

THIS COMPOSITE DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in 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 Global Dining Holdings Limited, you should at once hand this Composite Document and the accompanying Form of Acceptance to the purchaser or transferee or to the licensed securities dealer, registered institution in securities, bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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 contained herein.

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

China Uwin Technology Co., Limited **Global Dining Holdings Limited**
中國友飲科技有限公司 **環球美食控股有限公司**
(Incorporated in Hong Kong with limited liability) *(Incorporated in Cayman Islands with limited liability)*
(Stock Code: 8496)

**COMPOSITE DOCUMENT RELATING TO
MANDATORY UNCONDITIONAL CASH OFFER FOR SHARES BY
BAOQIAO PARTNERS CAPITAL LIMITED
FOR AND ON BEHALF OF CHINA UWIN TECHNOLOGY CO., LIMITED
TO ACQUIRE ALL OF THE ISSUED SHARES
IN THE ISSUED SHARE CAPITAL OF
GLOBAL DINING HOLDINGS LIMITED
(OTHER THAN THOSE SHARES ALREADY OWNED OR AGREED TO BE
ACQUIRED BY CHINA UWIN TECHNOLOGY CO., LIMITED AND PARTIES
ACTING IN CONCERT WITH IT)**

Financial adviser to the Offeror



Financial adviser to the Company



Offer Agent to the Offeror



BAOQIAO PARTNERS CAPITAL LIMITED

Independent Financial Adviser to the Independent Board Committee



Capitalised terms used on this cover page shall have the meanings given to them in the section headed "Definitions" in this Composite Document.

A letter from BaoQiao Partners containing, among other things, the principal terms of the Offer is set out on pages 6 to 13 of this Composite Document. A letter from the Board is set out on pages 14 to 20 of this Composite Document. A letter from the Independent Board Committee containing its advice to the Offer Shareholders in relation to the Offer is set out on pages 21 to 22 of this Composite Document. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Offer Shareholders in relation to the Offer is set out on pages 23 to 43 of this Composite Document.

The procedures for acceptance and settlement of the Offer are set out in Appendix I to this Composite Document and in the accompanying Form of Acceptance. Acceptances of the Offer should be received by the Share Registrar by no later than 4:00 p.m. on Friday, 16 December 2022 (or such later time and/or date as the Offeror may determine and announce 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 "Important Notices" in this Composite Document, the paragraph headed "7. Overseas Shareholders" in Appendix I to this Composite Document before taking any action. It is the responsibility of any Overseas Shareholders wishing to take any action in relation to the Offer, respectively, to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection therewith, including obtaining all governmental, exchange control or other consents which may be required and compliance with all necessary formalities or legal requirements and the payment of any issue, transfer or other taxes payable by such Overseas Shareholders in respect of the acceptance of the Offer (as applicable) in such jurisdiction. 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 <http://www.hkexnews.hk> and on the website of the Company at www.proofer.com.sg for as long as the Offer remain open.

25 November 2022

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.

CONTENTS

	<i>Page</i>
EXPECTED TIMETABLE	iii
IMPORTANT NOTICE	v
DEFINITIONS	1
LETTER FROM BAOQIAO PARTNERS	6
LETTER FROM THE BOARD	14
LETTER FROM THE INDEPENDENT BOARD COMMITTEE	21
LETTER FROM THE INDEPENDENT FINANCIAL ADVISER	23
APPENDIX I — FURTHER TERMS AND PROCEDURES FOR ACCEPTANCE OF THE OFFER	I-1
APPENDIX II — FINANCIAL INFORMATION OF THE GROUP	II-1
APPENDIX III — GENERAL INFORMATION ON THE OFFEROR	III-1
APPENDIX IV — GENERAL INFORMATION ON THE GROUP	IV-1
ACCOMPANYING DOCUMENT — FORM OF ACCEPTANCE	

EXPECTED TIMETABLE

The expected timetable set out below is indicative only and further announcement(s) by the Offeror and the Company will be made in the event of any changes as and when appropriate. Unless otherwise specified, all time and date references contained in this Composite Document and the Form of Acceptance refer to Hong Kong time and dates.

