

THIS COMPOSITE DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

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

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

Jantix Management Limited **EDICO Holdings Limited**
鉅京控股有限公司*
(incorporated in Hong Kong with limited liability) *(incorporated in the Cayman Islands with limited liability)*
(Stock Code: 8450)

**COMPOSITE DOCUMENT
RELATING TO
MANDATORY UNCONDITIONAL CASH OFFER BY
ASTRUM CAPITAL MANAGEMENT LIMITED
FOR AND ON BEHALF OF JANTIX MANAGEMENT LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
EDICO HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED
OR AGREED TO BE ACQUIRED BY JANTIX MANAGEMENT LIMITED
AND PARTIES ACTING IN CONCERT WITH IT)**

Financial adviser to the Offeror



Offer agent to the Offeror



Independent Financial Adviser to the Independent Board Committee

MESSIS 大有融資

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

A letter from Astrum Capital containing, among other things, principal terms of the Offer is set out on pages 9 to 18 of this Composite Document. A letter from the Board is set out on pages 19 to 27 of this Composite Document. A letter from the Independent Board Committee to the Independent Shareholders containing its recommendation in respect of the Offer is set out on pages 28 to 29 of this Composite Document. A letter from the Independent Financial Adviser containing its recommendation to the Independent Board Committee and the Independent Shareholders in respect of the Offer and the principal factors considered by it in arriving at its recommendation is set out on pages 30 to 42 of this Composite Document.

The procedures for acceptance and settlement as well as other related information of the Offer are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance. The Form of Acceptance should be received by the Registrar, namely Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible and in any event no later than 4:00 p.m. on Tuesday, 26 November 2024 (or such later time and/or date as the Offeror may determine and the Offeror and the Company may jointly announce, with the consent of the Executive, in accordance with the Takeovers Code).

Any persons including, without limitation, custodians, nominees and trustees, who would, or otherwise intend to, forward this Composite Document and/or the accompanying Form of Acceptance to any jurisdiction outside Hong Kong should read the details in this regard which are contained in the section headed "The Offer — Overseas Shareholders" in the "Letter from Astrum Capital" of this Composite Document before taking any action. It is the sole responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental, exchange control or other consent which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes due from the accepting Overseas Shareholders in respect of such jurisdictions). The Overseas Shareholders are advised to seek professional advice on deciding whether to accept the Offer (as applicable).

This Composite Document is issued jointly by the Offeror and the Company. This Composite Document will remain on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.edico.com.hk as long as the Offer remains open. In case of any inconsistency, the English texts of this Composite Document and the accompanying Form of Acceptance shall prevail over their respective Chinese texts for the purpose of interpretation.

* For identification purpose only

5 November 2024

CHARACTERISTICS OF GEM

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

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

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EXPECTED TIMETABLE

The timetable set out below is indicative only and is subject to change. Any changes to the timetable will be jointly announced by the Offeror and the Company.

2024

Despatch date of this Composite Document and the accompanying Form of Acceptance and commencement date of the Offer (<i>Note 1</i>)	Tuesday, 5 November
Latest time and date for acceptance of the Offer (<i>Notes 2 and 3</i>)	4:00 p.m. on Tuesday, 26 November
Closing Date (<i>Notes 2 and 3</i>)	Tuesday, 26 November
Announcement of the results of the Offer, to be posted on the website of the Stock Exchange (<i>Note 2</i>).....	no later than 7:00 p.m. on Tuesday, 26 November
Latest date for posting of remittances in respect of valid acceptances received under the Offer (<i>Note 4</i>)	Thursday, 5 December

Notes:

- (1) The Offer, which is unconditional in all respect, 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.
- (2) In accordance with the Takeovers Code, the Offer must remain open for acceptance for at least 21 days after the date of this Composite Document. The latest time and date for acceptance will be at 4:00 p.m. on Tuesday, 26 November 2024 unless the Offeror revises or extends the Offer in accordance with the Takeovers Code. The Offeror and the Company will jointly issue an announcement through the websites of the Stock Exchange and the Company no later than 7:00 p.m. on Tuesday, 26 November 2024 stating the results of the Offer and whether the Offer has been extended, revised or expired. In the event that the Offeror decides to extend the Offer, and the announcement regarding the extension of the Offer does not specify the next closing date, at least 14 days' notice by way of an announcement will be given before the Offer is closed to those Independent Shareholders who have not accepted the Offer.
- (3) Beneficial owners of the Shares who hold their Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements (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.
- (4) Remittances in respect of the cash consideration (after deducting the seller's Hong Kong ad valorem stamp duty) payable for the Offer Shares tendered under the Offer will be despatched to the Independent Shareholders accepting the Offer by ordinary post at their own risk as soon as possible, but in any event no later than seven (7) Business Days after the date of receipt by the Registrar of all relevant documents (receipt of which renders such acceptance complete and valid), in accordance with the Takeovers Code. Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code. Please refer to the section headed "5. Right of Withdrawal" in Appendix I to this Composite Document for further information on the circumstances where acceptances may be withdrawn.

EXPECTED TIMETABLE

- (5) If any severe weather condition is in force in Hong Kong:
- (a) 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 Offer and the latest date for despatch of remittances for the amounts due under the Offer in respect of valid acceptances, the latest time for acceptance of the Offer will remain at 4:00 p.m. on the same Business Day and the latest date for despatch of remittances will remain on the same Business Day; or
 - (b) at any local time at or after 12:00 noon on the latest date for acceptance of the Offer and the latest date for despatch of remittances for the amounts due under the Offer in respect of valid acceptances, the latest time for acceptance of the Offer will be rescheduled to 4:00 p.m. on the next Business Day and the latest date for despatch of remittances will be rescheduled to the next Business Day which does not have any of those warnings in force at 12:00 noon and/or thereafter (or another Business Day thereafter that does not have any severe weather condition at 12:00 noon or thereafter).

For the purpose of this Composite Document, “severe weather” refers to the scenario where Typhoon Signal No. 8 or above, a Black Rainstorm Warning (as issued by the Hong Kong Observatory), or the “Extreme Conditions” warning (as announced by the Hong Kong Government) is in force in Hong Kong.

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

All references to dates and times contained in this Composite Document and the accompanying Form of Acceptance refer to Hong Kong dates and times.

NOTICE TO OVERSEAS SHAREHOLDERS

The making of the Offer to persons with a registered address in jurisdictions outside Hong Kong may be prohibited or affected by the laws and regulations of the relevant jurisdictions. Overseas Shareholders who are residents, citizens or nationals of jurisdictions outside Hong Kong should keep themselves informed about and observe, at their own responsibility, any applicable legal and regulatory requirements. It is the responsibility of any such person who wishes to accept the Offer to satisfy himself/herself/itself as to the full observance of the laws and regulations of the relevant overseas 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 or legal and regulatory requirements and the payment of any transfer or other taxes due by such accepting Overseas Shareholders in respect of such overseas jurisdiction. The Offeror, parties acting in concert with the Offeror, the Vendor, the Vendor Guarantor, the Company, Astrum Capital, Akron, the Independent Financial Adviser, the Registrar, their respective ultimate beneficial owners, directors, officers, agents and associates and any other person involved in the Offer shall be entitled to be fully indemnified and held harmless by such person for any taxes as such person may be required to pay. Please see the paragraph headed “Overseas Shareholders” in the “Letter from Astrum Capital” in this Composite Document.

DEFINITIONS

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

“Acquisition”	the purchase of the Sale Shares by the Offeror from the Vendor in accordance with the terms of the Share Purchase Agreement
“acting in concert”	has the meaning ascribed to it under the Takeovers Code and “concert parties” shall be construed accordingly
“Actionable Corporate Communication”	any corporate communication that seeks instructions from the Company’s securities holders on how they wish to exercise their rights or make an election as the Company’s securities holder
“Akron”	Akron Corporate Finance Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, the financial adviser to the Offeror in relation to the Offer
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Astrum Capital”	Astrum Capital Management Limited, a licensed corporation to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, the agent making the Offer on behalf of the Offeror
“Board”	the board of Directors
“Business Day(s)”	a day on which the Stock Exchange is open for the transaction of business
“BVI”	the British Virgin Islands
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Closing Date”	Tuesday, 26 November 2024, being the closing date of the Offer, or if the Offer is extended, any subsequent closing date as may be determined by the Offeror and jointly announced by the Offeror and the Company, with the consent of the Executive, in accordance with the Takeovers Code

DEFINITIONS

“Company”	EDICO Holdings Limited (鉅京控股有限公司*), an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM (Stock Code: 8450)
“Completion”	completion of the Acquisition pursuant to the Share Purchase Agreement
“Composite Document”	this composite offer and response document jointly issued by the Offeror and the Company to the Shareholders in connection with the Offer in accordance with the Takeovers Code containing, among other things, details of the Offer (accompanied by the Form of Acceptance) and the respective letters of advice from the Independent Board Committee and the Independent Financial Adviser
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Consideration”	the amount of HK\$33,600,000, being the cash consideration paid by the Offeror to the Vendor for the Acquisition
“controlling shareholder”	has the meaning ascribed thereto under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Form of Acceptance”	the form of acceptance and transfer of the Offer Shares in respect of the 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 dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Independent Board Committee”	the independent committee of the Board, comprising all the independent non-executive Directors, namely Mr. Li Wai Ming, Mr. Wan Chun Wai Andrew and Ms. Chan Chiu Yee Natalie, established by the Company to advise the Independent Shareholders as to whether the Offer is fair and reasonable and as to the acceptance of the Offer
“Independent Financial Adviser” or “Mesis Capital”	Mesis Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed by the Company with the approval of the Independent Board Committee to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer and in particular as to whether the Offer is fair and reasonable and as to the acceptance of the Offer
“Independent Shareholder(s)”	holder(s) of Share(s), other than the Offeror and parties acting in concert with it
“Joint Announcement”	the announcement dated 15 October 2024 jointly issued by the Offeror and the Company in relation to, among others, the Acquisition and the Offer
“Last Trading Day”	7 October 2024, being the last trading day of the Shares immediately prior to the halt in trading in the Shares on the Stock Exchange pending the release of the Joint Announcement
“Latest Practicable Date”	1 November 2024, being the latest practicable date prior to the printing of this Composite Document for ascertaining certain information contained herein
“Mr. Lui”	Mr. Lui Yu Kin (呂宇健先生), the sole director and the sole shareholder of the Offeror
“Ms. Yuen”	Ms. Yuen Sin Yee Claudia, a substantial Shareholder holding the Non-accepting Shares as at the Latest Practicable Date
“Non-accepting Irrevocable Undertaking”	the irrevocable undertaking dated 7 October 2024 given by Ms. Yuen in favor of the Offeror, further details of which are set out in the section headed “The Offer — The Non-accepting Irrevocable Undertaking” in the “Letter from Astrum Capital” of this Composite Document

DEFINITIONS

“Non-accepting Shares”	192,200,000 Shares, representing approximately 19.2% of the total issued share capital of the Company as at the Latest Practicable Date, held by Ms. Yuen and being the subject under the Non-accepting Irrevocable Undertaking
“Offer”	the mandatory unconditional cash offer made by Astrum Capital for and on behalf of the Offeror to acquire all the issued Shares not already owned or agreed to be acquired by the Offeror and parties acting in concert with it on the terms and conditions set out in this Composite Document and in accordance with the Takeovers Code
“Offer Period”	has the meaning ascribed to it under the Takeovers Code which commences on 15 October 2024 (being the date of the Joint Announcement) and ends on the Closing Date, or such other date to which the Offeror may decide to extend or revise the Offer in accordance with the Takeovers Code
“Offer Price”	the cash amount of HK\$0.06 payable by the Offeror for each Offer Share
“Offer Shares”	440,000,000 Shares (including the Non-accepting Shares), being all the issued Shares other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it
“Offeror”	Jantix Management Limited, a company incorporated in Hong Kong with limited liability and beneficially and wholly-owned by Mr. Lui, which is the purchaser under the Share Purchase Agreement
“Overseas Shareholders”	Independent Shareholder(s) whose address(es), as shown on the register of members of the Company, is/are outside Hong Kong
“PRC”	the People’s Republic of China, which for the purpose of this Composite Document, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Registrar”	Union Registrars Limited, the Hong Kong branch share registrar and transfer office of the Company at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong

DEFINITIONS

“Relevant Period”	the period commencing on 15 April 2024, being the date falling six months before the Offer Period, up to and including the Latest Practicable Date
“Sale Shares”	the 560,000,000 Shares acquired by the Offeror from the Vendor pursuant to the terms of the Share Purchase Agreement, representing 56.0% of the total issued share capital of the Company as at the Latest Practicable Date
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of par value of HK\$0.01 each in the share capital of the Company
“Share Purchase Agreement”	the sale and purchase agreement dated 8 October 2024 entered into among the Vendor, the Vendor Guarantor and the Offeror in relation to the sale and purchase of the Sale Shares
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it under the Takeovers Code
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Vendor”	Achiever Choice Limited, a company incorporated in the BVI with limited liability, which is beneficially and wholly-owned by Mr. Chan
“Vendor Guarantor” or “Mr. Chan”	Mr. Chan Tsang Tieh, an executive Director and the Chairman of the Board, who is the sole director and the sole shareholder of the Vendor as at the Latest Practicable Date
“%”	per cent.

* For identification purpose only

DEFINITIONS

Unless the context otherwise requires, all references in this Composite Document to:

- (a) times and dates are references to Hong Kong times and dates, except as otherwise specified;
- (b) pronouns in masculine, feminine or neutral genders shall be construed to state and include any other gender; and
- (c) words, terms and titles in the singular form shall be construed to include the plural and vice versa.

