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

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

Huatai Financial Holdings (Hong Kong) Limited is making the Share Offer for and on behalf of the Offeror. The making of the Share Offer to Overseas Offer Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong may be affected by the laws and regulations of the relevant jurisdictions. If you are an Overseas Offer Shareholder who is a citizen, resident or national of a jurisdiction outside Hong Kong, you should observe all applicable legal and regulatory requirements and, where necessary, seek independent legal advice. If you wish to accept the Share Offer, it is your responsibility to satisfy yourself as to the full observance of the laws and regulations of the relevant jurisdictions in connection therewith, including the obtaining of all governmental, exchange control or other consents which may be required and the compliance with all necessary formalities and regulatory or legal requirements. You will also be fully responsible for any such issue, transfer or other taxes or duties payable by you in respect of the acceptance of the Share Offer. The Offeror, parties acting in concert with the Offeror, the Company, Huatai Financial Holdings (Hong Kong) Limited, the Registrar, the company secretary of the Company or any of their respective ultimate beneficial owners, directors, officers, agents, advisers and associates and any other person involved in the Share Offer 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. Acceptance of the Share Offer by you will constitute a representation and warranty by you to the Offeror, Huatai Financial Holdings (Hong Kong) Limited and the Company that you have observed and are permitted under all applicable laws and regulations to receive and accept the Share Offer, and that you have obtained all requisite governmental, exchange control or other consents in compliance with all necessary formalities and regulatory or legal requirements and have paid all issue, transfer or other taxes or duties or other required payments due from you in connection with such acceptance in any territory, and that such acceptance shall be valid and binding in accordance with all applicable laws and regulations. This Form of Acceptance and Transfer should be read in conjunction with the accompanying Composite Document.

**HOW TO COMPLETE THIS FORM OF ACCEPTANCE AND TRANSFER**

The Share Offer is unconditional. Shareholders are advised to read the Composite Document before completing this Form of Acceptance and Transfer. To accept the Share Offer made by Huatai Financial Holdings (Hong Kong) Limited for and on behalf of the Offeror to acquire your Shares at a cash price of HK\$0.4800 per Offer Share, you should complete and sign this Form of Acceptance and Transfer and forward this entire form, 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 such number of Shares in respect of which you intend to accept the Share Offer by post or by hand, marked "Dafeng Port Heshun Technology Company Limited – Share Offer" on the envelope, to the Registrar, **Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:00 p.m. on 21 March 2025 (Hong Kong time)** (or such later time(s) and/or date(s) as the Offeror may determine and the Offeror and the Company may jointly announce in accordance with the Takeovers Code). The provisions contained in Appendix I to the Composite Document are incorporated into and form part of this Form of Acceptance and Transfer.