Event	Time & Date
Despatch date of this Composite Document and the Form of Acceptance (<i>Note 1</i>)	Friday, 25 November 2022
Offer opens for acceptance (<i>Note 1</i>).....	Friday, 25 November 2022
Latest time and date for acceptance of the Offer (<i>Notes 2, 3 and 5</i>).....	4:00 p.m. on Friday, 16 December 2022
Closing Date (<i>Notes 2 and 3</i>)	Friday, 16 December 2022
Announcement of the results of the Offer (or its extension or revision, if any) as at the Closing Date on the website of the Stock Exchange and website of the Company (<i>Note 2</i>)	No later than 7:00 p.m. on Friday, 16 December 2022
Latest date for posting of remittance for the amounts due under the Offer in respect of valid acceptances received under the Offer (<i>Notes 4 and 5</i>).....	Thursday, 29 December 2022

Notes:

1. The Offer, which is unconditional in all respects, is made on the date of posting of this Composite Document, and is capable of acceptance on and from that date until 4:00 p.m. on the Closing Date.
2. In accordance with the Takeovers Code, the Offer must initially be open for acceptance for at least 21 days following the date on which this Composite Document is posted. The latest time and date for acceptance of the Offer is 4:00 p.m. on Friday, 16 December 2022 unless the Offeror revises or extends the Offer in accordance with the Takeovers Code. An announcement will be issued on the website of the Stock Exchange by 7:00 p.m. on the Closing Date, stating whether the Offer has been extended, revised or expired. In the event that the Offeror decides to extend the Offer and the announcement does not specify the next closing date, at least 14 days' notice by way of an announcement will be given before the Offer is closed to those Independent Shareholders who have not accepted the Offer.
3. Beneficial owners of Shares who hold their Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements (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 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 within seven (7) Business Days following the date of receipt by the Share 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 in the circumstances set out in the section headed "5. Right of withdrawal" in Appendix I to this Composite Document.

EXPECTED TIMETABLE

5. If there is a tropical cyclone warning signal number 8 or above, or a “black” rainstorm warning signal or “extreme condition” caused by super typhoon:
- (i) in force in Hong Kong at any local time before 12:00 noon but no longer in force after 12:00 noon on the latest date for acceptance of the Offer and the latest date for posting 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 posting of remittances will remain on the same Business Day; or
 - (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the latest date for acceptance of the Offer or the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances, as the case may be, the latest time for acceptance of the Offer will be rescheduled to 4:00 p.m. on the following Business Day and the posting of remittances will be rescheduled to the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m. or such other day as the Executive may approve in accordance with the Takeovers Code.

Save as mentioned above, if the latest time for the 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 Shareholders by way of announcement(s) on any change to the expected timetable as soon as practicable.

IMPORTANT NOTICE

NOTICE TO THE 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 of the relevant jurisdictions. Overseas Shareholders who are citizens or residents or nationals of jurisdictions outside Hong Kong should inform themselves about and observe any applicable legal and regulatory requirements and, where necessary, seek independent legal advice in respect of the Offer.

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 jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required or the compliance with other necessary formalities or legal and regulatory requirements and the payment of any transfer or other taxes or other required payments due from him/her/it in respect of such jurisdiction.

Any acceptance by the Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholders to the Offeror that the local laws and requirements have been complied with and such acceptance shall be lawful, valid and binding in accordance with all applicable laws. Such Overseas Shareholders should consult their respective professional advisers if in doubt.

Based on the register of members of the Company as at the Latest Practicable Date, none of the Shareholders registered as a shareholder on the register of members of the Company is an Overseas Shareholder. Please refer to the section headed “7. Overseas Shareholders” in Appendix I to this Composite Document for further information.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