LETTER FROM ASTRUM CAPITAL



Room 2704, 27/F, Tower 1, Admiralty Centre
8 Harcourt Road, Admiralty, Hong Kong

To the Independent Shareholders

5 November 2024

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
ASTRUM CAPITAL MANAGEMENT LIMITED
FOR AND ON BEHALF OF JANTIX MANAGEMENT LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
EDICO HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED
OR AGREED TO BE ACQUIRED BY JANTIX MANAGEMENT LIMITED
AND PARTIES ACTING IN CONCERT WITH IT)**

INTRODUCTION

Reference is made to the Joint Announcement in relation to, among other things, the Acquisition and the Offer. Terms used in this letter shall have the same meanings as defined in the Composite Document unless the context otherwise requires.

As disclosed in the Joint Announcement, on 8 October 2024 (before trading hours), the Vendor, the Vendor Guarantor and the Offeror entered into the Share Purchase Agreement pursuant to which the Vendor agreed to sell, and the Offeror agreed to purchase, the Sale Shares (being 560,000,000 Shares, representing 56.0% of the total issued share capital of the Company as at the Latest Practicable Date) for a total cash Consideration of HK\$33,600,000 (being HK\$0.06 per Sale Share).

Immediately prior to Completion, the Offeror and parties acting in concert with it did not own, control or have direction over any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company. Immediately after Completion (which took place immediately after signing of the Share Purchase Agreement on 8 October 2024) and as at the Latest Practicable Date, the Offeror and parties acting in concert with it hold in aggregate 560,000,000 Shares, representing 56.0% of the total issued share capital of the Company.

The Offeror is therefore required under Rule 26.1 of the Takeovers Code to make a mandatory unconditional cash offer for all the issued Shares not already owned or agreed to be acquired by the Offeror and parties acting in concert with it. Astrum Capital is making the Offer for and on behalf of the Offeror.

LETTER FROM ASTRUM CAPITAL

This letter sets out, among other things, the principal terms of the Offer, together with the information on the Offeror and the Offeror’s intentions regarding the Group. Further details of the Offer and the procedures for acceptance and settlement of the Offer are also set out in Appendix I to this Composite Document and the accompanying Form of Acceptance. The Independent Shareholders are strongly advised to consider carefully the information contained in the “Letter from the Board”, the “Letter from the Independent Board Committee” to the Independent Shareholders, the “Letter from the Independent Financial Adviser” to the Independent Board Committee and the Independent Shareholders and the appendices as set out in this Composite Document and to consult their professional advisers if in doubt before reaching a decision as to whether or not to accept the Offer.

THE OFFER

Principal terms of the Offer

We, Astrum Capital, are making the Offer for and on behalf of the Offeror to acquire the Offer Shares on the following basis:

The Offer

For each Offer Share HK\$0.06 in cash

The Offer Price of HK\$0.06 per Offer Share is the same as the price of HK\$0.06 per Sale Share paid by the Offeror under the Share Purchase Agreement.

As at the Latest Practicable Date, there are 1,000,000,000 Shares in issue and the Company does not have any outstanding options, warrants or derivatives or securities convertible or exchangeable into Shares.

The Offer is unconditional in all respects and extended to all Independent Shareholders in accordance with the Takeovers Code.

Under the terms of the Offer, the Offer Shares to be acquired under the Offer shall be fully paid and free from all encumbrance and together with all rights and benefits attached thereto, including all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of this Composite Document.

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

LETTER FROM ASTRUM CAPITAL

Comparison of value

The Offer Price of HK\$0.06 per Offer Share represents:

- (i) a premium of approximately 39.53% over the closing price of HK\$0.0430 per Share as quoted on the Stock Exchange on 7 October 2024, being the Last Trading Day;
- (ii) a premium of approximately 35.14% over the average closing price of HK\$0.0444 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to and including the Last Trading Day;
- (iii) a premium of approximately 26.05% over the average closing price of HK\$0.0476 per Share as quoted on the Stock Exchange for the ten (10) consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a premium of approximately 24.74% over the average closing price of HK\$0.0481 per Share as quoted on the Stock Exchange for the thirty (30) consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a discount of approximately 45.45% to the closing price of HK\$0.110 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (vi) a premium of approximately 4.35% over the audited consolidated net assets value of the Company per Share of approximately HK\$0.0575 as at 30 September 2023 (based on a total of 1,000,000,000 Shares in issue as at the Latest Practicable Date and the audited consolidated net assets value of the Company of HK\$57,457,000 as at 30 September 2023); and
- (vii) a premium of approximately 11.32% over the unaudited consolidated net assets value of the Company per Share of approximately HK\$0.0539 as at 31 March 2024 (based on a total of 1,000,000,000 Shares in issue as at the Latest Practicable Date and the unaudited consolidated net assets value of the Company of HK\$53,901,000 as at 31 March 2024).

Highest and lowest Share prices

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.128 per Share on 28 October 2024 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.042 per Share on 25 April 2024, 26 April 2024, 30 April 2024, 2 May 2024, 3 May 2024, 6 May 2024 and 4 October 2024, respectively.

LETTER FROM ASTRUM CAPITAL

Total consideration for the Offer Shares

As at the Latest Practicable Date, there are 1,000,000,000 Shares in issue and the Company has no other outstanding Shares, options, warrants, derivatives or other securities that are convertible or exchangeable into Shares or other relevant securities in the Company (as defined in Note 4 to Rule 22 of the Takeovers Code).

Assuming that there is no change in the issued share capital of the Company and based on the Offer Price of HK\$0.06 per Offer Share, the total issued share capital of the Company is valued at HK\$60,000,000. As the Offeror and parties acting in concert with it hold in aggregate 560,000,000 Shares as at the Latest Practicable Date, 440,000,000 Shares (including the Non-accepting Shares) are subject to the Offer. Based on a total of 440,000,000 Offer Shares and the Offer Price of HK\$0.06 per Offer Share, the maximum amount of cash payable by the Offeror in respect of the consideration payable upon full acceptance of the Offer is HK\$26,400,000.

The Non-accepting Irrevocable Undertaking

As at the Latest Practicable Date, Ms. Yuen is interested in a total of 192,200,000 Non-accepting Shares, representing approximately 19.2% of the total issued share capital of the Company.

On 7 October 2024, the Offeror received the Non-accepting Irrevocable Undertaking from Ms. Yuen, pursuant to which Ms. Yuen has irrevocably and unconditionally undertaken to the Offeror, *inter alia*, that she:

- (1) will not or will not agree to, whether directly or indirectly, transfer, sell, charge, pledge or grant any option over or otherwise dispose of or create any encumbrances in respect of any of the Non-accepting Shares or any part thereof or any interest in the Non-accepting Shares or any part thereof prior to the earlier of the closing or lapse of the Offer;
- (2) will not tender the Non-accepting Shares for acceptance under the Offer, whether it comprises a higher offer or not and irrespective of the means by which it is to be implemented; and
- (3) will not, and will procure any party acting in concert with her not to, acquire any Shares, options, warrants, convertible securities, derivatives in respect of securities of the Company or other rights to subscribe for, purchase or otherwise acquire any securities of the Company prior to the earlier of the closing or lapse of the Offer.

Given that the Offer is unconditional in all respects, the Non-accepting Irrevocable Undertaking will take effect from the date thereof until the closing of the Offer.

LETTER FROM ASTRUM CAPITAL

Confirmation of financial resources

The maximum amount of cash payable by the Offeror in respect of the consideration payable upon full acceptance of the Offer is HK\$26,400,000, assuming there is no change in the issued share capital of the Company from the Latest Practicable Date up to the close of the Offer.

Taking into account the Non-accepting Irrevocable Undertaking, the Offeror anticipates that the Offer made in respect of the 192,200,000 Non-accepting Shares will not be accepted by Ms. Yuen. In this regard, based on a total of 247,800,000 Shares which will be subject to the Offer (excluding the Non-accepting Shares) and the Offer Price of HK\$0.06 per Offer Share, the Offeror anticipates that the total consideration payable to accepting Independent Shareholders under the Offer would be HK\$14,868,000 in the event that the Offer is accepted in full by the Independent Shareholders except for Ms. Yuen. The Offeror intends to satisfy the consideration payable under the Offer with its internal resources.

Akron, as the financial adviser to the Offeror in respect of the Offer, is satisfied that sufficient financial resources are, and will remain, available to the Offeror to satisfy the amount of funds required upon full acceptance of the Offer.

Effect of accepting the Offer

By accepting the Offer, the Independent Shareholders will be deemed to warrant that all Offer Shares to be sold by such person under the Offer are fully paid and free from all encumbrances and together with all rights and benefits attaching thereto as at the date of this Composite Document or subsequently becoming attached to them, including but not limited to the right to receive in full all dividends, distributions and any return of capital, if any, which may be made or declared or agreed to be made or declared, and the record date of which falls on or after the date on which the Offer is made, being the date of despatch of this Composite Document. The Company confirmed that, as at the Latest Practicable Date, (i) it had not declared any dividend which had not yet been 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 Closing Date.

The Offer is unconditional in all respects and will remain open for acceptance from the date of this Composite Document until 4:00 p.m. on the Closing Date. Acceptance of the Offer will be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code, details of which are set out in the section headed “5. Right of Withdrawal” in Appendix I to this Composite Document.

Payment

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

LETTER FROM ASTRUM CAPITAL

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

Hong Kong Stamp duty

Seller's Hong Kong ad valorem stamp duty 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 Offer, whichever is higher, will be deducted from the amount payable by the Offeror to the relevant Independent Shareholders accepting the Offer. The Offeror will arrange for payment of the sellers' Hong Kong ad valorem stamp duty on behalf of the relevant Independent Shareholders accepting the Offer and pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Overseas Shareholders

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

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

Taxation advice

The Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, parties acting in concert with the Offeror, the Vendor, the Vendor Guarantor, the Company, Astrum Capital, Akron, the Independent Financial Adviser, the Registrar nor their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

LETTER FROM ASTRUM CAPITAL

INFORMATION ON THE GROUP

The Company was incorporated in the Cayman Islands with limited liability and its issued Shares have been listed on GEM since 2 February 2018.

The Group principally engages in the business of providing 24-hour integrated printing services for customers mainly in the financial and capital markets in Hong Kong.

The financial information of the Group is set out in Appendix II to this Composite Document. Your attention is also drawn to the further information in relation to the Group as set out in Appendix III to this Composite Document.

INFORMATION ON THE OFFEROR

The Offeror is a company incorporated in Hong Kong with limited liability and is principally engaged in investment holding. Mr. Lui is the sole ultimate beneficial owner and the sole director of the Offeror. Mr. Lui is a seasoned investor who has extensive experience in property and securities investment. Mr. Lui has broad exposure in the Hong Kong capital markets with direct investment in listed companies across various industries covering education, construction, media and entertainment.

INTENTIONS OF THE OFFEROR REGARDING THE GROUP

As at the Latest Practicable Date, the Offeror is the controlling Shareholder and is interested in 56.0% of the total issued share capital of the Company.

The Group is principally engaged in the business of providing 24-hour integrated printing services for customers mainly in the financial and capital markets in Hong Kong. The Offeror intends to continue the employment of the existing management and employees of the Group (except for a proposed change to the members of the Board at a time no earlier than that permitted under the GEM Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate). The Offeror also intends to continue the existing principal business of the Group immediately following Completion. However, the Offeror will conduct a detailed review on the operation and business activities of the Group to formulate a long-term business strategy for the Group. Subject to the results of such review, the Offeror may explore other business and/or seek to expand the principal business of the Group.

Save for the Offeror's intention regarding the Group as set out above, (i) the Offeror has no intention to make material changes to the employment of the employees of the Group (except for a proposed change to the members of the Board at a time no earlier than that permitted under the GEM Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate); (ii) the Offeror has no intention to dispose of or redeploy the assets of the Group other than those in its ordinary course of business; and (iii) as at the Latest Practicable Date, no

LETTER FROM ASTRUM CAPITAL

investment or business opportunity has been identified nor has the Offeror entered into any agreement, arrangement, understandings or negotiation in relation to the injection of any assets or business into the Group.

The Offeror intends to nominate new director(s) to the Board with effect from a date which is no earlier than such date as permitted under the Takeovers Code or such later date as the Offeror considers to be appropriate. As at the Latest Practicable Date, the Offeror has not reached any decision as to the Board composition following the close of the Offer, in particular, the Offeror has not identified any candidate to be nominated as a new Director nor any existing Director to be replaced. Any changes to the members of the Board will be made in compliance with the Takeovers Codes and/or the GEM Listing Rules and further announcement(s) will be made 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 GEM following the close of the Offer.

According to the shareholding structure of the Company as at the Latest Practicable Date as set out in the section headed “Shareholding Structure of the Company” in the “Letter from the Board”, there was a shortfall in the Company’s public float of approximately 0.2% given that only approximately 24.8% of the Shares were held in the hand of the public Shareholders. For further details of the aforesaid shortfall, please refer to the section headed “Public Float and Maintaining the Listing Status of the Company” in the “Letter from the Board”.

The Offeror will, together with the Company, use reasonable endeavours to maintain the listing status of the Shares on GEM and procure that not less than 25% of the entire issued share capital in the Company be held by the public in compliance with the GEM Listing Rules after the close of the Offer.

The Stock Exchange has stated that if, at the close of the 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 close of the Offer, there will be insufficient public float of the Shares and the trading in the Shares may be suspended until sufficient public float exists for the Shares.