**FORM OF ACCEPTANCE AND TRANSFER IN RESPECT OF THE SHARE OFFER**

To: The Offeror, Huatai Financial Holdings (Hong Kong) Limited and the Registrar

- My/Our execution of this Form of Acceptance and Transfer (whether or not such form is dated) shall be binding on my/our successors and assignees, and shall constitute:
  - my/our irrevocable acceptance of the Share Offer made by Huatai Financial Holdings (Hong Kong) Limited for and on behalf of the Offeror, as contained in the Composite Document, for the consideration and on subject to the terms and conditions therein and herein mentioned, in respect of the number of Shares specified in this Form of Acceptance and Transfer; If no number is specified or a number specified is greater or smaller than those represented by the share certificate(s) and/or transfer receipts and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for Share(s) tendered for acceptance of the Share Offer, this Form of Acceptance and Transfer will be returned to me/us for correction and resubmission. Any corrected Form of Acceptance and Transfer must be resubmitted and received by the Registrar on or before the latest time of acceptance of the Share Offer;
  - my/our irrevocable instruction and authority to each of the Offeror and/or Huatai Financial Holdings (Hong Kong) Limited or their respective agent(s) to collect from the Company or the Registrar on my/our behalf the share certificate(s) in respect of the Shares due to be issued to me/us in accordance with, and against delivery of, the enclosed transfer receipt(s) and/or other document(s) of title (if any) (and/or satisfactory indemnity or indemnities required in respect thereof), which has/have been duly signed by me/us and to deliver the same to the Registrar 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 together with this Form of Acceptance and Transfer;
  - my/our irrevocable instruction and authority to each of the Offeror and/or Huatai Financial Holdings (Hong Kong) Limited or their respective agent(s) to send a cheque crossed "Not negotiable- account payee only" drawn in my/our favour for the cash consideration to which I/we shall have become entitled under the terms of the Share Offer (less seller's ad valorem stamp duty payable by me/us in connection with my/our acceptance of the Share Offer), by ordinary post at my/our risk to the person named at the address stated below or, if no name and address is stated below, to me or the first-named of us (in the case of joint registered Shareholders) at the registered address shown in the register of members of the Company no later than seven Business Days following the date of receipt of all the relevant documents by the Registrar to render the acceptance under the Share Offer complete and valid;  
*(Note: Insert name and address of the person to whom the cheque is to be sent if different from the registered Shareholder or the first-named of joint registered Shareholders.)*  
Name: (In BLOCK LETTERS) \_\_\_\_\_  
Address: (In BLOCK LETTERS) \_\_\_\_\_
  - my/our irrevocable instruction and authority to each of the Offeror and/or Huatai Financial Holdings (Hong Kong) Limited and/or Registrar and/or such person or persons as any of them may direct for the purpose, on my/our behalf, to make and execute the contract note as required by the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong) to be made and executed by me/us as the seller(s) of the Shares to be sold by me/us under the Share Offer and to cause the same to be stamped and to cause an endorsement to be made on this Form of Acceptance and Transfer in accordance with the provisions of that Ordinance;
  - my/our irrevocable instruction and authority to each of the Offeror and/or Huatai Financial Holdings (Hong Kong) Limited and/or such person or persons as any of them may direct to complete and execute any document on my/our behalf in connection with my/our acceptance of the Share Offer and to do any other act that may be necessary or expedient for the purpose of vesting in the Offeror and/or such person or persons as it may direct my/our Share(s) tendered for acceptance of the Share Offer;
  - my/our undertaking to execute such further documents and to do such acts and things by way of further assurance as may be necessary or desirable to transfer my/our Shares tendered for acceptance under the Share Offer to the Offeror or such person or persons as it may direct free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights accruing or attaching thereto, including, without limitation, the rights to receive dividends and other distributions, if any, declared, made or paid on or after the date on which the Share Offer is made, i.e. the date of the Composite Document;
  - my/our agreement that the Share Offer is, and all acceptances of the Share Offer will be, governed by and construed in accordance with the laws of Hong Kong and the courts of Hong Kong shall have exclusive jurisdiction to settle any dispute which may arise in connection with the Share Offer; and
  - my/our agreement to ratify each and every act or thing which may be done or effected by the Offeror and/or Huatai Financial Holdings (Hong Kong) Limited and/or the Company or their respective agent(s) or such person or persons as any of them may direct on the exercise for any rights contained herein.