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

DEFINITIONS

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

“acting in concert”	has the meaning given to it in the Takeovers Code;
“associate(s)”	has the meaning given to it in the Takeovers Code;
“BaoQiao Partners”	BaoQiao Partners 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 and the agent making the Offer on behalf of the Offeror;
“Board”	the board of Directors;
“Business Day(s)”	a day (other than Saturday or Sunday or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which the Stock Exchange is open for the transaction of business;
“Closing Date”	Friday, 16 December 2022, being the closing date of the Offer, or if the Offer is extended, any subsequent closing date of the Offer as determined by the Offeror and jointly announced by the Offeror and the Company in accordance with the Takeovers Code;
“Company”	Global Dining Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the GEM (stock code: 8496);
“Companies Ordinance”	the Companies Ordinance (Cap. 622 of the Laws of Hong Kong);
“Completion”	completion of the sale and purchase of the Sale Shares pursuant to the Sale and Purchase Agreement;
“Composite Document”	this composite offer and response document jointly despatched by the Offeror and the Company to the Shareholders in connection with the Offer in accordance with the Takeovers Code;
“connected person(s)”	has the same meaning given to it under the GEM Listing Rules and the term “connected” shall be construed accordingly;

DEFINITIONS

“Director(s)”	director(s) of the Company;
“EGM”	the extraordinary general meeting to be held by the Company for the purpose of considering and approving the Proposed Change of Company Name;
“Encumbrance”	means and includes any option, right to acquire, right of pre-emption, mortgage, charge, pledge, lien, hypothecation, title retention, right of set-off, claim, counterclaim, trust arrangement or other security, any equity or restriction (including any restriction imposed under the Companies Ordinance) or other adverse rights and interests of all kinds and descriptions;
“Executive”	the Executive Director of the Corporate Finance Division of the SFC and any of his delegates;
“Form of Acceptance”	the form of acceptance and transfer of Share(s) in respect of the Offer accompanying this Composite Document;
“GEM”	GEM operated by the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM;
“Gram Capital”	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the financial adviser to the Offeror in respect of the Offer;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar(s), 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;
“Independent Board Committee”	the independent committee of the Board, comprising all the independent non-executive Directors, namely Mr. Kwok Kin Kwong Gary, Mr. Wong Wah and Mr. Kuan Hong Kin Daniel, established by the Company to make recommendation to the Independent Shareholders in relation to the Offer;

DEFINITIONS

“Independent Financial Adviser” or “Grande Capital”	Grande 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, being the independent financial adviser appointed for the purpose of advising the Independent Board Committee in relation to the Offer and as to acceptance of it;
“Independent Shareholders”	Shareholders other than the Offeror and parties acting in concert with it;
“Joint Announcement”	the announcement jointly issued by the Company and the Offeror dated 4 November 2022 in relation to, among others, the Offer pursuant to Rule 3.5 of the Takeovers Code;
“Last Trading Day”	3 November 2022, being the last full trading day immediately prior to the publication of the Joint Announcement;
“Latest Practicable Date”	22 November 2022, being the latest practicable date prior to the printing of this Composite Document for the purpose of ascertaining certain information contained in this Composite Document;
“Mr. Zhang”	Mr. Zhang Yang (張陽), the sole owner and the sole director of the Offeror;
“Offer”	the mandatory unconditional cash offer to be made by BaoQiao Partners for and on behalf of the Offeror to acquire all of the issued Shares in the share capital of the Company (other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it) in accordance with the Takeovers Code;
“Offer Period”	the period commenced since 4 November 2022, being the date of the Joint Announcement and ending on the date of the close of the Offer in accordance with the Takeovers Code;
“Offer Price”	the price at which the Offer will be made, being HK\$0.3125 per Offer Share;
“Offer Share(s)”	issued Share(s) other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it;