The sole director of the Offeror has undertaken, and the new Director(s) (if any) proposed by the Offeror will jointly and severally undertake, to the Stock Exchange to take appropriate steps following the close of the Offer to ensure that such number of Shares as may be required by the Stock Exchange are held by the public within the prescribed time frame. The Offeror intends to

LETTER FROM ASTRUM CAPITAL

engage a placing agent and restore the minimum public float of the Shares by way of placement of existing Shares to independent third parties. The Offeror will ascertain the number of existing Shares to be placed by the placing agent, depending on the outcome of the Offer and to the extent the minimum public float is restored, on the Closing Date. It is expected that the placement of existing Shares will complete and the public float of the Company will be restored by the later of (i) the end of December 2024; or (ii) 30 days after closing of the Offer. Further announcement(s) will be made by the Company regarding the restoration of public float as and when appropriate.

ACCEPTANCE AND SETTLEMENT OF THE OFFER

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

COMPULSORY ACQUISITION

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

GENERAL

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

The printed form of the Composite Document will only be posted to the Independent Shareholders upon request. The Company will send the Form of Acceptance, which is an Actionable Corporate Communication, to the Independent Shareholders in printed form, if the Company does not have their functional email address or if the Independent Shareholders requested. All documents and remittances to be sent to the Independent Shareholders will be sent by ordinary post at their own risk. These documents and remittances will be sent to them at their respective addresses as they appear in the register of members or, in case of joint holders, to the Independent Shareholder whose name appears first in the said register of members. None of the Offeror, parties acting in concert with the Offeror, the Vendor, the Vendor Guarantor, the Company, Astrum Capital, Akron, the Independent Financial Adviser, the Registrar nor their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Offer will be responsible for any loss or delay in transmission of such documents and remittances or any other liabilities that may arise as a result thereof.

LETTER FROM ASTRUM CAPITAL

ADDITIONAL INFORMATION

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

Yours faithfully,
For and on behalf of
Astrum Capital Management Limited
PAN Chik
Director

LETTER FROM THE BOARD

EDICO Holdings Limited

鉅京控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8450)

Executive Directors:

Mr. Chan Tsang Tieh

(Chairman)

Mrs. Donati Chan Yi Mei Amy

(Chief Executive Officer)

Independent non-executive Directors:

Mr. Li Wai Ming

Mr. Wan Chun Wai Andrew

Ms. Chan Chiu Yee Natalie

Registered office in the Cayman Islands:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

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

8/F., Wheelock House

20 Pedder Street

Central

Hong Kong

5 November 2024

To the Independent Shareholders:

Dear Sir/Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
ASTRUM CAPITAL MANAGEMENT LIMITED
FOR AND ON BEHALF OF JANTIX MANAGEMENT LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
EDICO HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED
OR AGREED TO BE ACQUIRED BY JANTIX MANAGEMENT LIMITED
AND PARTIES ACTING IN CONCERT WITH IT)**

INTRODUCTION

Reference is made to the Joint Announcement in relation to, among other things, the Acquisition and the Offer. Terms used in this letter shall have the same meanings as defined in the Composite Document unless the context otherwise requires.

LETTER FROM THE BOARD

As disclosed in the Joint Announcement, the Board was notified by the Vendor that on 8 October 2024 (before trading hours), the Vendor, the Vendor Guarantor and the Offeror entered into the Share Purchase Agreement pursuant to which the Vendor agreed to sell, and the Offeror agreed to purchase, the Sale Shares (being 560,000,000 Shares, representing 56.0% of the total issued share capital of the Company as at the Latest Practicable Date) for a total cash Consideration of HK\$33,600,000 (being HK\$0.06 per Sale Share).

Immediately prior to Completion, the Offeror and parties acting in concert with it did not own, control or have direction over any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company. Immediately after Completion (which took place immediately after signing of the Share Purchase Agreement on 8 October 2024) and as at the Latest Practicable Date, the Offeror and parties acting in concert with it hold in aggregate 560,000,000 Shares, representing 56.0% of the total issued share capital of the Company.

The Offeror is therefore required under Rule 26.1 of the Takeovers Code to make a mandatory unconditional cash offer for all the issued Shares not already owned or agreed to be acquired by the Offeror and parties acting in concert with it. Astrum Capital is making the Offer for and on behalf of the Offeror.

As at the date of the Latest Practicable Date, there were 1,000,000,000 Shares in issue and the Company has no other outstanding Shares, options, warrants, derivatives or other securities that are convertible or exchangeable into Shares or other relevant securities in the Company (as defined in Note 4 to Rule 22 of the Takeovers Code), and has not entered into any agreement for the issue of such Shares, options, warrants, derivatives or other relevant securities that are convertible or exchangeable into Shares or other relevant securities in the Company.

The purpose of this Composite Document (of which this letter forms part) is to provide you with, among other things, (i) further information relating to the Group, the Offeror and the Offer; (ii) the letter from Astrum Capital containing details of the Offer; (iii) the letter from the Independent Board Committee containing its recommendations to the Independent Shareholders in relation to the Offer; and (iv) the letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders on whether the Offer is fair and reasonable so far as the Independent Shareholders are concerned and on acceptance of the Offer.

LETTER FROM THE BOARD

THE OFFER

As disclosed in the section headed “Letter from Astrum Capital” in this Composite Document, Astrum Capital is making the Offer for and on behalf of the Offeror to acquire the Offer Shares on the following basis:

For each Offer Share HK\$0.06 in cash

The Offer Price of HK\$0.06 per Offer Share is the same as the price of HK\$0.06 per Sale Share paid by the Offeror under the Share Purchase Agreement.

The Consideration was paid by the Offeror to the Vendor in cash with its internal resources.

The Offer is unconditional in all respects and extended to the Independent Shareholders in accordance with the Takeovers Code.

Under the terms of the Offer, the Offer Shares to be acquired under the Offer shall be fully paid and free from all encumbrances and together with all rights and benefits attached thereto, including all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of this Composite Document.

The Company confirms that, as at the Latest Practicable Date, (i) it did not declare any dividend which is not yet paid; and (ii) it did not have any intention to declare or pay any future dividend or make other distributions during the Offer Period.

Further details of the Offer

Further details of the Offer are set out in the section headed “Letter from Astrum Capital” in this Composite Document and the additional information contained in the appendices to this Composite Document and the accompanying Form of Acceptance.

INFORMATION ON THE GROUP

The Company was incorporated in the Cayman Islands with limited liability and its issued Shares have been listed on GEM of the Stock Exchange since 2 February 2018.

The Group principally engages in the business of providing 24-hour integrated printing services for customers mainly in the financial and capital markets in Hong Kong.

Further details of the Group are set out in Appendix II “Financial Information of the Group” and Appendix III “General Information of the Group” to this Composite Document.

LETTER FROM THE BOARD

FINANCIAL INFORMATION OF THE GROUP

Set out below is a summary of certain audited/unaudited consolidated financial information of the Group for (i) each of the two financial years ended 30 September 2022 and 2023 (as extracted from the annual report of the Company for the year ended 30 September 2023); and (ii) the six months ended 31 March 2024 (as extracted from the interim report of the Company for the six months ended 31 March 2024):

	For the six months ended 31 March 2024 <i>HK\$'000</i> <i>(unaudited)</i>	For the year ended 30 September 2023 <i>HK\$'000</i> <i>(audited)</i>	For the year ended 30 September 2022 <i>HK\$'000</i> <i>(audited)</i>
Revenue	14,892	46,499	45,395
Loss before taxation	(3,556)	(7,721)	(5,032)
Loss and total comprehensive expense for the year/period attributable to owners of the Company	(3,556)	(7,680)	(2,781)
	As at 31 March 2024 <i>HK\$'000</i> <i>(unaudited)</i>	As at 30 September 2023 <i>HK\$'000</i> <i>(audited)</i>	As at 30 September 2022 <i>HK\$'000</i> <i>(audited)</i>
Total assets	76,662	90,054	105,777
Total liabilities	22,761	32,597	40,640
Net assets	53,901	57,457	65,137

SHAREHOLDING STRUCTURE OF THE COMPANY

As at the Latest Practicable Date, the authorized share capital of the Company was HK\$50,000,000 divided into 5,000,000,000 ordinary shares, and there were 1,000,000,000 Shares in issue. Save as aforesaid, the Company has no other outstanding Shares, options, warrants, derivatives or other securities that are convertible or exchangeable into Shares or other relevant securities in the Company (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the Latest Practicable Date.

LETTER FROM THE BOARD

The shareholding structure of the Company (i) immediately prior to Completion; and (ii) immediately upon Completion and as at the Latest Practicable Date are as follows:

	(i) Immediately prior to Completion		(ii) Immediately upon Completion and as at the Latest Practicable Date	
	<i>Number of Shares</i>	<i>Appr. % of issued Shares</i>	<i>Number of Shares</i>	<i>Appr. % of issued Shares</i>
The Offeror and parties acting in concert with it	—	—	560,000,000	56.0
The Vendor	560,000,000	56.0	—	—
Ms. Yuen	192,200,000	19.2	192,200,000	19.2
Public Shareholders	<u>247,800,000</u>	<u>24.8</u>	<u>247,800,000</u>	<u>24.8</u>
Total	<u>1,000,000,000</u>	<u>100.00</u>	<u>1,000,000,000</u>	<u>100.00</u>

INFORMATION ON THE OFFEROR

Your attention is drawn to the paragraphs headed “Information on the Offeror” in the “Letter from Astrum Capital” and Appendix IV “General Information of the Offeror” to this Composite Document for information on the Offeror.

INTENTIONS OF THE OFFEROR REGARDING THE GROUP

Your attention is drawn to the section headed “Letter from Astrum Capital — Intentions of the Offeror regarding the Group” in this Composite Document.

The Board is aware of the Offeror’s intentions in relation to the Group and its employees as set out in the section headed “Letter from Astrum Capital — Intentions of the Offeror regarding the Group” in this Composite Document. The Board is willing to render reasonable cooperation with the Offeror and continue to act in the best interests of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, the Board comprises two executive Directors, namely Mr. Chan Tsang Tieh and Mrs. Donati Chan Yi Mei Amy, and three independent non-executive Directors, namely Mr. Li Wai Ming, Mr. Wan Chun Wai Andrew and Ms. Chan Chiu Yee Natalie.

The Board is aware that as at the Latest Practicable Date, the Offeror intended to nominate new director(s) to the Board with effect from a date which is no earlier than such date as permitted under the Takeovers Code or such later date as the Offeror considers to be appropriate. As at the

LETTER FROM THE BOARD

Latest Practicable Date, none of the existing Directors has intention to resign from the Board. Any changes to the members of the Board will be made in compliance with the Takeovers Codes and/or the GEM Listing Rules and further announcement(s) will be made as and when appropriate.

PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

The Board is aware that the Offeror intends to maintain the listing of the Shares on GEM of the Stock Exchange following the close of the Offer and that the Offeror does not intend to avail itself of any powers of compulsory acquisition of any outstanding Offer Shares after the close of the Offer.

According to the shareholding structure of the Company as at the Latest Practicable Date as set out in the section headed “Shareholding Structure of the Company”, there was a shortfall in the Company’s public float of approximately 0.2% given that only approximately 24.8% of the Shares were held in the hand of the Public Shareholders (the “**Shortfall**”). Based on the information available to the Company, the Shortfall was caused by the completion of sale and purchase of 190,000,000 Shares between 2 Shareholders in around November 2021, where the percentage of interest in the Company of the purchaser Shareholder, Ms. Yuen, had increased from 0.22% to 19.20%. As a result of the said acquisition, Ms. Yuen became a substantial shareholder of the Company and, accordingly, a core connected person of the Company, and Ms. Yuen was no longer recognised as a member of the public pursuant to Rule 11.23 of the GEM Listing Rules.

The Offeror will, together with the Company, use reasonable endeavours to maintain the listing status of the Shares on GEM of the Stock Exchange and procure that not less than 25% of the entire issued share capital in the Company be held by the public in compliance with the GEM Listing Rules after the close of the Offer. The Board is aware that it is the intention of the Offeror to engage a placing agent and restore the minimum public float of Shares by way of placement of existing Shares to independent third parties. The Board is also aware that the Offeror will ascertain the number of existing Shares to be placed by the placing agent, depending on the outcome of the Offer and to the extent the minimum public float is restored, on the Closing Date. It is expected that the placement of existing Shares will complete and the public float of the Company will be restored by the later of (i) the end of December 2024; or (ii) 30 days after closing of the Offer.

The Stock Exchange has stated that if, at the close of the 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 close of the Offer, there will be insufficient public float of the Shares and the trading in the Shares may be suspended until sufficient public float exists for the Shares.

LETTER FROM THE BOARD

The Board is aware that the sole director of the Offeror has undertaken, and the new Director(s) (if any) proposed by the Offeror will jointly and severally undertake, to the Stock Exchange to take appropriate steps following the close of the Offer to ensure that such number of Shares as may be required by the Stock Exchange are held by the public within the prescribed time frame. Further announcement(s) will be made by the Company regarding the restoration of public float as and when appropriate.

In addition, in order to prevent similar incidents of having insufficient public float in the Shares as required under Rule 11.23 of the GEM Listing Rules from occurring in the future, the Company has taken/will take the following remedial actions and measures:

1. the management and the company secretary of the Company shall continue to oversee and monitor the effectiveness and efficiency of the Company's on-going compliance system and the relevant corporate governance measures;
2. conduct internal training session on compliance of the GEM Listing Rules, in particular in relation to public float requirements and definitions of public shareholders, to refresh and reinforce the understanding in the relevant concepts;
3. closely monitor the registers of the Company and the disclosure of interests made by the Shareholders on a regular basis to keep track of the public float of the Company; and
4. assign additional manpower to crosscheck public records and disclosures of the Company to avoid inadvertent oversights.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, comprising all the independent non-executive Directors who have no direct or indirect interest in the Offer, namely Mr. Li Wai Ming, Mr. Wan Chun Wai Andrew and Ms. Chan Chiu Yee Natalie, has been established pursuant to Rules 2.1 and 2.8 of the Takeovers Code to advise the Independent Shareholders as to whether the Offer is fair and reasonable and as to the acceptance of the Offer.