- I/We understand that acceptance of the Share Offer by me/us will be deemed to constitute a representation and warranty by me/us to the Offeror, Huatai Financial Holdings (Hong Kong) Limited and the Company that (i) the Shares held by me/us to be acquired under the Share Offer are sold free from all liens, charges, options, claims, equities, adverse interests, third-party rights or encumbrances whatsoever and together with all rights accruing or attaching thereto, including, all rights to receive dividends and other distributions declared, made or paid, if any, on or after the date on which the Share Offer is made, i.e. the date of the Composite Document; and (ii) I/we have not taken or omitted to take any action which will or may result in the Offeror, its beneficial owner and parties acting in concert with any of them, the Company, Huatai Financial Holdings (Hong Kong) Limited or any other person acting in breach of the legal or regulatory requirements of any territory in connection with the Share Offer or my/our acceptance thereof, and am/are permitted under all applicable laws and regulations to receive and accept the Share Offer, and that such acceptance is valid and binding in accordance with all applicable laws and regulations.
- In the event that my/our acceptance is not valid, in accordance with the terms of the Share Offer, all instructions, authorisations and undertakings contained in paragraph 1 above shall cease in which event, I/we authorise and request you to return to me/us my/our share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or satisfactory indemnity or indemnities required in respect thereof), together with this Form of Acceptance and Transfer duly cancelled, by ordinary post at my/our own risk to the person and address stated in paragraph 1(c) above or, if no name and address is stated, to me or the first-named of us (in the case of joint registered Shareholders) at the registered address shown in the register of members of the Company.  
*Note: If you submit the transfer receipt(s) upon acceptance of the Share Offer and in the meantime the relevant share certificate(s) is/are collected by any of the Offeror and/or Huatai Financial Holdings (Hong Kong) Limited or any of their agent(s) from the Company or the Registrar on your behalf, you will be returned such share certificate(s) in lieu of the transfer receipt(s).*
- I/We enclose 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 whole/part of my/our holding of Shares which are to be held by you on the terms and conditions of the Share Offer.
- I/We warrant and represent to the Offeror, Huatai Financial Holdings (Hong Kong) Limited and the Company that I am/we are the registered Shareholder(s) of the number of Shares specified in this Form of Acceptance and Transfer and I/we have the full right, power and authority to sell and pass the title and ownership of my/our Shares to the Offeror by way of acceptance of the Share Offer.
- I/We warrant and represent to the Offeror, Huatai Financial Holdings (Hong Kong) Limited and the Company that I/we have observed and are permitted under all applicable laws and regulations where my/our address is located as set out in the register of members of the Company to accept the Share Offer; and that I/we have obtained all requisite governmental, exchange control or other consents and made all registration or filing required in compliance with all necessary formalities and regulatory or legal requirements; and that I/we have paid all issue, transfer or other taxes or duties or other required payments due from me/us in connection with such acceptance; and that such acceptance shall be valid and binding in accordance with all applicable laws and regulations.
- I/We warrant to the Offeror, Huatai Financial Holdings (Hong Kong) Limited and the Company that I/we shall be fully responsible for payment of any transfer or other taxes and duties in respect of the jurisdiction where my/our address is located as set out in the register of members of the Company in connection with my/our acceptance of the Share Offer.
- I/We acknowledge that, save as expressly provided in the Composite Document and this Form of Acceptance and Transfer, all the acceptances, instructions, authorities and undertakings hereby given shall be irrevocable.
- I/We acknowledge that my/our Shares sold to the Offeror by way of acceptance of the Share Offer will be registered under the name of the Offeror or its nominee.
- I/We understand that no acknowledgement of receipt of any Form of Acceptance and Transfer, 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/We further understand that all documents will be sent by ordinary post at my/our own risk.
- I/We irrevocably undertake, represent, warrant and agree to and with the Offeror, the Company and Huatai Financial Holdings (Hong Kong) Limited (so as to bind my/our successors and assignees) that in respect of the Shares which are accepted or deemed to have been accepted under the Share Offer, which acceptance has not been validly withdrawn, and which have not been registered in the name of the Offeror or as it may direct, to give:
  - an authority to the Company and/or its agents from me/us to send any notice, circular, warrant or other document or communication which may be required to be sent to me/us as a member of the Company (including any share certificate(s) and/or other document(s) of title issued as a result of conversion of such Shares into certificated form) to the attention of the Offeror at the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong;
  - an irrevocable authority to the Offeror or its agents to sign any consent to short notice of any general meeting of the Company on my/our behalf and/or to attend and/or to execute a form of proxy in respect of such Shares appointing any person nominated by the Offeror to attend such general meeting (or any adjournment thereof) and to exercise the votes attaching to such Shares on my/our behalf, such votes to be cast in a manner to be determined at the sole discretion of the Offeror; and
  - my/our agreement not to exercise any of such rights without the consent of the Offeror and my/our irrevocable undertaking not to appoint a proxy for, or to attend any, such general meeting and subject as aforesaid, to the extent I/we have previously appointed a proxy, other than the Offeror or its nominee or appointee, for or to attend or to vote at the general meeting of the Company, I/we hereby expressly revoke such appointment.