DEFINITIONS

“Offeror”	China Uwin Technology Co., Limited (中國友飲科技有限公司), a company incorporated in the Hong Kong with limited liability and beneficially and wholly-owned by Mr. Zhang;
“Overseas Shareholders”	The Shareholders whose addresses, as shown on the register of member of the Company, are outside Hong Kong;
“PRC”	the People’s Republic of China which, for the purpose of this Composite Document, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“Proposed Change of Company Name”	the proposal by the Board to change the English name of the Company from “Global Dining Holdings Limited” to “Global Uin Intelligence Holdings Limited” and the dual foreign name in Chinese of the Company from “環球美食控股有限公司” to “環球友飲智能控股有限公司”;
“Relevant Period”	the period from 4 May 2022, being the date falling six months preceding the commencement of the Offer Period, up to and including the Latest Practicable Date;
“Sale and Purchase Agreement”	the sale and purchase agreement dated 3 November 2022 entered into between the Vendor and the Offeror in respect of the sale and purchase of the Sale Shares;
“Sale Share(s)”	153,000,000 Shares beneficially owned by the Vendor as at the date of the Sale and Purchase Agreement and immediately prior to Completion, representing 63.75% of the issued share capital of the Company as at the date of the Sale and Purchase Agreement;
“S\$”	Singapore dollar(s), the lawful currency of Singapore;
“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company;
“Shareholder(s)”	registered holder(s) of the Share(s);
“Share Registrar”	Boardroom Share Registrars (HK) Limited, the Hong Kong branch share registrar and transfer office of the Company;

DEFINITIONS

“Singapore”	the Republic of Singapore;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiaries”	has the meaning given to it in the GEM Listing Rules;
“Takeovers Code”	The Code on Takeovers and Mergers published by the SFC, as amended, supplemented or otherwise modified from time to time;
“Vendor”	AA Food Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, which is owned as to 50.0% by Mr. Goh Leong Heng Aris and 50.0% by Ms. Anita Chia Hee Mei; and
“%”	per cent.

Unless stated otherwise, in this Composite Document, amounts denominated in S\$ have been translated into HK\$ at the exchange rate of HK\$1.00 to S\$0.18. No representation is made that the HK\$ amounts could have been or could be converted into S\$ at such rate or any other rate or at all. Certain amounts and percentage figures in this Composite Document have been subject to rounding adjustments.

LETTER FROM BAOQIAO PARTNERS



BAOQIAO PARTNERS CAPITAL LIMITED

Unit 2803–2805, 28/F, Tower 1, Admiralty Centre,
18 Harcourt Road, Admiralty, Hong Kong

25 November 2022

To the Independent Shareholders,

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFER FOR SHARES BY
BAOQIAO PARTNERS CAPITAL LIMITED
FOR AND ON BEHALF OF CHINA UWIN TECHNOLOGY CO., LIMITED
TO ACQUIRE ALL OF THE ISSUED SHARES
IN THE ISSUED SHARE CAPITAL OF
GLOBAL DINING HOLDINGS LIMITED
(OTHER THAN THOSE SHARES ALREADY OWNED OR AGREED TO BE
ACQUIRED BY CHINA UWIN TECHNOLOGY CO., LIMITED AND
PARTIES ACTING IN CONCERT WITH IT)**

1. INTRODUCTION

Reference is made to the Joint Announcement made jointly by the Company and the Offeror in relation to, among other matters, the Sale and Purchase Agreement and the Offer. Terms used in this letter shall have the same meanings as defined in this Composite Document unless the context otherwise requires.

On 3 November 2022 (after trading hours of the Stock Exchange), the Vendor and the Offeror entered into the Sale and Purchase Agreement, pursuant to which the Vendor has agreed to sell, and the Offeror has agreed to purchase, 153,000,000 Shares, representing 63.75% of the issued share capital of the Company as at the Latest Practicable Date, for an aggregate consideration of HK\$47,812,500, equivalent to HK\$0.3125 per Sale Share, which was satisfied by the Offeror in full by cash. Completion took place on 4 November 2022.

Immediately following Completion, the Offeror and parties acting in concert with it own 153,000,000 Shares, representing 63.75% of the entire issued share capital of the Company. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is therefore required to make a mandatory unconditional cash offer for all the issued Shares (other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it).

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

LETTER FROM BAOQIAO PARTNERS

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

2. THE OFFER

BaoQiao Partners, for and on behalf of the Offeror, is making the Offer to acquire all of the Offer Shares in accordance with the Takeovers Code on the following basis:

For each Offer Share..... HK\$0.3125 in cash

The Offer Price of HK\$0.3125 per Offer Share is the same as the purchase price per Sale Share under the Sale and Purchase Agreement.