Messis Capital has been appointed as the Independent Financial Adviser with the approval of the Independent Board Committee to advise the Independent Board Committee and the Independent Shareholders as to whether the Offer is fair and reasonable and as to the acceptance of the Offer.

The full texts of the letter from the Independent Board Committee addressed to the Independent Shareholders and the letter from the Independent Financial Adviser addressed to the Independent Board Committee and the Independent Shareholders 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 Offer.

LETTER FROM THE BOARD

RECOMMENDATION

Your attention is drawn to (i) the section headed “Letter from the Independent Board Committee” as set out on pages 28 to 29 of this Composite Document, which contains its advice and recommendations to the Independent Shareholders as to whether the Offer is fair and reasonable and as to the acceptance of the Offer; and (ii) the section headed “Letter from the Independent Financial Adviser” as set out on pages 30 to 42 of this Composite Document, which contains its advice and recommendations to the Independent Board Committee and the Independent Shareholders in respect of the Offer and, in particular as to whether the Offer is fair and reasonable and as to the acceptance thereof, and the principal factors considered by it in arriving at its advice and recommendation. In particular, the Board is aware that:

- (i) the Independent Financial Adviser, having taken into consideration principal factors including (1) the persistent loss making position of the Group and uncertain recovery of the higher margin listing related services segment which is crucial to the profitability of financial printing business; (2) the current headwind and slowdown in Hong Kong IPO market that casts uncertainty over the prospect and business outlook of the financial printing industry; (3) the Offer Price is close to the Highest Share Price and represents a premium of approximately 20% to the average share price for the Review Period; (4) the current market price of the Shares as at the Latest Practicable Date which is higher than the Offer Price may be resulted from short term stimulation of the Offer and may not be sustainable; (5) the Offer provides an opportunity for the Independent Shareholders to realise their investments in the Company at a fixed price amidst low trading liquidity of the Shares; and (6) the valuation metrics of P/S and P/B represented by the Offer Price are better than that of the Comparable Companies, considered the Offer to be fair and reasonable and recommended the Independent Board Committee to advise the Independent Shareholders to accept the Offer;
- (ii) the Independent Financial Adviser has pointed out that as the Shares has been trading above the Offer Price as at the Latest Practicable Date, the Independent Shareholders who would like to realise their investments in the Shares are reminded to closely monitor the market price and liquidity of the Shares during the Offer Period and may, instead of accepting the Offer, consider selling their Shares in the open market should such sale proceeds, net of all transaction costs, exceed the amount receivable under the Offer, while Independent Shareholders who believe that they will not be able to sell the Shares in the market at a price higher than the Offer Price because of their size of the shareholding may consider the Offer as an alternative exit of their investments; and

LETTER FROM THE BOARD

- (iii) the Independent Board Committee, having taken into account the terms of the Offer and the independent advice from the Independent Financial Adviser, as well as the principal factors and reasons considered in arriving at the Independent Financial Adviser's recommendation, concurred with the view of the Independent Financial Adviser and considered that the Offer is fair and reasonable and recommended the Independent Shareholders to accept the Offer.

The Independent Shareholders are urged to read those letters carefully before taking any action in respect of the Offer.

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 to this Composite Document and the accompanying Form of Acceptance for further details in respect of the procedures for acceptance of the Offer.

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

Yours faithfully,
For and on behalf of the Board of
EDICO Holdings Limited
Chan Tsang Tieh
Chairman and Executive Director

* *For identification purpose only*

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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

EDICO Holdings Limited

鉅京控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8450)

5 November 2024

To the Independent Shareholders:

Dear Sir/Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
ASTRUM CAPITAL MANAGEMENT LIMITED
FOR AND ON BEHALF OF JANTIX MANAGEMENT LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
EDICO HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED
OR AGREED TO BE ACQUIRED BY JANTIX MANAGEMENT LIMITED
AND PARTIES ACTING IN CONCERT WITH IT)**

INTRODUCTION

We refer to the Composite Document dated 5 November 2024 of which this letter forms part. Unless the context requires otherwise, capitalised terms used in this letter shall have the same meanings as those defined in the Composite Document.

We have been appointed by the Board to form the Independent Board Committee to consider the Offer and to advise to you as to, in our opinion, whether or not the Offer is fair and reasonable so far as the Independent Shareholders are concerned, and to make recommendation as to acceptance of the Offer after taking into account the advice from the Independent Financial Adviser. We have declared that we are independent and have no direct or indirect interests in the Offer, and therefore are able to consider the Offer and to make recommendations to the Independent Shareholders.

Messis Capital Limited has been appointed with our approval as the Independent Financial Adviser to advise us and the Independent Shareholders in respect of the Offer, in particular, as to whether the Offer is, or is not, fair and reasonable, and as to the acceptance thereof. Your attention is drawn to the section headed “Letter from the Independent Financial Adviser” set out on pages 30 to 42 of the Composite Document which contains the details of the Independent Financial Adviser’s advice and the principal factors and reasons taken into consideration in arriving at its recommendation in respect of the Offer.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

We also wish to draw your attention to the section headed “Letter from Astrum Capital” set out on pages 9 to 18 of the Composite Document, the section headed “Letter from the Board” set out on pages 19 to 27 of the Composite Document and the additional information set out in the Composite Document, including the appendices to the Composite Document and the accompanying Form of Acceptance in respect of the terms of the Offer and acceptance and settlement procedures for the Offer.

RECOMMENDATION

Having taken into account the terms of the Offer and the independent advice from the Independent Financial Adviser, as well as the principal factors and reasons considered in arriving at its recommendation, we concur with the view of the Independent Financial Adviser and consider that the Offer is fair and reasonable. As such, we recommend the Independent Shareholders to accept the Offer.

Notwithstanding our recommendation, the Independent Shareholders are strongly advised that the decision to realise or to hold your investment is subject to individual circumstances and investment objectives. If in doubt, the Independent Shareholders should consult your own professional advisers for professional advice. Furthermore, the Independent Shareholders who wish to accept the Offer are recommended to read carefully the terms and procedures for acceptance of the Offer as detailed in the Composite Document and the accompanying Form of Acceptance.

Yours faithfully,

For and on behalf of the Independent Board Committee of
EDICO Holdings Limited

Li Wai Ming
*Independent non-executive
Director*

Wan Chun Wai Andrew
*Independent non-executive
Director*

Chan Chiu Yee Natalie
*Independent non-executive
Director*

* *For identification purpose only*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of a letter of advice from Messis Capital Limited to the Independent Board Committee in respect of the Offer which has been prepared for the purpose of incorporation in the Composite Document.

MESSIS 大有融資

5 November 2024

To: The Independent Board Committee and the Independent Shareholders

Dear Sirs,

**MANDATORY UNCONDITIONAL CASH OFFER BY
ASTRUM CAPITAL MANAGEMENT LIMITED
FOR AND ON BEHALF OF JANTIX MANAGEMENT LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
EDICO HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED
OR AGREED TO BE ACQUIRED BY JANTIX MANAGEMENT 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 and the Independent Shareholders in respect of the Offer and as to the acceptance of the Offer. Details of the Offer are set out in the composite document of the Company dated 5 November 2024 (the “**Composite Document**”), of which this letter forms a part. Terms used in this letter shall have the same meanings as those defined in the Composite Document unless the context otherwise requires.

Jantix Management Limited and the Company jointly announced that on 8 October 2024 (before trading hours), the Vendor, the Vendor Guarantor and the Offeror entered into the Share Purchase Agreement pursuant to which the Vendor agreed to sell, and the Offeror agreed to purchase, the Sale Shares, being 560,000,000 Shares (representing 56.0% of the total issued share capital of the Company as at the Latest Practicable Date), for a total cash Consideration of HK\$33,600,000 (being HK\$0.06 per Sale Share).

Prior to Completion, the Offeror and parties acting in concert with it did not own, control or have direction over any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Immediately following Completion, the Offeror and parties acting in concert with it hold in aggregate 560,000,000 Shares, representing 56.0% of the total issued share capital of the Company. The Offeror is therefore required under Rule 26.1 of the Takeovers Code to make the Offer for all the issued Shares not already owned or agreed to be acquired by the Offeror and parties acting in concert with it.

The Offer

Astrum Capital is making the Offer with the Offer Price of HK\$0.06 in cash for and on behalf of the Offeror. The Offer is unconditional in all respects when it is made. On 7 October 2024, the Offeror received the Non-accepting Irrevocable Undertaking from Ms. Yuen, who is interested in a total of 192,200,000 Non-accepting Shares, representing approximately 19.2% of the total issued share capital of the Company as at the Latest Practicable Date. Assuming that there is no change in the issued share capital of the Company and based on a total of 247,800,000 Shares which will be subject to the Offer (excluding the Non-accepting Shares) and the Offer Price of HK\$0.06 per Offer Share, the anticipated total consideration payable to accepting Independent Shareholders under the Offer would be HK\$14,868,000 in the event that the Offer is accepted in full by the Independent Shareholders except for Ms. Yuen.

For the principal terms of the Offer, together with the information of the Offeror and the Offeror's intention regarding the Group, please refer to the "Letter from Astrum Capital" contained in the Composite Document.

INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all the independent non-executive Directors who have no direct or indirect interest in the Offer, namely Mr. Li Wai Ming, Mr. Wan Chun Wai Andrew and Ms. Chan Chiu Yee Natalie, has been established pursuant to Rules 2.1 and 2.8 of the Takeovers Code to advise the Independent Shareholders as to whether the Offer is fair and reasonable and as to the acceptance of the Offer.

We, Messis Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer. We are not associated or connected with the Company or the Offeror, their respective substantial shareholders or any party acting, or presumed to be acting, in concert with any of them and, accordingly, are considered eligible to give independent advice on the Offer. Apart from normal professional fees payable to us in connection with this appointment, no arrangement exists whereby we will receive any fees or benefits from the Company or the Offeror, their respective substantial shareholders or any party acting, or presumed to be acting, in concert with any of them. This letter contains our advice to the Independent Board Committee and the Independent Shareholders as to (i) whether the Offer is fair and reasonable; and (ii) whether the Offer is in the interests of the Independent Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

BASIS OF OUR OPINION

In formulating our advice, we have relied solely on the statements, information, opinions and representations contained in the Composite Document and the information and representations provided to us by the Group and/or the Directors and/or the senior management of the Company (the “**Management**”). We have reviewed the published information on the Company, amongst others, (i) annual report for the year ended 30 September 2022 (the “**2022 Annual Report**”); (ii) annual report for the year ended 30 September 2023 (the “**2023 Annual Report**”); and (iii) interim report for the six months ended 31 March 2024 (the “**2024 Interim Report**”), and other information contained in the Composite Document. We have also reviewed the trading performance of the Shares on the Stock Exchange. We have assumed that all statements, information, opinions and representations contained or referred to in the Composite Document or otherwise provided or made or given by the Management, for which they are solely responsible, are true and accurate at the time when they were provided and continue to be so as at the Latest Practicable Date. We have no reason to doubt the truth and accuracy of the information provided to us or to believe that any material facts have been omitted or withheld. We have, however, not conducted any independent investigation into the business and affairs of the Group, nor have we carried out any independent verification of the information supplied to us. Should there be any subsequent material changes which occur during the period from the date of the Composite Document up to the date of closing of the Offer, we will notify the Independent Board Committee and the Independent Shareholders as soon as possible.

We have not considered the tax implications on the Independent Shareholders of their acceptances or non-acceptances of the Offer (as the case may be) since these are particular to their own individual circumstances. In particular, the Independent Shareholders who are resident outside Hong Kong or subject to overseas taxes or Hong Kong taxation on securities dealings should consider their own tax position with regard to the Offer and, if in any doubt, should consult their own professional advisers.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

PRINCIPAL FACTORS TAKEN INTO CONSIDERATION ON THE OFFER

In assessing the Offer and in giving our recommendations to the Independent Board Committee and the Independent Shareholders, we have taken into account the following principal factors and reasons:

1. Background and financial information of the Group

The Group is principally engaged in the provision of financial printing services in Hong Kong. Set out below is a summary of certain audited/unaudited consolidated financial information of the Group for (i) each of the three financial years ended 30 September 2021, 2022 and 2023 (as extracted from 2022 Annual Report and 2023 Annual Report); and (ii) each of the six months ended 31 March 2023 and 2024 (as extracted from the 2024 Interim Report):

Financial performance of the Group

	Year ended 30 September			Six months ended	
	2021	2022	2023	31 March	
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	57,532	45,395	46,499	13,123	14,892
Gross profit	29,588	22,691	22,555	4,902	7,699
Gross profit margin	51.4%	50.0%	48.5%	37.4%	51.7%
Loss before tax	(1,809)	(5,032)	(7,721)	(7,506)	(3,556)
Loss for the year/period	(1,729)	(2,781)	(7,680)	(7,506)	(3,556)

FY2021, FY2022 and FY2023

As shown in the table above, the revenue of the Group decreased by approximately HK\$12.1 million or 21.1% from approximately HK\$57.5 million in FY2021 to approximately HK\$45.4 million in FY2022. With reference to the 2022 Annual Report, the decrease in revenue was mainly attributable to delays and terminations of projects in relation to listing documents, the contribution of which was halved in FY2022 and decreased by approximately HK\$7.2 million. As discussed with the Management, the handling of listing-related documents such as prospectus used to be the Company's mainstream of revenue, and gross profit margin of this category of service is generally higher. The sluggish capital market in Hong Kong and sharp decrease in listing related projects resulted in a decrease in overall gross profit margin from 51.4% in FY2021 to 50.0% in FY2022. Net loss for the year deteriorated and increased by approximately HK\$1.1 million or 60.8% from approximately HK\$1.7 million in FY2021 to approximately HK\$2.8 million in FY2022. The increase in net loss for the year was mainly because of the relatively inelastic operating costs such as office rental and salaries that cannot be lowered along with the decrease in revenue.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Revenue of the Group remained stable and slightly increased by approximately HK\$1.1 million or 2.42% from approximately HK\$45.4 million in FY2022 to approximately HK\$46.5 million in FY2023. The slight increase in revenue was mainly attributable to (i) increase in revenue generated from handling of periodical reporting documents; which was countered by (ii) decrease in revenue generated from handling of listing-related documents. Despite the slight improvement in revenue in FY2023, the further decrease in listing related projects during the year has resulted in further drop in overall gross profit margin from 50.0% in FY2022 to 48.5% in FY2023 and net loss for the year further deteriorated and increased by approximately HK\$4.9 million or 176.2% from approximately HK\$2.8 million in FY2022 to approximately HK\$7.7 million in FY2023. With reference to the 2023 Annual Report, the increase in net loss for the year was mainly attributable to increase of impairment losses on trade receivables and contract assets related to stage payments entitled to the Group for its performance over contract service period under expected credit loss model in FY2023 which was calculated based on days past due of trade receivables.