For the avoidance of doubt neither Hong Kong Securities Clearing Company Limited nor HKSCC Nominees Limited will give, or be subject to, any of the above representations or warranties.

本接納及轉讓表格乃重要文件，請即處理。

閣下如對本接納及轉讓表格任何方面或應採取的行動有任何疑問，應諮詢 閣下的持牌證券交易商或註冊證券機構、銀行經理、律師、專業會計師或其他專業顧問。

閣下如已將名下的股份全部售出或轉讓，應立即將本接納及轉讓表格及隨附綜合文件送交買方或承讓人，或經手買賣或轉讓的銀行、持牌證券交易商、註冊證券機構或其他代理商，以便轉交買方或承讓人。

華泰金融控股(香港)有限公司現為及代表要約人作出股份要約。向身為香港境外司法權區的公民、居民或國民的海外要約股東作出股份要約可能受相關司法權區的法律及法規影響。閣下如屬身為香港境外司法權區的公民、居民或國民的海外要約股東，務請遵守一切適用法律及監管規定，並於有需要時尋求獨立法律意見。閣下如欲接納股份要約，則有責任自行就此全面遵守相關司法權區的法律及法規，包括取得可能所需的一切政府、外匯管制或其他同意，遵守一切必要的手續以及監管或法律規定。閣下亦須就接納股份要約應付的任何有關發行費、轉讓費或其他稅項或徵費負責。要約人、要約人一致行動人士、本公司、華泰金融控股(香港)有限公司、過戶登記處、本公司的公司秘書或彼等各自任何最終實益擁有人、董事、高級職員、代理、顧問及聯繫人以及參與股份要約的任何其他人士就有關人士可能被要求支付的任何稅項或徵費獲得全面彌償及毋須承擔任何責任。閣下接納股份要約即構成 閣下向要約人、華泰金融控股(香港)有限公司及本公司聲明及保證，閣下已遵守所有適用法律及法規以及根據所有適用法律及法規獲允許接收及接納股份要約，而 閣下已取得一切所需的政府、外匯管制或其他同意，遵守一切必要的手續及監管或法律規定，並就有關接納繳納 閣下於任何地區應付的所有發行費、轉讓費或其他稅項或徵費或其他所需款項，而有關接納將根據一切適用法律及法規屬有效及具約束力。本接納及轉讓表格應與隨附的綜合文件一併閱讀。

#### 本接納及轉讓表格的填寫方法

股份要約為無條件。股東於填寫本接納及轉讓表格前，務請閱讀綜合文件。為接納華泰金融控股(香港)有限公司為及代表要約人就每股要約股份0.4800港元的現金價格收購 閣下的股份所作出之要約，閣下應填妥及簽署本接納及轉讓表格並將整份表格，連同 閣下擬接納股份要約所涉及股份數目的相關股票及/或過戶收據及/或任何其他所有權文件(及/或就此所需令人信納的任何彌償保證)，不遲於二零二五年三月二十一日下午四時正(香港時間)(或要約人可能釐定及要約人與本公司可能根據收購守則聯合公佈的較後時間及/或日期)郵寄或由專人送交過戶登記處卓佳證券登記有限公司(地址為香港夏慤道16號遠東金融中心17樓，信封面須註明「大豐港和順科技股份有限公司一股份要約」)。綜合文件附錄一所載條文納入本接納及轉讓表格並構成其中一部分。