The Offer is unconditional in all respects. The Offer is extended to all Shares in issue other than those Shares held by the Offeror and parties acting in concert with it in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer will be fully paid and free from all Encumbrances and third party rights and together with all rights attached thereto, including but not limited to 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.

As at the Latest Practicable Date, the Company does not have any dividend or distribution recommended, declared or made but unpaid and the Company does not intend to declare any dividend or make other distribution during the Offer Period.

As at the Latest Practicable Date, there were 240,000,000 Shares in issue. The Company did not have any outstanding options, derivatives, warrants or securities which are convertible or exchangeable into Shares and had not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares.

2.1 Comparison of value

The Offer Price of HK\$0.3125 per Offer Share represents:

- (i) a discount of approximately 23.8% over the closing price of HK\$0.4100 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a premium of approximately 2.5% over the closing price of HK\$0.3050 per Share as quoted on the Stock Exchange on 3 November 2022, being the Last Trading Day;
- (iii) a premium of approximately 0.2% over the average closing price of approximately HK\$0.3120 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to and including the Last Trading Day;

LETTER FROM BAOQIAO PARTNERS

- (iv) a discount of approximately 5.2% to the average closing price of approximately HK\$0.3295 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a discount of approximately 14.2% to the average closing price of approximately HK\$0.3642 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days immediately prior to and including the Last Trading Day; and
- (vi) a premium of approximately 2,011.5% over the net asset value per Share of approximately S\$0.0027 (equivalent to approximately HK\$0.0148), calculated based on the Group's audited consolidated net asset value attributable to the Shareholders as at 30 June 2022 of S\$639,784 (equivalent to approximately HK\$3,554,356), divided by the number of issued Shares as at the date of this Composite Document.

2.2 Highest and lowest Share prices

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.49 on 4 May 2022 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.305 on 31 October 2022, 1 November 2022, 2 November 2022 and 3 November 2022.

2.3 Total value of the Offer

As at the Latest Practicable Date, there were 240,000,000 Shares in issue. Assuming that there is no change in the issued share capital of the Company from the Latest Practicable Date up to the close of the Offer and on the basis of the Offer Price at HK\$0.3125 per Share, the entire issued share capital of the Company is valued at HK\$75,000,000.

Excluding 153,000,000 Shares held by the Offeror and parties acting in concert with it, the number of Shares subject to the Offer is 87,000,000. Based on the Offer Price of HK\$0.3125 per Offer Share, the total value of the Offer would be HK\$27,187,500, which will be the maximum amount payable by the Offeror under the Offer in the event that the Offer is accepted in full.

2.4 Dealings in securities in the Company

Save for the acquisition of the Sale Shares, the Offeror and parties acting in concert with it have not dealt in the Shares, warrants, options, derivatives or other securities convertible into Shares during the Relevant Period.

LETTER FROM BAOQIAO PARTNERS

3. CONFIRMATION ON FINANCIAL RESOURCES

The Offeror intends to satisfy the consideration payable under the Offer by internal resources. Gram Capital, the financial adviser to the Offeror in respect of the Offer, is satisfied that sufficient financial resources are available to the Offeror to satisfy the amount of funds required for full acceptance of the Offer.

4. FURTHER TERMS OF THE OFFER

4.1 Acceptance of the Offer

By accepting the Offer, the Independent Shareholders shall sell their Shares to the Offeror free from all Encumbrances and third party rights and together with all rights attached to them including the right to all dividends and distributions which may be declared, paid or made on or after the date on which the Offer is made, being the date of despatch of the Composite Document. Acceptance of the Offer will be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

As at the Latest Practicable Date, the Company does not have any dividend or distribution recommended, declared or made but unpaid and the Company does not intend to declare any dividend or make other distribution during the Offer Period.

4.2 Payment

Settlement of the consideration in respect of acceptances of the Offer will be made as soon as possible but in any event within seven (7) Business Days following the date of receipt of duly completed and valid acceptances in respect of the Offer Shares. Relevant documents evidencing title must be received by or on behalf of the Offeror to render such acceptance of the Offer complete and valid.