1H2023 and 1H2024

Revenue of the Group increased by approximately HK\$1.8 million or 13.5% from approximately HK\$13.1 million in 1H2023 to approximately HK\$14.9 million in 1H2024. With reference to the 2024 Interim Report, the increase in revenue was mainly attributable to a significant increase in revenue generated from handling listing-related documents as a result of an increase in the number of new customers successfully listed on the Stock Exchange during the half year financial period. Capitalized on the recovery of higher margin listing related projects in 1H2024, the Group improved its overall gross profit margin from 37.4% in 1H2023 to 51.7% in 1H2024. With the increase in revenue and gross profit, net loss for the period also improved from approximately HK\$7.5 million in 1H2023 to approximately HK\$3.6 million in 1H2024.

The Group has been suffering from persistent net losses over the previous three financial years. Despite the improvement in financial performance in 1H2024 driven by completion of some listing related projects, the Company has yet to escape from loss marking position and the recovery of this higher margin listing related services remain to be seen. The Management considers that handling of listing-related documents which are directly connected with IPO deals and other fund raising exercises in Hong Kong capital market used to be a key driver to the growth and profitability of the Group. Revenue generated from services such as handling of periodical reporting documents, compliance documents and other marketing collaterals remains stable over time. As discussed in the 2023 Annual Report, the Management considered that the operating environment is challenging amid sluggish Hong Kong capital market. With significant drop in IPO deals and weak fund raising activities in secondary market, the financial printing services business loses steam and is under severe pressure.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Financial position of the Group

	As at 30 September 2023	As at 31 March 2024
	<i>(audited)</i>	<i>(unaudited)</i>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current assets	12,682	8,273
Current assets	77,372	68,389
Non-current liabilities	2,737	460
Current liabilities	29,860	22,301
Net current assets	47,512	46,088
Net assets	57,457	53,901

As at 30 September 2023 and 31 March 2024, the total assets of the Group were approximately HK\$90.1 million and HK\$76.7 million, respectively. The financial printing business is an asset light business where the Group's assets mainly comprised fixed deposits and cash and cash equivalents. Total liabilities of the Group were approximately HK\$32.6 million and HK\$22.8 million as at 30 September 2023 and 31 March 2024 respectively which mainly comprised (i) advance payment from customers that give rise to contract liabilities of the Group; and (ii) lease liabilities arising from lease contracts for leased premises.

The Group's net assets remained stable at approximately HK\$57.5 million and HK\$53.9 million as at 30 September 2023 and 31 March 2024 respectively.

2. Industry overview and outlook of the Group

To understand and assess key factors affecting the prospects and outlook of the Group, we have discussed with the Management and reviewed the percentage of revenue attributable to each category of documents since initial listing of the Company on the Stock Exchange in year 2018 as tabled below:

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Listing-related documents	50.1%	55.4%	32.7%	50.6%	24.7%	15.4%	10.7%
Periodical reporting documents	29.2%	27.1%	42.3%	30.6%	44.1%	51.8%	59.3%
Compliance documents	18.6%	15.0%	20.8%	16.6%	25.3%	28.1%	26.3%
Miscellaneous and marketing collaterals	2.1%	2.5%	4.2%	2.2%	5.9%	4.7%	3.7%

Financial performance

for the year

Net profit	Net profit	Net loss	Net profit	Net loss	Net loss	Net loss
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LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As observed from the table above, we notice that the Group recorded net profits only when revenue generated from handling of listing-related documents accounted for a major part of total revenue (i.e. over 50% of the total revenue). As discussed with the Management, we are given to understand that listing-related projects such as IPO financial printing services could generally charge higher service fees and therefore could attain higher gross profit margins under a relatively inelastic cost structure of the printing business. Given that the provision of listing related financial printing services constitutes a key driver to profitability of the Group, we concur with the view of the Directors that headwind and slowdown in Hong Kong IPO market would have an adverse impact on the prospect and business outlook of the Group.

With reference to the 2023 Annual Report, the Management considers that the operating environment will continue to face multiple challenges and the general sentiment of the Hong Kong capital market has yet to recover and the Group is not expecting the market to rebound quickly. We have conducted research on the publicly available statistics released by the Stock Exchange and set forth below (i) the total number of listed companies; (ii) the number of newly listed companies; and (iii) the number of new listing applications accepted, in each of the past 5 years:

	Year 2019	Year 2020	Year 2021	Year 2022	Year 2023
Number of listed companies	2,449	2,538	2,572	2,597	2,609
Number of newly listed companies for the year	183	154	98	90	73
Number of new listing applications accepted in the year	Not available	231	316	187	136

Source:

- (1) Annual market statistics, The Stock Exchange of Hong Kong Limited
- (2) Report on Initial Public Offering Applications, Delisting and Suspensions, The Stock Exchange of Hong Kong Limited

As discussed with the Management, we are given to understand that contracts of regular printing services provided to listed companies such as handling of periodical reporting documents and compliance documents are basically recurring business. Service fees to be earned from the provision regular printing services depend on the number of listed companies served by the Group and directly correlate with the number of listed companies in Hong Kong. Contracts of listing-related projects such as IPO financial printing services contain stage payment schedule setting out specific milestones such as submission of new listing application and successful listing of companies. We are given to understand that a large portion of the service fees from listing-related

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

projects are earned upon successful listing of companies. Accordingly, revenue to be generated from provision of IPO financial printing services largely correlate with the newly listed companies for a particular year.

As shown in the table above, the number of listed companies stabilized and hovered around the level of 2,500 to 2,600 companies in the past five years. The number of newly listed companies each year has been decreasing over the past five years. The number of new listing applications also peaked at 316 cases in year 2021 and sharply decreased by approximately 40.8% to 187 cases in year 2022 and further decreased by approximately 27.3% to 136 cases in year 2023. The latest number of newly listed companies on the Stock Exchange in year 2023 only represented less than 40% of that in year 2019.

To revitalize the overshadowed capital market, the Hong Kong government has taken initiatives to strengthen Hong Kong's financial centre status. With reference to the 2024 Policy Address, the Hong Kong government targets to strive for more listing of enterprises in Hong Kong and encourage both international enterprises and large-scale Mainland enterprises to list in Hong Kong. Furthermore, specific measures will be announced by SFC and the Stock Exchange to optimize vetting of listing applications.

While there are a number of favorable policies to be implemented that may help enhance the Hong Kong capital market, having considered that (i) regular printing services such as handling of periodical reporting documents and compliance documents are not expected to be the propeller of growth given the stable number of listed companies over years; and (ii) the listing related projects which represent a key driver to profitability of financial printing business have yet to show recovery amid the current headwind and slowdown in Hong Kong IPO market, we remain cautious about the future prospect and outlook of the financial printing industry.

3. Analysis of price performance and trading liquidity

Offer Price comparison

The Offer Price of HK\$0.06 per Offer Share represents:

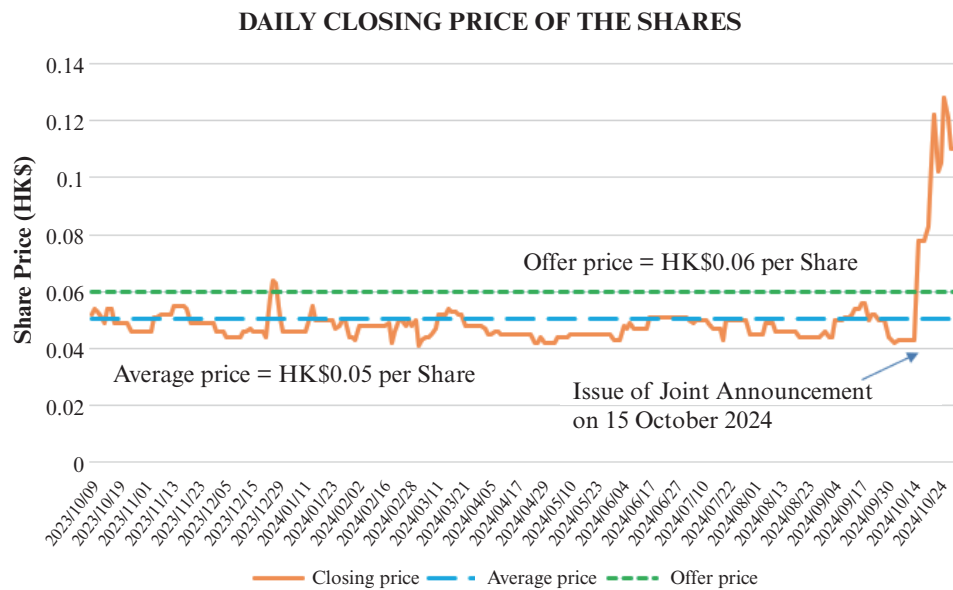
- (i) a premium of approximately 39.53% over the closing price of HK\$0.0430 per Share as quoted on the Stock Exchange on 7 October 2024, being the Last Trading Day;
- (ii) a premium of approximately 35.14% over the average closing price of HK\$0.0444 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to and including the Last Trading Day;
- (iii) a discount of approximately 45.45% to the closing price of HK\$0.11 per Share as quoted on the Stock Exchange on the Latest Practicable Date

We have conducted further analysis on the fairness and reasonableness of the Offer Price as presented below.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Historical Share price movement

In order to assess the fairness and reasonableness of the Offer Price, we have performed a review on the daily closing prices of the Shares from 8 October 2023, being one year prior to the Last Trading Day (the “**Pre-Announcement Period**”), and from the Last Trading Day up to the Latest Practicable Date (the “**Post-Announcement Period**”) (collectively the “**Review Period**”). We consider that the one full year duration of the Review Period would be a reasonable and sufficient period to illustrate the closing price movement of the Shares as it can fairly and sufficiently reflect the market perception on the Company’s financial performance and outlook. The daily closing prices of the Shares for the Review Period are illustrated as follows:



As shown in the chart above, during the Pre-Announcement Period, the average share price was approximately HK\$0.048 per Share (the “**Average Share Price**”). The daily closing price ranged from HK\$0.041 per Share (the “**Lowest Share Price**”) to HK\$0.064 per Share (the “**Highest Share Price**”) during the Pre-Announcement Period. The reason for sudden surge in share price to the Highest Share Price on 28 December 2023 was unknown to the Management. The Offer Price of HK\$0.06 represents (i) a premium of approximately 46.3% to the Lowest Share Price; (ii) a discount of approximately 6.25% to the Highest Share Price; and (iii) a premium of approximately 25% to the Average Share Price for the Pre-Announcement Period.

Following the issue of Joint Announcement on 15 October 2024, the share price surged sharply from approximately HK\$0.043 per Share on the Last Trading Day to the highest of approximately HK\$0.128 per Share recorded on 28 October 2024, representing an increase of approximately 197.7% during the period. During the Post-Announcement Period, the average closing price of Shares was approximately HK\$0.10 which is higher than the Offer Price by

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approximately 66.7%. The Offer Price of HK\$0.06 represents a discount of approximately 45.45% to the closing price of HK\$0.11 per Share as at the Latest Practicable Date. We consider that the short term increase in the Share price after the Joint Announcement may reflect the market anticipation of the favourable effects to be brought by the change of the controlling shareholder of the Company.

We notice that the Offer Price of HK\$0.06 per Share (i) is close to the Highest Share Price during the Pre-Announcement Period; (ii) represents a premium of approximately 20% to the average share price of HK\$0.05 per Share during the Review Period; and (iii) is better than the closing prices of 243 out of 258 trading days (excluding trading halt prior to issue of Joint Announcement) during the Review Period.