#### 股份要約的接納及轉讓表格

##### 致：要約人、華泰金融控股(香港)有限公司及過戶登記處

- 本人/吾等一經簽立本接納及轉讓表格(不論該表格是否已註明日期)，本人/吾等的繼承人及受讓人將受此約束，並將構成：
  - 本人/吾等不可撤回地就本接納及轉讓表格上所列明數目的股份，按綜合文件及本接納及轉讓表格所述代價並受限於有關條款及條件，接納綜合文件所載由華泰金融控股(香港)有限公司為及代表要約人作出的股份要約；倘並無填上數目或所填數目大於或小於就接納股份要約所交回股份之股票及/或過戶收據及/或其他所有權文件(及/或就此所需令人信納的任何彌償保證)所代表數目，則本接納及轉讓表格將退回予本人/吾等，以供更正及重新遞交。任何經更正之接納及轉讓表格必須於接納股份要約之最後時間或之前重新遞交並送達過戶登記處；
  - 本人/吾等不可撤回地指示及授權要約人及/或華泰金融控股(香港)有限公司或彼等各自的代理人，各自代表本人/吾等交付隨附經本人/吾等正式簽署的過戶收據及/或其他所有權文件(如有)(及/或就此所需令人信納的彌償保證)，憑此向本公司或過戶登記處領取本人/吾等就股份應獲發的股票，並將有關股票送達過戶登記處，以及授權及指示過戶登記處按照股份要約的條款及條件持有該等股票，猶如該等股票已連同本接納及轉讓表格一併送達過戶登記處；
  - 本人/吾等不可撤回地指示及授權要約人及/或華泰金融控股(香港)有限公司或彼等各自的代理人，各自就本人/吾等根據股份要約條款應得的現金代價(扣除本人/吾等就本人/吾等接納股份要約應付的賣方從價印花稅)，以「不得轉讓—只准入抬頭人賬戶」方式向本人/吾等開出劃線支票，然後於過戶登記處接獲所有相關文件致使接納股份要約屬完整及有效之日後不遲於七個營業日，按以下地址以平郵方式寄予以下人士，或倘並無於下欄填上姓名及地址，則按本公司股東名冊所示登記地址寄予本人或吾等當中排名首位者(如屬聯名登記股東)，郵誤風險概由本人/吾等承擔；  
(附註：倘收取支票的人士並非登記股東或排名首位的聯名登記股東，則請在本欄填上該名人士的姓名及地址。)  
姓名：(請用正楷填寫) \_\_\_\_\_  
地址：(請用正楷填寫) \_\_\_\_\_
  - 本人/吾等不可撤回地指示及授權要約人及/或華泰金融控股(香港)有限公司及/或過戶登記處及/或彼等任何一方可能就此指派的一名或多名人士，各自代表本人/吾等製備及簽立香港法例第117章印花稅條例規定本人/吾等作為根據股份要約將予出售股份的賣方須製備及簽立的成交單據，並按照該條例的條文安排該單據加蓋印花及安排在本接納及轉讓表格背書證明；
  - 本人/吾等不可撤回地指示及授權要約人及/或華泰金融控股(香港)有限公司及/或彼等任何一方可能指派的一名或多名人士，各自代表本人/吾等填妥及簽立任何有關本人/吾等接納股份要約的文件，並採取任何其他可能必要或適宜的行動，以便將本人/吾等交回以接納股份要約的股份歸屬予要約人及/或其可能指派的一名或多名人士；
  - 本人/吾等承諾於必需或合宜時簽署有關進一步文件及以進一步保證之形式作出有關該等行動及事項，以將本人/吾等根據股份要約提呈接納之股份轉讓予要約人或其可能指定之一名或多名人士，且不得附帶一切留置權、押記、產權負擔、優先購買權及具任何性質之任何其他第三方權利，並連同該等股份所產生或附帶的所有權利，包括但不限於收取於作出股份要約日期(即綜合文件日期)或之後所宣派、作出或派付的股息及其他分派(如有)之權利；
  - 本人/吾等同意，股份要約及對股份要約之所有接納受且將受香港法例規管及據此詮釋，且香港法院將擁有專屬司法管轄權解決就股份要約可能產生的任何爭議；及
  - 本人/吾等同意追認要約人及/或華泰金融控股(香港)有限公司及/或本公司或彼等各自的代理人或彼等任何一方可能指派的一名或多名人士於行使本表格所載任何權利時可能作出或進行的各種行動或事宜。