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

4.3 Hong Kong stamp duty

The seller's Hong Kong ad valorem stamp duty arising in connection with acceptances of the Offer will be payable by the relevant Independent Shareholders at a rate of 0.13% 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, and the amount of such duty will be deducted from the cash amount payable by the Offeror to the relevant Independent Shareholders accepting the Offer. The Offeror will arrange for payment of the seller's Hong Kong ad valorem stamp duty on behalf of the relevant Independent Shareholders accepting the Offer and pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

4.4 Taxation advice

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 Company, BaoQiao Partners, Gram Capital and Kingsway Capital Limited (as the case may be) and 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.

4.5 Overseas Shareholders

The availability of the Offer to any Overseas Shareholders may be affected by the applicable laws and regulations of their relevant jurisdictions of residence. Overseas Shareholders should observe any applicable legal or regulatory requirements and, where necessary, consult their own professional advisers. It is the responsibilities 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 overseas jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due by such Overseas Shareholders in respect of such overseas 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 local laws and requirements have been complied with. The Overseas Shareholders should consult their professional advisers if in doubt.

4.6 Procedures for acceptance and settlement

Your attention is drawn to “Further terms and procedures for acceptance of the Offer” as set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

5. INFORMATION ON THE PARTIES

5.1 The Offeror

The Offeror is an investment holding company incorporated in Hong Kong with limited liability on 4 November 2021, all shares of which are owned by Mr. Zhang. As at the Latest Practicable Date, save for holding the Sale Shares, the Offeror did not engage in any other business activities or hold any other asset.

Mr. Zhang, aged 40, holds a master’s degree in management science and engineering and a bachelor’s degree in computer science and technology from Beijing University of Posts and Telecommunications. Mr. Zhang has more than 15 years of experience in managerial roles in new consumption (an integrated retail section with blending of online

LETTER FROM BAOQIAO PARTNERS

and offline commerce through digitization of the entire retail value chain), smart retail and communication technology in the PRC. Since 2015, Mr. Zhang has been engaged in smart beverage vending machine retail business. Mr. Zhang is the founder, chairman and general manager of Beijing Shuoyibuer Technology Company Limited, which is a smart retail beverage machines operator in the PRC. From 2007 to 2014, he worked as the head of terminal sales in China Mobile Communication Group Company Limited, and managed with more than 10,000 terminal stores and more than 30 million users. Since November 2021, Mr. Zhang has been serving as an executive director of Kirin Group Holdings Limited, a company listed on GEM (stock code: 8109).

5.2 The Group

Details of the information on the Group are set out in the Letter from the Board to this Composite Document. Financial information of the Group is set out in Appendix II to this Composite Document. General information of the Group is set out in Appendix IV to this Composite Document.

6. INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

The intention of the Offeror is that the Company's existing principal activities will be maintained and continued after completion of the Offer. The Offeror confirms that there is no intention to further expand and/or divest the existing businesses of the Company during the Offer Period unless appropriate opportunities arise. The Offeror will conduct a review of the existing principal businesses, operations, financial position, investments, proposed investments of the Group for the purpose of formulating long-term business plans and strategies for the future business development of the Group. With Mr. Zhang's personal background and management experience in various industries including food and beverage, new consumption, smart retail and communication technology, the Offeror intends to leverage the synergies between the Offeror and the Group to explore related business opportunities in the future.

Subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, business rationalization, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group. As at the date of this Composite Document, no investment or business opportunity has been identified nor have the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group. Should such corporate actions materialise, further announcement(s) will be made in accordance with the GEM Listing Rules.

Save for the Offeror's intention regarding the Group as set out above, the Offeror has no intention to redeploy any fixed assets of the Group (other than in the ordinary and usual course of business of the Group) or to discontinue the employment of the employees of the Group (except as set forth in the section headed "Proposed change of Board composition" below) as at the Latest Practicable Date.

LETTER FROM BAOQIAO PARTNERS

7. PROPOSED CHANGE OF BOARD COMPOSITION

As at the date of this Composite Document, the Board is comprised of one executive Director and three independent non-executive Directors. Mr. Kwok Kin Kwong Gary has tendered his resignation from his position as the independent non-executive Director and the resignation will take effect from the earliest time permissible under Rule 7 of the Takeovers Code.