Historical trading liquidity of the Shares

The following table sets out the trading volume of the Shares during the Review Period:

Month/period	Total trading volume (No. of Shares)	No. of trading days	Average daily trading volume of the Shares	Percentage of average daily trading volume to total number of Shares held by public Shareholders at the end of the relevant month/ period (Note)
Year 2023				
October (from 8 October 2023)	4,360,000	16	272,500	0.06%
November	2,530,000	22	115,000	0.03%
December	6,270,000	19	330,000	0.08%
Year 2024				
January	4,360,000	22	198,182	0.05%
February	2,110,000	19	111,053	0.03%
March	1,280,000	20	64,000	0.01%
April	1,400,000	20	70,000	0.02%
May	1,130,000	21	53,810	0.01%
June	1,480,000	19	77,895	0.02%
July	1,900,000	22	86,364	0.02%
August	1,460,000	22	66,364	0.02%
September	3,720,000	19	195,789	0.04%
October	114,110,000	21	5,433,810	1.23%
November (up to the Latest Practicable Date)	790,000	1	790,000	0.18%

Note: Based on the average daily trading volume of Shares divided by total number of Shares held by public Shareholders (i.e. 440,000,000 Shares)

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As shown in the table above, during the Review Period, the trading liquidity of the Shares remains generally thin with the average daily trading volume ranging from approximately 0.01% to 1.23% of the total number of Shares held by public Shareholders. Except for the increase in trading volume in October 2024 up to the Latest Practicable Date which is believed to be stimulated by the Offer following the issue of the Joint Announcement on 15 October 2024, the average daily trading volume for each month during the Review Period is below 1%. Such thin liquidity would suggest that any sale of large number of Shares on the market over a short period of time may be difficult without exerting downward pressure on the price of the Shares. Therefore, the Offer provides an opportunity for the Independent Shareholders to realise their investments in the Company at a fixed price.

4. Market comparable analysis

For market comparable analysis, we have identified listed companies on the Stock Exchange engaging in similar business of the Group with similar size (the “**Comparable Companies**”). In selection of the Comparable Companies, our selection criteria focused on companies that (i) are principally engaged in provision of financial printing services; and (ii) have market capitalization not exceeding HK\$100 million which is considered small cap companies and comparable to the market capitalization of the Group of HK\$43 million as at the Last Trading Day being the last trading day prior to the release of terms of the Offer and the market factoring in any information arising from the Offer. The Comparable Companies selected based on the above selection criteria are exhaustive and are thus considered fair and representative samples.

Since the Company is loss making in FY2023, we have compared the price to sales ratio (“**P/S**”) and price to book ratio (“**P/B**”) of the Company and the Comparable Companies, a summary of which is set out in the table below:

Stock code	Company name	Market capitalization (Note 1) HK\$'000	P/S (Note 2)	P/B (Note 3)
8416	HM International Holdings Limited	45,091	0.3	0.5
1631	REF Holdings Limited	64,000	0.5	0.8
1841	A.Plus Group Holdings Limited	86,000	0.7	0.8
		Average	0.5	0.7
		Minimum	0.3	0.5
		Maximum	0.7	0.8
	The Company			
	Based on Offer Price (Note 4)	60,000	1.3	1.1

Notes:

1. Calculated based on the share price and number of shares in issue of the respective Comparable Companies as at the Last Trading Day.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

2. Based on the revenue extracted from latest annual reports of the respective Comparable Companies.
3. Based on the net asset value extracted from latest interim/annual reports of the respective Comparable Companies.
4. Market capitalization of the Company is calculated based on the Offer Price and number of shares in issue on Last Trading Day. The revenue for the year ended 30 September 2023 is extracted from the 2023 Annual Report. We note that 12 months have passed since the publication of 2023 Annual Report and the Company is preparing the financial results for FY2024. Having considered that (i) the FY2023 revenue is the latest available audited figure for calculation of valuation metrics; (ii) the FY2023 revenue of HK\$46.5 million approximates to the average revenue of HK\$49.8 million in the previous three financial years; and (iii) the Directors confirm that there has been no material change in the financial or trading position or outlook of the Group since 30 September 2023, we consider that the use of FY2023 revenue in calculation of P/S could fairly reflect the current position of the Company. The net asset value as at 31 March 2024 is extracted from the 2024 Interim Report.

As shown in the table above, the P/S of the Comparable Companies ranged from approximately 0.3 times to approximately 0.7 times, with an average of approximately 0.5 times. The P/S of the Company based on Offer Price of approximately 1.3 times is better than that of the Comparable Companies. The P/B of the Comparable Companies ranged from approximately 0.5 times to approximately 0.8 times, with an average of approximately 0.7 times. The P/B of the Company based on Offer Price of approximately 1.1 times is better than that of the Comparable Companies.

Having considered that (i) the valuation metrics of P/S and P/B represented by the Offer Price are better than that of the Comparable Companies; (ii) the Offer Price is close to the Highest Share Price recorded during the Pre-Announcement Period and represents a premium to the closing prices of 243 out of 258 trading days (excluding trading halt prior to issue of Joint Announcement) during the Review Period, we are of the view that the Offer Price is fair and reasonable so far as the Independent Shareholders are concerned.

RECOMMENDATIONS

Taking into consideration the principal factors set out above, in particular, (i) the persistent loss making position of the Group and uncertain recovery of the higher margin listing related services segment which is crucial to the profitability of financial printing business; (ii) the current headwind and slowdown in Hong Kong IPO market that casts uncertainty over the prospect and business outlook of the financial printing industry; (iii) the Offer Price is close to the Highest Share Price and represents a premium of approximately 20% to the average share price for the Review Period; (iv) the current market price of the Shares as at the Latest Practicable Date which is higher than the Offer Price may be resulted from short term stimulation of the Offer and may not be sustainable; (v) the Offer provides an opportunity for the Independent Shareholders to realise their investments in the Company at a fixed price amidst low trading liquidity of the Shares; and (vi) the valuation metrics of P/S and P/B represented by the Offer Price are better than that of the Comparable Companies, we consider the Offer is fair and reasonable. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to accept the Offer.

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However, the Independent Shareholder should note that the Shares has been trading above the Offer Price as at the Latest Practicable Date. As such, we would like to remind the Independent Shareholders, who would like to realise part or all of their investments in the Shares, to closely monitor the market price and liquidity of the Shares during the Offer Period and may, instead of accepting the Offer, consider selling their Shares in the open market should such sale proceeds, net of all transaction costs, exceed the amount receivable under the Offer. The Independent Shareholders, who believe that they will not be able to sell the Shares in the market at a price higher than the Offer Price because of their size of the shareholding, may consider the Offer as an alternative exit of their investments.

Yours faithfully,
For and on behalf of
Messis Capital Limited
Thomas Lai
Chief Executive Officer

Mr. Thomas Lai is a licensed person registered with the Securities and Futures Commission of Hong Kong and regarded as a responsible officer of Mesis Capital Limited to carry out type 6 (advising on corporate finance) regulatory activity under the SFO and has over 29 years of experience in corporate finance industry.

1. GENERAL PROCEDURES FOR ACCEPTANCE OF THE OFFER

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

- (a) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in your name, and you wish to accept the Offer, you must send the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Shares for which you intend to accept the Offer, by post or by hand, to the Registrar, Union Registrars Limited, at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong in an envelope marked “**EDICO Holdings Limited — Offer**” as soon as possible but in any event so as to reach the Registrar no later than 4:00 p.m. on the Closing Date.
- (b) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in the name of a nominee company or a name other than your own, and you wish to accept the Offer in respect of your Shares, you must either:
 - (i) lodge your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Shares for which you intend to accept the Offer with the nominee company, or other nominee, with instructions authorising it to accept the Offer on your behalf and requesting it to deliver in an envelope marked “**EDICO Holdings Limited — Offer**” the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Shares for which you intend to accept the Offer to the Registrar; or
 - (ii) arrange for the Shares to be registered in your name by the Company through the Registrar, and deliver in an envelope marked “**EDICO Holdings Limited — Offer**” the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Shares for which you intend to accept the Offer to the Registrar; or

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

- (e) Acceptance of the Offer will be treated as valid only if the duly completed and signed Form of Acceptance is received by the Registrar no later than 4:00 p.m. on the Closing Date and the Registrar has recorded that the acceptance and the relevant documents as required under this paragraph have been so received, and is:
- (i) 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 Shares for which you intend to accept the Offer and, if that/those share certificate(s) is/are not in your name, such other document(s) in order to establish your right to become the registered holder of the relevant Shares; or
 - (ii) from a registered Independent 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 Shares which are not taken into account under another subparagraph of this paragraph (e)); or
 - (iii) certified by the Registrar or the Stock Exchange.
- (f) If the Form of Acceptance is executed by a person other than the registered Independent Shareholder, appropriate documentary evidence of authority to the satisfaction of the Registrar must be produced.
- (g) Seller's Hong Kong ad valorem stamp duty for transfer of Shares registered in the seller's name by the Company through the Registrar arising in connection with the acceptance of the Offer payable by the relevant Independent Shareholders at a rate of 0.1% of (i) the market value of the Offer Shares; or (ii) the consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, will be deducted from the amount payable by the Offeror to the relevant Independent Shareholders accepting the Offer. The Offeror will arrange for payment of the sellers' Hong Kong ad valorem stamp duty on behalf of the relevant Independent Shareholders accepting the Offer and pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).
- (h) No acknowledgement of receipt of any Form of Acceptance 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) will be given.

2. ACCEPTANCE PERIOD AND REVISIONS

- (a) Unless the Offer has previously been revised or extended, with the consent of the Executive, in accordance with the Takeovers Code, the Form of Acceptance must be received by the Registrar no later than 4:00 p.m. on the Closing Date in accordance with the instructions printed on the Form of Acceptance, and the Offer will be closed on the Closing Date.
- (b) The Offeror and the Company will jointly issue an announcement through the websites of the Stock Exchange and the Company no later than 7:00 p.m. on the Closing Date stating the results of the Offer and whether the Offer has been extended, revised or has expired.
- (c) In the event that the Offeror decides to extend the Offer, at least 14 days' notice by way of announcement will be given, before the latest time and date for acceptance of the Offer, to those Independent Shareholders who have not accepted the Offer.
- (d) If the Offeror revises the terms of the Offer, all Independent Shareholders, whether or not they have already accepted the Offer will be entitled to accept the revised Offer under the revised terms. The revised Offer must be kept open for at least 14 days after the date of the revised offer document.
- (e) If the Closing Date is extended, any reference in this Composite Document and in the Form of Acceptance to the Closing Date shall, except where the context otherwise requires, be deemed to refer to the subsequent Closing Date of the Offer so extended.

3. NOMINEE REGISTRATION

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

4. ANNOUNCEMENTS

- (a) As required under Rule 19 of the Takeovers Code, by 6:00 p.m. on the Closing Date (or such later time and/or date as the Executive may in exceptional circumstances permit), the Offeror must inform the Executive and the Stock Exchange of its decision in relation to the revision, extension or expiry of the Offer. The Offeror must publish an announcement in accordance with the requirements of the GEM Listing Rules by 7:00 p.m. on the Closing Date stating whether the Offer has been extended, revised or has expired. Such announcement must state the followings:
- (i) the total number of Shares and rights over Shares for which acceptances of the Offer have been received;
 - (ii) the total number of Shares and rights over Shares held, controlled or directed by the Offeror and parties acting in concert with it before the Offer Period; and
 - (iii) the total number of Shares and rights over Shares acquired or agreed to be acquired by the Offeror and parties acting in concert with it during the Offer Period.

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

- (b) In computing the total number of Shares represented by acceptances, only valid acceptances that are complete and in good order in compliance with Note 1 to Rule 30.2 of the Takeovers Code and in accordance with the instructions set out in paragraph 1(e) of this Appendix, and which have been received by the Registrar no later than 4:00 p.m. on the Closing Date, being the latest time and date for acceptance of the Offer, shall be included.
- (c) As required under the Takeovers Code and the GEM Listing Rules, any announcement in relation to the Offer, in respect of which the Executive and the Stock Exchange have confirmed that they have no further comments, will be published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.edico.com.hk).

5. RIGHT OF WITHDRAWAL

- (a) Acceptance of the Offer tendered by the Independent Shareholders shall be irrevocable and cannot be withdrawn, except in the circumstances set out in sub-paragraph (b) below.
- (b) If the Offeror is unable to comply with the requirements set out in section headed “4. Announcements” above, the Executive may require pursuant to Rule 19.2 of the Takeovers Code that the Independent Shareholders who have tendered acceptance to the Offer be granted a right of withdrawal on terms that are acceptable to the Executive until the requirement of Rule 19 of the Takeovers Code can be met.

In such case, when the Independent Shareholders withdraw their acceptance(s), the Offeror shall, as soon as possible but in any event no later than seven (7) Business Days after the Offer is withdrawn, return by ordinary post the share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) lodged with the Form of Acceptance to the relevant Independent Shareholder(s) at their own risks.

6. SETTLEMENT OF THE OFFER

Provided that the accompanying Form of Acceptance for the Shares, together with the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) are valid, complete and in good order and have been received by the Registrar no later than 4:00 p.m. on the Closing Date, a cheque for the amount due to each of the accepting Independent Shareholders in respect of the Shares tendered under the Offer (less seller’s Hong Kong ad valorem stamp duty payable by him/her/it) will be despatched to the accepting Independent Shareholders by ordinary post at his/her/its own risk as soon as possible but in any event no later than seven (7) Business Days after the date of receipt of all relevant documents to render such acceptance complete and valid by the Registrar in accordance with the Takeovers Code.

Settlement of the consideration to which any accepting Independent Shareholder is entitled under the Offer will be paid by the Offeror in full in accordance with the terms of the Offer (save with respect of the payment of seller’s Hong Kong 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 Independent Shareholder.