- 本人/吾等明白，本人/吾等接納股份要約將被視為構成本人/吾等向要約人、華泰金融控股(香港)有限公司及本公司聲明及保證，(i)本人/吾等所持根據股份要約將予收購的股份，於出售時概不附帶任何性質的一切留置權、押記、選擇權、申索權、衡平權、不利權益、第三方權利或產權負擔，並連同其應計或附帶的一切權利，包括收取於作出股份要約日期(即綜合文件日期)或之後所宣派、作出或派付的股息及其他分派(如有)的權利；及(ii)本人/吾等並無或遺漏採取任何行動而將或可能導致要約人、其實益擁有人及與彼等任何一方一致行動的人士、本公司、華泰金融控股(香港)有限公司或任何其他人士就股份要約或本人/吾等接納股份要約而違反任何地區的法律及監管規定，且本人/吾等根據所有適用法律及法規獲准接收及接納股份要約，以及有關接納根據所有適用法律及法規屬有效及具約束力。
- 倘本人/吾等的接納按照股份要約條款屬無效，則上文第1段所載所有指示、授權及承諾將告終止，在此情況下，本人/吾等授權並懇請 閣下將本人/吾等的股票及/或過戶收據及/或任何其他所有權文件(及/或就此所需令人信納的彌償保證)連同已正式失效的本接納及轉讓表格以平郵方式一併交回本人/吾等，寄予上文第1(c)段所列人士及地址，或倘並無填上姓名及地址，則按本公司股東名冊所示登記地址寄予本人或吾等當中排名首位者(如屬聯名登記股東)，郵誤風險概由本人/吾等承擔。  
附註：倘 閣下於接納股份要約時提交過戶收據，而要約人及/或華泰金融控股(香港)有限公司或彼等各自的任何代理人在此期間代表 閣下從本公司或過戶登記處領取有關股票，則發還予 閣下者將為有關股票而非過戶收據。
- 本人/吾等附上本人/吾等持有的全部/部分股份的相關股票及/或過戶收據及/或任何其他所有權文件(及/或就此所需令人信納的任何彌償保證)，將由 閣下按股份要約的條款及條件持有。
- 本人/吾等向要約人、華泰金融控股(香港)有限公司及本公司保證及聲明，本人/吾等為本接納及轉讓表格所列股份數目的登記股東，而本人/吾等擁有十足權利、權力及授權以接納股份要約的方式，向要約人出售及移交本人/吾等股份的所有權及擁有權。
- 本人/吾等向要約人、華泰金融控股(香港)有限公司及本公司保證及聲明，本人/吾等已遵守本公司股東名冊所示本人/吾等地址所在地的所有適用法律及法規，以及根據所有適用法律及法規獲准接納股份要約；而本人/吾等已取得一切所需的政府、外匯管制或其他同意，遵守所有必要的手續及監管或法律規定辦理一切必要的登記或存檔手續；且本人/吾等已繳納本人/吾等就該接納應付的所有發行費、轉讓費或其他稅項或徵費或其他所需款項；而有關接納將根據一切適用法律及法規屬有效及具約束力。
- 本人/吾等向要約人、華泰金融控股(香港)有限公司及本公司保證，本人/吾等將就繳納在本公司股東名冊所示本人/吾等地址所在司法權區有關本人/吾等接納股份要約的任何轉讓費或其他稅項及徵費負責。
- 本人/吾等知悉，除綜合文件及本接納及轉讓表格明文規定者外，據此作出的所有接納、指示、授權及承諾均不可撤回。
- 本人/吾等知悉，本人/吾等以接納股份要約的方式售予要約人的股份將以要約人或其代名人的名義登記。
- 本人/吾等明白，概不就獲發任何接納及轉讓表格、股票及/或過戶收據及/或任何其他所有權文件(及/或就此所需令人信納的任何彌償保證)發出收據。本人/吾等亦明白所有文件將以平郵方式寄出，郵誤風險概由本人/吾等自行承擔。
- 本人/吾等向要約人、本公司及華泰金融控股(香港)有限公司不可撤回地承諾、聲明、保證及同意並與彼等協定(以約束本人/吾等之繼承人及受讓人)，就根據股份要約接納或被視為已接納而其接納並未被有效撤回及並無以要約人或其可能指定人士之名義登記之股份：
  - 本人/吾等授權本公司及/或其代理將可能須向本人/吾等(作為本公司股東)寄發之任何通告、通函、憑證或其他文件或通訊(包括任何股票及/或因將該等股份轉為獲認可形式而發出之其他所有權文件)送交過戶登記處(地址為香港夏慤道16號遠東金融中心17樓)以轉交要約人；
  - 不可撤回地授權要約人或其代理代表本人/吾等簽署任何同意書以縮短本公司任何股東大會通知期及/或出席及/或簽立有關股份相關代表委任表格，以委任要約人提名之任何人士出席有關股東大會(或其任何續會)，以及代表本人/吾等行使有關股份所附帶之投票權，而該等投票權將以要約人全權酌情釐定之方式作出投票；及
  - 本人/吾等同意，未經要約人同意，不會行使任何有關權利，以及本人/吾等不可撤回地承諾不會就有關股東大會委任代表，或出席任何有關股東大會，及在上文所規限下，如本人/吾等以往已就本公司股東大會委任代表(而該代表並非要約人或其代名人或獲委任人士)或出席有關股東大會或於有關股東大會投票，則本人/吾等謹此明示撤回有關委任。