The Offeror intends to nominate new executive and independent non-executive Directors for appointment to the Board with effect from a date not earlier than the earliest time as permitted under the applicable laws, rules and regulations, the GEM Listing Rules and the Takeovers Code. Any changes to the members of the Board including the aforesaid appointments and resignation will be made subject to necessary procedures and approvals of the Board as and when appropriate in accordance with the Takeovers Code and the GEM Listing Rules. Further announcement(s) will be made upon any changes to the composition to the Board in compliance with the Takeovers Code and GEM Listing Rules as and when appropriate.

8. PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

The Offeror does not intend to avail itself of any powers of compulsory acquisition of any Shares outstanding after the close of the Offer. The Offeror will, together with the Company, use reasonable endeavours to maintain the listing status of the Shares on 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.

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) there are insufficient Shares in public hands to maintain an orderly market, then the Stock Exchange will consider exercising its discretion to suspend dealings in the Shares.

The Offeror intends the Company to remain listed on the Stock Exchange. The sole director of the Offeror and the new Director(s) to be appointed to the Board of the Company will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Company's Shares.

9. GENERAL

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

LETTER FROM BAOQIAO PARTNERS

The attention of the Overseas Shareholders is drawn to Appendix I to this Composite Document.

No acknowledgment of receipt of any Form of Acceptance, share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the Shares will be given.

All documents and remittances will be sent to the Independent Shareholders by ordinary post at their own risk. Such documents and remittances will be sent to the Independent Shareholders at their respective addresses as appeared in the register of members of the Company or in the case of joint Independent Shareholders, to the Independent Shareholder whose name appears first in the said register of members of the Company. None of the Offeror, the Company, BaoQiao Partners, Gram Capital, Kingsway Capital Limited, the Independent Financial Adviser, the Share Registrar, or any of their respective directors or professional advisers or any other parties involved in the Offer will be responsible for any loss or delay in transmission or any other liabilities that may arise as a result thereof.

10. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this Composite Document and the accompanying Form of Acceptance, which form part of this Composite Document. You are 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” set out 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
BaoQiao Partners Capital Limited
Monica Lin **Irene Poon**
Managing Director *Executive Director*

Ms. Monica Lin is a responsible officer registered under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities for BaoQiao Partners Capital Limited and has over 20 years of experience in corporate finance industry.

Ms. Irene Poon is a responsible officer registered under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities for BaoQiao Partners Capital Limited and has over 20 years of experience in the accounting and corporate financial services industry.

LETTER FROM THE BOARD

Global Dining Holdings Limited

環球美食控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8496)

Executive Director:

Mr. John Lim Boon Kiat

Independent non-executive Directors:

Mr. Kwok Kin Kwong Gary

Mr. Wong Wah

Mr. Kuan Hong Kin Daniel

Registered Office:

Cricket Square, Hutchins Drive

P.O. Box 2681

Grand Cayman, KY1-1111

Cayman Islands

Principal Place of Business

in Hong Kong:

Unit A, 12/F

China Overseas Building

139 Hennessy Road

Wanchai

Hong Kong

*Headquarters and principal place of
business in Singapore:*

120 Lower Delta Road

#12-06 Cendex Centre

Singapore 169208

25 November 2022

To the Independent Shareholders:

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFER FOR SHARES BY
BAOQIAO PARTNERS CAPITAL LIMITED
FOR AND ON BEHALF OF CHINA UWIN TECHNOLOGY CO., LIMITED
TO ACQUIRE ALL OF THE ISSUED SHARES
IN THE ISSUED SHARE CAPITAL OF
GLOBAL DINING HOLDINGS LIMITED
(OTHER THAN THOSE SHARES ALREADY OWNED OR AGREED TO BE
ACQUIRED BY CHINA UWIN TECHNOLOGY CO., LIMITED AND
PARTIES ACTING IN CONCERT WITH IT)**

1. INTRODUCTION

Reference is made to the Joint Announcement made jointly by the Company and the Offeror in relation to, among other matters, the Sale and Purchase Agreement and the Offer. Terms used in this letter shall have the same meanings as defined in this Composite Document unless the context otherwise requires.