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

7. OVERSEAS SHAREHOLDERS

As the Offer to persons not being resident in Hong Kong may be affected by the laws of the relevant jurisdiction in which they are resident, the Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice. It is the sole responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental, exchange control or other consent which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes due from the accepting Overseas Shareholders in respect of such jurisdictions). The Offeror, parties acting in concert with the Offeror, the Vendor, the Vendor Guarantor, the Company, Astrum Capital, Akron, the Independent Financial Adviser, the Registrar and their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Offer shall be entitled to be fully indemnified and held harmless by the Overseas Shareholders for any taxes they may be required to pay. Any acceptance of the Offer by such Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholders to the Offeror that the applicable local laws and requirements have been complied with. The Overseas Shareholders should consult their professional advisers if in doubt.

8. TAX IMPLICATIONS

The Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, parties acting in concert with the Offeror, the Vendor, the Vendor Guarantor, the Company, Astrum Capital, Akron, the Independent Financial Adviser, the Registrar nor their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

9. GENERAL

- (a) All communications, notices, Form of Acceptance, certificates, transfer receipts and other documents of title and/or of indemnity and/or of any other nature to be delivered by or sent to or from the Independent Shareholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk, and none of the Offeror, parties acting in concert with the Offeror, the Vendor, the Vendor Guarantor, the Company, Astrum Capital, Akron, the Independent Financial Adviser, the Registrar nor their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Offer accepts any liability for any loss or any other liabilities whatsoever which may arise as a result thereof.

- (b) Acceptance of the Offer by any person or persons will be deemed to constitute a warranty by such person or persons to the Offeror that the Shares tendered under the Offer are sold or tendered by such Independent Shareholder(s) free from all encumbrance and together with all rights and benefits attached thereto, including all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of this Composite Document.
- (c) Acceptance of the Offer by any nominee will be deemed to constitute a warranty by such nominee to the Offeror that the number of Offer Shares in respect of which it is indicated in the Form of Acceptance is the aggregate number of Offer Shares held by such nominee for such beneficial owners who accept the Offer.
- (d) The provisions set out in the accompanying Form of Acceptance form part of the terms of the Offer.
- (e) The accidental omission to despatch this Composite Document and/or the accompanying Form of Acceptance or either of them to any person to whom the Offer is made shall not invalidate the Offer in any way.
- (f) The Offer and all acceptances will be governed by and construed in accordance with the laws of Hong Kong.
- (g) Due execution of the Form of Acceptance will constitute an irrevocable authority to the Offeror and/or Astrum Capital and/or such person or persons as any of them may direct to complete and execute on behalf of the person(s) accepting the Offer, and to do any other act(s) that may be necessary or expedient for the purpose of vesting in the Offeror, or such person or persons as it may direct the Shares in respect of which such person has accepted the Offer.
- (h) The Offer is made in accordance with the Takeovers Code.
- (i) References to the Offer in this Composite Document and in the Form of Acceptance shall include any extension and/or revision thereof.
- (j) The Independent Shareholders must rely on their own examination of the Offeror, the Group and the terms of the Offer, including the merits and risks involved, in making their decision as to acceptance of the Offer. The contents of this Composite Document, including any general advice or recommendation contained herein, together with the Form of Acceptance, shall not be construed as any legal or business advice on the part of the Offeror, its ultimate beneficial owner and parties acting in concert with any of them, the Company or its ultimate beneficial owners, directors, officers, agents, professional advisers or any other persons involved in the Offer. The Independent Shareholders should consult their own professional advisers for professional advices.
- (k) The English texts of this Composite Document and the accompanying Form of Acceptance shall prevail over their respective Chinese texts, in case of any inconsistency.

1. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

Set out below is a summary of (i) the audited consolidated financial information of the Group for each of the three financial years ended 30 September 2021, 2022 and 2023 (as extracted from the Company's annual reports for the years ended 30 September 2021 (the "**20/21 Annual Report**"), 30 September 2022 (the "**21/22 Annual Report**") and 30 September 2023 (the "**22/23 Annual Report**")); and (ii) the unaudited consolidated financial information of the Group for the six months ended 31 March 2023 and 2024 (as extracted from the Company's interim reports for the six months ended 31 March 2023 (the "**22/23 Interim Report**") and 31 March 2024 (the "**23/24 Interim Report**")):

	For the six months		For the year ended 30 September		
	ended 31 March 2023	2024	2021	2022	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
Revenue	13,123	14,892	57,532	45,395	46,499
Cost of sales and services	<u>(8,221)</u>	<u>(7,193)</u>	<u>(27,944)</u>	<u>(22,704)</u>	<u>(23,944)</u>
Gross profit	4,902	7,699	29,588	22,691	22,555
Other income	644	1,595	2,058	1,715	1,623
Impairment losses under expected credit loss model	—	—	—	—	(3,937)
Selling expenses	(1,074)	(1,482)	(3,625)	(3,271)	(2,604)
Administrative (and other operating) expenses	(11,535)	(11,136)	(29,319)	(25,263)	(24,574)
Finance costs	<u>(443)</u>	<u>(232)</u>	<u>(511)</u>	<u>(904)</u>	<u>(784)</u>
(Loss)/profit before income tax	(7,506)	(3,556)	(1,809)	(5,032)	(7,721)
Income tax credit/(expenses)	<u>—</u>	<u>—</u>	<u>80</u>	<u>2,251</u>	<u>41</u>
(Loss) and total comprehensive (loss) for the period/year attributable to owners of the Company	<u>(7,506)</u>	<u>(3,556)</u>	<u>(1,729)</u>	<u>(2,781)</u>	<u>(7,680)</u>
	<i>HK cents</i>	<i>HK cents</i>	<i>HK cents</i>	<i>HK cents</i>	<i>HK cents</i>
(Loss)/profit per Share	<u>(0.75)</u>	<u>(0.36)</u>	<u>0.17</u>	<u>(0.28)</u>	<u>(0.77)</u>

For each of the years ended 30 September 2021, 30 September 2022 and 30 September 2023 and for the six months ended 31 March 2023 and 31 March 2024, the Group had no non-controlling interest. Accordingly, the profit/(loss) and total comprehensive income/(loss) for the period/year as disclosed above is the same as the profit/(loss) attributable to owners of the Company for the period/year and the total comprehensive income/(loss) attributable to owners of the Company for the period/year.

Save as disclosed above, there was no item of any income or expense which was material in respect of the consolidated financial information of the Group for the years ended 30 September 2021, 30 September 2022 and 30 September 2023 and the six months ended 31 March 2023 and 31 March 2024.

There was no dividend declared during each of the years ended 30 September 2021, 30 September 2022 and 30 September 2023 nor any interim dividend declared for the six months ended 31 March 2023 and 31 March 2024.

The auditor's reports issued by PKF Hong Kong Limited in respect of the Group's audited consolidated financial statements for each of the years ended 30 September 2021, 30 September 2022 and 30 September 2023 did not contain any modified opinion, emphasis of matter or material uncertainty related to going concern.

2. CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP

The Company is required to set out or refer to in this Composite Document the consolidated statements of financial position, consolidated statements of cash flows and any other primary statements as shown in the consolidated financial statements of the Group for each of the three years ended 30 September 2021, 2022 and 2023 and the six months ended 31 March 2023 and 31 March 2024, together with the notes to the relevant published consolidated financial statements which are of major relevance to the appreciation of the above consolidated financial information.

The audited consolidated financial statements of the Group for the year ended 30 September 2021 are set out from pages 59 to 103 in the 20/21 Annual Report which was published on 11 February 2022. The 20/21 Annual Report is available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.edico.com.hk) and is accessible via the following hyperlink:

<https://www1.hkexnews.hk/listedco/listconews/gem/2022/0211/2022021100349.pdf>

The audited consolidated financial statements of the Group for the year ended 30 September 2022 are set out from pages 59 to 103 in the 21/22 Annual Report which was published on 23 December 2022. The 21/22 Annual Report is available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.edico.com.hk) and is accessible via the following hyperlink:

<https://www1.hkexnews.hk/listedco/listconews/gem/2022/1223/2022122300800.pdf>

The audited consolidated financial statements of the Group for the year ended 30 September 2023 are set out from pages 59 to 103 in the 22/23 Annual Report which was published on 28 December 2023. The 22/23 Annual Report is available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.edico.com.hk) and is accessible via the following hyperlink:

<https://www1.hkexnews.hk/listedco/listconews/gem/2023/1228/2023122801214.pdf>

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2023 are set out from pages 3 to 14 in the 22/23 Interim Report which was published on 12 May 2023. The 22/23 Interim Report is available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.edico.com.hk) and is accessible via the following hyperlink:

<https://www1.hkexnews.hk/listedco/listconews/gem/2023/0512/2023051200534.pdf>

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2024 are set out from pages 3 to 15 in the 23/24 Interim Report which was published on 5 June 2024. The 23/24 Interim Report is available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.edico.com.hk) and is accessible via the following hyperlink:

<https://www1.hkexnews.hk/listedco/listconews/gem/2024/0605/2024060502028.pdf>

The financial statements contained in the 20/21 Annual Report, 21/22 Annual Report, 22/23 Annual, 22/23 Interim Report and 23/24 Interim Report (but not any other part of the respective annual report and interim report) are incorporated by reference into this Composite Document and form part of this Composite Document.

3. INDEBTEDNESS STATEMENT

At the close of business on 31 August 2024, being the latest practicable date for the purpose of preparing this statement of indebtedness prior to the printing of this Composite Document, the indebtedness of the Group was as follows:

Borrowings

As at the close of business on 31 August 2024, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this Composite Document, apart from intragroup liabilities, the Group did not have any debt securities issued and outstanding or agreed to be issued, bank borrowings or other similar indebtedness, mortgages or charges, guarantees or other material contingent liabilities.

Lease liabilities

As at 31 August 2024, the Group had current and non-current lease liabilities of approximately HK\$3.5 million.

Contingent Liabilities

As at 31 August 2024, the Group did not have any contingent liabilities that will have a material adverse effect on the financial position, liquidity or result of operation of the Group.

Capital commitment

The Group did not have any significant contractual capital commitments as at 31 August 2024.

Working Capital

The Directors are of the opinion that, after taking into account the financial resources of the Group, the working capital available to the Group is sufficient for the Group's requirements for at least twelve months from the date of publication of this Composite Document.

4. MATERIAL CHANGE

The Directors confirm that there has been no material change in the financial or trading position or outlook of the Group since 30 September 2023, being the date to which the latest published audited financial statements of the Company were made up, up to and including the Latest Practicable Date.

1. RESPONSIBILITY STATEMENT

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

The authorised and issued share capital of the Company of HK\$0.01 each as at the Latest Practicable Date were as follows:

<i>Authorised share capital:</i>	<i>HK\$</i>
<u>5,000,000,000</u> Shares	<u>50,000,000</u>
<i>Issued and fully paid share capital:</i>	
<u>1,000,000,000</u> Shares	<u>10,000,000</u>

All the existing issued Shares are fully paid up or credited as fully paid and rank *pari passu* in all respects with each other, including the rights as to voting, dividends and return of capital. The Shares are listed on the Stock Exchange and none of the securities of the Company is listed or dealt in on any other stock exchange and no such listing or permission to deal is being or is proposed to be sought.

Since 30 September 2023 (being the date to which the Company's latest published audited consolidated financial statements were made up) and up to and including the Latest Practicable Date, no Shares had been issued by the Company.

Save for the aforementioned issued Shares, as at the Latest Practicable Date, the Company had no other outstanding shares, options, derivatives, warrants or securities which are convertible or exchangeable into Shares and had not entered into any agreement for the issue of such shares, options, derivatives, warrants or securities of the Company.

3. MARKET PRICE

The table below shows the closing price of the Shares as quoted on the Stock Exchange on (i) the last trading day of the Stock Exchange for each calendar month during the Relevant Period; (ii) the Last Trading Day; and (iii) the Latest Practicable Date:

Date	Closing price per Share (HK\$)
30 April 2024	0.042
31 May 2024	0.043
28 June 2024	0.051
31 July 2024	0.045
30 August 2024	0.045
30 September 2024	0.050
7 October 2024 (the Last Trading Day)	0.043
31 October 2024	0.110
1 November 2024 (the Latest Practicable Date)	0.110

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.128 per Share on 28 October 2024 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.042 per Share on 25 April 2024, 26 April 2024, 30 April 2024, 2 May 2024, 3 May 2024, 6 May 2024 and 4 October 2024, respectively.

4. DISCLOSURE OF INTERESTS

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

As at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which are required (a) 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 deemed or taken to have under such provisions of the SFO); (b) pursuant to section 352 of the SFO, to be entered in the register required to be kept referred to therein; or (c) pursuant to Rule 5.46 to 5.67 of the GEM Listing Rules; or (d) to be disclosed in this Composite Document pursuant to the Takeovers Code.

As at the Latest Practicable Date, none of the Directors is a director or employee of a company which has interest or short position in the Shares and underlying shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

(b) Interests and short positions of substantial Shareholders

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

Shareholder(s)	Capacity	Number of Shares held/interested	Approximate percentage shareholding <i>(Note 1)</i>
The Offeror <i>(Note 2)</i>	Beneficial owner	560,000,000	56.00%
Mr. Lui <i>(Note 2)</i>	Interest in controlled corporation	560,000,000	56.00%
Ms. Yuen	Beneficial owner	192,200,000	19.20%

Notes:

1. The percentages had been calculated on the basis of 1,000,000,000 Shares in issue as at the Latest Practicable Date.
2. The Offeror is beneficially and wholly owned by Mr. Lui. Accordingly, Mr. Lui is deemed to be interested in the 560,000,000 Shares held by the Offeror by virtue of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, the Company has not been notified of any other person (other than the Directors and chief executives of the Company) who had, or was deemed to have, an interest or short position in the Shares and/or underlying Shares which fell to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or pursuant to section 336 of the SFO, which would have to be recorded in the register referred to therein.