為免生疑問，香港中央結算有限公司或香港中央結算(代理人)有限公司將概不作出或受限於任何上述聲明或保證。



## PERSONAL DATA

### Personal Information Collection Statement

This personal information collection statement informs you of the policies and practices of the Offeror, Huatai Financial Holdings (Hong Kong) Limited, the Company and the Registrar and in relation to personal data and the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong) (the “Ordinance”).

#### 1. Reasons for the collection of your personal data

To accept the Share Offer for your Share(s), you must provide the personal data requested. Failure to supply the requested data may result in the processing of your acceptance being rejected or delayed. It may also prevent or delay the despatch of the consideration to which you are entitled under the Share Offer. It is important that you inform the Offeror, Huatai Financial Holdings (Hong Kong) Limited, the Company and/or the Registrar immediately of any inaccuracies in the data supplied.

#### 2. Purposes

The personal data which you provide on this Form of Acceptance and Transfer may be used, held and/or stored (by whatever means) for the following purposes:

- processing your acceptance and verification or compliance with the terms and application procedures set out in this Form of Acceptance and Transfer and the Composite Document;
- registering transfers of the Share(s) out of your name(s);
- maintaining or updating the relevant register of members of the Share(s);
- conducting or assisting to conduct signature verifications, and any other verification or exchange of information;
- distributing communications from the Offeror, the Company and/or their respective agents, officers and advisers, and the Registrar;
- compiling statistical information and Shareholder profiles;
- establishing benefit entitlements of the Shareholders;
- disclosing relevant information to facilitate claims on entitlements;
- making disclosures as required by laws, rules or regulations (whether statutory or otherwise);
- any other purpose in connection with the business of the Offeror, Huatai Financial Holdings (Hong Kong) Limited, the Company and/or the Registrar; and
- any other incidental or associated purposes relating to the above and/or to enable the Offeror, Huatai Financial Holdings (Hong Kong) Limited, the Company and/or the Registrar to discharge their obligations to the Shareholders and/or regulators and other purpose to which the Shareholders may from time to time agree to or be informed of.

#### 3. Transfer of personal data

The personal data provided in this Form of Acceptance and Transfer will be kept confidential but the Offeror and/or Huatai Financial Holdings (Hong Kong) Limited and/or the Company and/or the Registrar may, to the extent necessary for achieving the purposes above or any of them, make such enquiries as they consider necessary to confirm the accuracy of the personal data and, in particular, they may disclose, obtain, transfer (whether within or outside Hong Kong) such personal data to, from or with any and all of the following persons and entities:

- the Offeror, Huatai Financial Holdings (Hong Kong) Limited, the Company, any of their agents and the Registrar;
- any agents, contractors or third party service providers who offer administrative, telecommunications, computer, payment or other services to the Offeror and/or Huatai Financial Holdings (Hong Kong) Limited and/or the Company and/or the Registrar, in connection with the operation of their businesses;
- any regulatory or governmental bodies;
- any other persons or institutions with which you have or propose to have dealings, such as your bankers, solicitors, accountants or licensed securities dealers or registered institution in securities; and
- any other persons or institutions whom the Offeror and/or Huatai Financial Holdings (Hong Kong) Limited and/or the Company and/or the Registrar consider(s) to be necessary or desirable in the circumstances.

#### 4. Retention of Personal Data

The Offeror, Huatai Financial Holdings (Hong Kong) Limited, the Company and the Registrar will keep the personal data provided in this form for as long as necessary to fulfil the purposes for which the personal data were collected. Personal data which is no longer required will be destroyed or dealt with in accordance with the Ordinance.

#### 5. Access and correction of personal data

The Ordinance provides you with rights to ascertain whether the Offeror and/or Huatai Financial Holdings (Hong Kong) Limited and/or the Company and/or the Registrar hold(s) your personal data, to obtain a copy of that data, and to correct any data that is incorrect. In accordance with the Ordinance, the Offeror and/or Huatai Financial Holdings (Hong Kong) Limited and/or the Company and/or the Registrar have the right to charge a reasonable fee for the processing of any data access request. All requests for access to data or correction of data or for information regarding policies and practices and the kinds of data held should be addressed to the Offeror, Huatai Financial Holdings (Hong Kong) Limited, the Company or the Registrar (as the case may be).