5. ADDITIONAL DISCLOSURE OF SHAREHOLDINGS AND DEALINGS PURSUANT TO THE TAKEOVERS CODE

- (i) save for the Sale Shares disposed of by the Vendor (which is beneficially and wholly-owned by Mr. Chan) pursuant to the Share Purchase Agreement, the Directors did not have any dealing in any Shares, warrants, options, derivatives and securities carrying conversion or subscription rights into Shares during the Relevant Period;
- (ii) none of the Company nor the Directors had any dealings in the shares, warrants, options, derivatives and securities carrying conversion or subscription rights into shares of the Offeror during the Relevant Period;
- (iii) as at the Latest Practicable Date, none of the Company nor any of the Directors was interested in any shares of the Offeror or any convertible securities, warrants, options, or derivatives in respect of any shares of the Offeror;
- (iv) none of the subsidiaries of the Company or the pension funds of the Company or any member of the Group or any persons who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of “acting in concert” under the Takeovers Code or who is an associate of the Company by virtue of class (2) of the definition of “associate” under the Takeovers Code (excluding exempt principal traders and exempt fund managers) owned or controlled, or had dealt for value in any Shares or any securities, convertible securities, warrants, options or derivatives in respect of any Shares or securities of the Company during the Relevant Period;
- (v) save for the Non-accepting Irrevocable Undertaking, 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” under the Takeovers Code or who is an associate of the Company by virtue of classes (2), (3) and (4) of the definition of “associate” under the Takeovers Code and no person who had such an arrangement had any dealings in any Shares, warrants, options, derivatives and securities carrying conversion or subscription rights into Shares during the Offer Period and up to the Latest Practicable Date;

- (vi) no Shares, convertible securities, warrants, options or derivatives of the Company were managed on a discretionary basis by fund managers (other than exempt fund managers, if any) connected with the Company, and no such person had dealt in the Shares or any convertible securities, warrants, options or derivatives in respect of any Shares during the Offer Period and up to the Latest Practicable Date;
- (vii) none of the Company or the Directors had borrowed or lent any Shares or any convertible securities, warrants, options or derivatives or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in respect of any Shares as at the Latest Practicable Date;
- (viii) as at the Latest Practicable Date, none of the Directors held any beneficial shareholdings in the Company which would otherwise entitle them to accept or reject the Offer; and
- (ix) as at the Latest Practicable Date, save for the Share Purchase Agreement, there is no understanding, arrangement or agreement which would constitute a special deal (as defined in Rule 25 of the Takeovers Code) between (1) any Shareholders on the one hand, and (2) the Company, its subsidiaries or associated companies on the other hand.

6. ARRANGEMENTS AFFECTING DIRECTORS

As at the Latest Practicable Date:

- (i) no arrangement was in place for any benefit (other than statutory compensation) to be given to any Director as compensation for loss of office or otherwise in connection with the Offer;
- (ii) there was no agreement or arrangement between any Director and any other person which was conditional on or dependent upon the outcome of the Offer or otherwise connected with the Offer; and
- (iii) save for the Share Purchase Agreement, there was no material contracts entered into by the Offeror in which any Director has a material personal interest.

7. DIRECTORS' SERVICE AGREEMENTS

As at the Latest Practicable Date, none of the Directors had entered into any service agreements with the Company or any of its subsidiaries or associated companies which (i) (including both continuous and fixed term contracts) have been entered into or amended within 6 months before the Offer Period; (ii) are continuous contracts with notice period of 12 months or more; or (iii) are fixed term contracts with more than 12 months to run irrespective of the notice period.

8. MATERIAL LITIGATION

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

9. MATERIAL CONTRACTS

There was no contract (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Group) which was entered into by the members of the Group within two years before the Offer Period and up to the Latest Practicable Date.

10. EXPERT'S QUALIFICATION AND CONSENT

The following is the name and qualification of the expert who has given its opinions and advice which are contained or referred to in this Composite Document:

Name	Qualification
Messis Capital Limited	A corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

The above expert has given and has not withdrawn its written consent to the issue of this Composite Document, with the inclusion of their opinion or recommendation and references to their names in the forms and context in which they respectively appear.

As at the Latest Practicable Date, the above expert did not have any shareholding, directly or indirectly, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, the above expert did not have any direct or indirect interest in any asset which had been acquired, or disposed of by, or leased to any member of the Group, or was proposed to be acquired, or disposed of by, or leased to any member of the Group since 30 September 2023, being the date to which the latest published audited consolidated financial statements of the Group were made up.

11. MISCELLANEOUS

As at the Latest Practicable Date:

- (a) the registered office of the Company is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands;
- (b) the principal place of business of the Company in Hong Kong is 8/F., Wheelock House 20 Pedder Street Central Hong Kong;
- (c) the Company's branch share registrar and transfer office in Hong Kong is Union Registrars Limited whose registered address is situated at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong;
- (d) the registered address of Messis Capital is situated at Room 1303, 13/F, OfficePlus @Wan Chai, No. 303 Hennessy Road, Wan Chai, Hong Kong; and
- (e) in case of inconsistency, the English text of this Composite Document and the accompanying Form of Acceptance shall prevail over their respective Chinese text.

12. DOCUMENTS ON DISPLAY

Copies of the following documents are available on display (i) on the website of the Company (www.edico.com.hk); and (ii) on the website of the SFC (www.sfc.hk), during the period from the date of this Composite Document up to and including the Closing Date:

- (a) the amended and restated memorandum of association and amended and restated articles of association of the Company;
- (b) the 20/21 Annual Report;
- (c) the 21/22 Annual Report;
- (d) the 22/23 Annual Report;
- (e) the 22/23 Interim Report;
- (f) the 23/24 Interim Report;
- (g) the letter from the Board, the text of which is set out in this Composite Document;

- (h) the letter from the Independent Board Committee containing its advice to the Independent Shareholders, the text of which is set out in this Composite Document;
- (i) the letter from Mesis Capital, the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Independent Shareholders, the text of which is set out in this Composite Document;
- (j) the letter of consent referred to under the paragraph headed “10. Expert’s Qualification and Consent” in this appendix; and
- (k) this Composite Document and the accompanying Form of Acceptance.

1. RESPONSIBILITY STATEMENT

Mr. Lui, being the sole director and sole shareholder of the Offeror, accepts full responsibility for the accuracy of information contained in this Composite Document (other than those relating to the Vendor, the Vendor Guarantor and the Group) and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this Composite Document (other than the opinions expressed by the Vendor Guarantor and 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. DISCLOSURE OF INTERESTS AND DEALINGS IN SECURITIES OF THE COMPANY

The Offeror is ultimately wholly and beneficially owned by Mr. Lui, who is also the sole director of the Offeror. As at the Latest Practicable Date, the Offeror, Mr. Lui and the parties acting in concert with them hold in aggregate 560,000,000 Shares, representing 56.0% of the total issued share capital of the Company. As at the Latest Practicable Date, save as disclosed above, the Offeror, Mr. Lui and parties acting in concert with them did not own, control or have direction over any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

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

- (i) save for the Non-accepting Irrevocable Undertaking given by Ms. Yuen, none of the Offeror, its ultimate beneficial owner and/or parties acting in concert with any of them has received any irrevocable commitment to accept or reject the Offer or any irrevocable undertaking from any Shareholders not to sell or transfer (or cause the same to be done) or otherwise dispose of (or permit any such action to occur in respect of) any interest in any Shares held by he/she/it/them;
- (ii) save for 560,000,000 Shares held by the Offeror immediately following Completion, none of the Offeror, its ultimate beneficial owner, and/or parties acting in concert with any of them owns, has control or has direction over any voting rights or rights over the Shares, convertible securities, warrants, options, derivatives or other securities that are convertible or exchangeable into Shares or other types of equity interest in the Company;
- (iii) save for the Share Purchase Agreement, neither the Offeror, its ultimate beneficial owner, and/or parties acting in concert with any of them 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 during the Relevant Period;
- (iv) there is no agreement or arrangement in relation to outstanding derivative in respect of the securities in the Company which has been entered into by the Offeror, its ultimate beneficial owner, and/or parties acting in concert with any of them;

- (v) there is no other agreement, arrangement or understanding that any securities acquired in pursuance of the Offer or the Sale Shares would be transferred, charged or pledged to any other persons;
- (vi) save for the Share Purchase Agreement, there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the Shares between the Offeror, its ultimate beneficial owner, and/or parties acting in concert with any of them and/or other associates of the Offeror and any other person;
- (vii) none of the persons who had an arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Offeror, its ultimate beneficial owner, and/or parties acting in concert with any of them owned or controlled any Shares or any securities, convertible securities, warrants, options or derivatives in respect of any Shares or securities of the Company;
- (viii) save for the Share Purchase Agreement, no person who had any arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Offeror, its ultimate beneficial owner, and/or parties acting in concert with any of them had any dealings in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company during the Offer Period and up to the Latest Practicable Date;
- (ix) there is no agreement or arrangement to which the Offeror, its ultimate beneficial owner, and/or parties acting in concert with any of them is a party which relates to circumstances in which the Offeror may or may not invoke or seek to invoke a pre-condition or a condition to the Offer;
- (x) neither the Offeror, its ultimate beneficial owner, and/or parties acting in concert with any of them has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (xi) save for the Consideration for the Sale Shares, there is no consideration, compensation or benefit in whatever form paid or to be paid by the Offeror, its ultimate beneficial owner and/or parties acting in concert with any of them to the Vendor, its ultimate beneficial owner and/or any parties acting in concert with any of them in connection with the sale and purchase of the Sale Shares;
- (xii) save for the Share Purchase Agreement, there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Offeror, its ultimate beneficial owner and/or parties acting in concert with any of them on one hand, and the Vendor, its ultimate beneficial owner and/or parties acting in concert with any of them on the other hand;

- (xiii) save for the Share Purchase Agreement (including the indemnity provided by the Vendor Guarantor in favour of the Offeror) and the Non-accepting Irrevocable Undertaking, there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (1) any Shareholder (including the Vendor, its ultimate beneficial owner and/or parties acting in concert with any of them); and (2) (a) the Offeror, its ultimate beneficial owner and/or parties acting in concert with any of them, or (b) the Company, its subsidiaries or associated companies;
- (xiv) no arrangement was in place for any benefit (other than statutory compensation) to be given to any Director as compensation for loss of office or otherwise in connection with the Offer;
- (xv) save for the Share Purchase Agreement and the Non-accepting Irrevocable Undertaking, there was no agreement, arrangement or understanding (including any compensation arrangement) which exists between the Offeror, its ultimate beneficial owner and/or parties acting in concert with any of them and any of the Directors, recent Directors, Shareholders or recent Shareholders which was conditional on or dependent upon the outcome of the Offer or otherwise connected with the Offer; and
- (xvi) save for the Share Purchase Agreement, there was no material contracts entered into by the Offeror in which any Director has a material personal interest.

3. MARKET PRICES

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

Date	Closing price per Share (HK\$)
30 April 2024	0.042
31 May 2024	0.043
28 June 2024	0.051
31 July 2024	0.045
30 August 2024	0.045
30 September 2024	0.050
7 October 2024 (the Last Trading Day)	0.043
31 October 2024	0.110
1 November 2024 (the Latest Practicable Date)	0.110

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.128 per Share on 28 October 2024 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.042 per Share on 25 April 2024, 26 April 2024, 30 April 2024, 2 May 2024, 3 May 2024, 6 May 2024 and 4 October 2024, respectively.

4. EXPERTS AND CONSENTS

In addition to those listed under the section headed “10. Expert’s Qualification and Consent” in Appendix III to this Composite Document, the followings are the names and qualifications of the professional advisers whose letters, opinions or advice are contained or referred to in this Composite Document:

Name	Qualification
Astrum Capital	a licensed corporation to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO
Akron	a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

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

5. MISCELLANEOUS

- (a) The principal members of the Offeror’s concert parties are the Offeror and Mr. Lui. The Offeror, Jantix Management Limited, is a company incorporated in Hong Kong with limited liability, which is wholly owned by Mr. Lui, who is also the sole director of the Offeror as at the Latest Practicable Date.
- (b) The registered office of the Offeror is at 15th Floor, Oriental Centre, 67–71 Chatham Road South, Tsim Sha Tsui, Kowloon, Hong Kong. The correspondence address of the Offeror and Mr. Lui is 15th Floor, Oriental Centre, 67–71 Chatham Road South, Tsim Sha Tsui, Kowloon, Hong Kong.
- (c) The registered office of Astrum Capital is at Room 2704, Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong.
- (d) The registered office of Akron is at 23A, China United Centre, 28 Marble Road, North Point, Hong Kong.

- (e) The English text of this Composite Document and the accompanying Form of Acceptance shall prevail over their respective Chinese texts, in case of any inconsistency.

6. DOCUMENTS ON DISPLAY

In addition to the documents set forth in the section headed “12. Documents on Display” in Appendix III to this Composite Document, copies of the following documents are available on display on the website of the SFC at www.sfc.hk and the website of the Company at www.edico.com.hk during the period from the date of this Composite Document up to and including the Closing Date:

- (a) the articles of association of the Offeror;
- (b) the letter from Astrum Capital, the text of which is set out in the section headed “Letter from Astrum Capital” of this Composite Document;
- (c) the written consents as referred to in the section headed “4. Experts and Consents” in this appendix;
- (d) the Share Purchase Agreement;
- (e) the Non-accepting Irrevocable Undertaking; and
- (f) this Composite Document and the accompanying Form of Acceptance.