**BY SIGNING THIS FORM OF ACCEPTANCE AND TRANSFER, YOU AGREE TO ALL OF THE ABOVE.**

## 個人資料

### 收集個人資料聲明

本收集個人資料聲明旨在知會閣下有關於約人、華泰金融控股(香港)有限公司、本公司及過戶登記處以及有關個人資料及香港法例第486章個人資料(私隱)條例(「條例」)之政策及慣例。

#### 1. 收集閣下個人資料之原因

為就閣下之股份接納股份要約，閣下須提供所需個人資料，倘閣下未能提供所需資料，則可能導致閣下之接納申請被拒或受到延誤。這亦可能妨礙或延遲向閣下寄發根據股份要約應得之代價。倘閣下提供之資料有任何不準確之處，閣下務必立刻通知要約人、華泰金融控股(香港)有限公司、本公司及/或過戶登記處。

#### 2. 用途

閣下於本接納及轉讓表格提供之個人資料可能會就下列用途加以運用、持有及/或保存(以任何方式)：

- 處理閣下之接納及核實或遵循本接納及轉讓表格及綜合文件載列之條款及申請手續；
- 登記閣下名義下之股份轉讓；
- 保存或更新有關股東名冊；
- 進行或協助進行簽名核實，以及進行任何其他資料核實或交換；
- 發佈要約人、本公司及/或彼等各自代理人、高級職員及顧問以及過戶登記處之通訊；
- 編製統計資料及股東資料；
- 確立股東之獲益權利；
- 披露有關資料以方便進行權利申索；
- 按法例、規則或規例規定(無論屬法定或其他規定)作出披露；
- 有關要約人、華泰金融控股(香港)有限公司、本公司及/或過戶登記處業務之任何其他用途；及
- 有關上文任何其他附帶或關連用途及/或令要約人、華泰金融控股(香港)有限公司、本公司及/或過戶登記處得以履行彼等對股東及/或監管機構之責任及股東可能不時同意或獲悉之其他用途。

#### 3. 轉交個人資料

本接納及轉讓表格提供之個人資料將會保密，惟要約人及/或華泰金融控股(香港)有限公司及/或本公司及/或過戶登記處為達致上述或有關任何上述用途，可能作出彼等認為必須之查詢，以確認個人資料之準確性，尤其是彼等可能向或自下列任何及所有人士及實體披露、獲取或轉交(無論在香港境內或香港境外地區)該等個人資料：

- 要約人、華泰金融控股(香港)有限公司、本公司、其任何代理人及過戶登記處；
- 為要約人及/或華泰金融控股(香港)有限公司及/或本公司及/或過戶登記處之業務經營而向彼等提供行政、電訊、電腦、付款或其他服務之任何代理人、承包商或第三方服務供應商；
- 任何監管或政府機構；
- 與閣下進行交易或建議進行交易之任何其他人士或機構，例如閣下之銀行、律師、會計師或持牌證券交易商或註冊證券機構；及
- 要約人及/或華泰金融控股(香港)有限公司及/或本公司及/或過戶登記處於有關情況下認為必需或適當之任何其他人士或機構。

#### 4. 保留個人資料

要約人、華泰金融控股(香港)有限公司、本公司及過戶登記處將按收集個人資料所需用途保留本表格所收集之個人資料。無需保留之個人資料將會根據條例銷毀或處理。

#### 5. 存取及更正個人資料

條例規定，閣下有權確認要約人及/或華泰金融控股(香港)有限公司及/或本公司及/或過戶登記處是否持有閣下之個人資料，獲取該資料副本，以及更正任何錯誤資料。依據條例，要約人及/或華泰金融控股(香港)有限公司及/或本公司及/或過戶登記處有權就處理任何資料要求收取合理手續費。獲取資料或更正資料或獲取有關政策及慣例及所持資料類別之資料之所有請求，須提交予要約人、華泰金融控股(香港)有限公司、本公司或過戶登記處(視情況而定)。

閣下簽署本接納及轉讓表格即表示同意上述所有條款。