LETTER FROM THE BOARD

On 3 November 2022 (after trading hours of the Stock Exchange), the Vendor and the Offeror entered into the Sale and Purchase Agreement, pursuant to which the Vendor has agreed to sell, and the Offeror has agreed to purchase, 153,000,000 Shares, representing 63.75% of the issued share capital of the Company as at the Latest Practicable Date, for an aggregate consideration of HK\$47,812,500, equivalent to HK\$0.3125 per Sale Share, which was satisfied by the Offeror in full by cash. Completion took place on 4 November 2022.

Immediately following Completion, the Offeror and parties acting in concert with it own 153,000,000 Shares, representing 63.75% of the entire issued share capital of the Company. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is therefore required to make a mandatory unconditional cash offer for all the issued Shares (other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it).

Further details of the Offer including the terms and procedures for acceptance of Offer are set out in the “Letter from BaoQiao Partners” and Appendix I to this Composite Document of which this letter forms part, and in the accompanying Form of Acceptance.

The purpose of this Composite Document (of which this letter forms part) is to provide you with, among other things, information relating to the Group, the Offeror and the Offer, the recommendation of the Independent Board Committee to the Independent Shareholders and the “Letter from the Independent Financial Adviser” to the Independent Board Committee in relation to the Offer.

2. THE OFFER

As at the Latest Practicable Date, there were 240,000,000 Shares in issue.

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

Principal terms of the Offer

As disclosed in the “Letter from BaoQiao Partners” on pages 6 to 13 of this Composite Document, BaoQiao Partners, for and on behalf of the Offeror, is making the Offer to acquire all of the Offer Shares in accordance with the Takeovers Code on the following basis:

For each Offer Share..... HK\$0.3125 in cash

The Offer Price of HK\$0.3125 per Offer Share is the same as the purchase price per Sale Share under the Sale and Purchase Agreement.

LETTER FROM THE BOARD

The Shares to be acquired under the Offer shall be fully paid, free from all encumbrances and with all rights and benefits at any time accruing and attached to them, including the rights to receive all dividends and distributions declared, made or paid on or after the date on which the Offer is made, i.e. the date of this Composite Document. As at the Latest Practicable Date, the Company does not have any dividend or distribution recommended, declared or made but unpaid. The Company confirms that it does not intend to declare any dividends during the Offer Period. The Offer is unconditional in all respects. Acceptance of the Offer tendered by the Independent Shareholders shall be unconditional and irrevocable once given and cannot be withdrawn except in circumstances set out in Rule 19.2 of the Takeovers Code.

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

3. INFORMATION OF THE GROUP

The Company was incorporated in the Cayman Islands with limited liability and its issued shares have been listed on the GEM of the Stock Exchange since 18 May 2020. The Group is principally engaged in the manufacturing and retailing of bakery products and operation of restaurants.

The following table sets out the shareholding structure of the Company (a) immediately prior to Completion; and (b) immediately upon Completion and before the Offer and as at the Latest Practicable Date:

	Immediately prior to Completion		Immediately upon Completion and before the Offer and as at the Latest Practicable Date	
	<i>Number of Shares</i>	<i>Percentage of shareholding (approximately) (%)</i>	<i>Number of Shares</i>	<i>Percentage of shareholding (approximately) (%)</i>
The Vendor	153,000,000	63.75	—	—
The Offeror and parties acting in concert with it	—	—	153,000,000	63.75
Public Shareholders	<u>87,000,000</u>	<u>36.25</u>	<u>87,000,000</u>	<u>36.25</u>
Total	<u><u>240,000,000</u></u>	<u><u>100.00</u></u>	<u><u>240,000,000</u></u>	<u><u>100.00</u></u>

LETTER FROM THE BOARD

4. FINANCIAL INFORMATION OF THE GROUP

Set out below is a summary of the audited consolidated financial information of the Group for each of the financial years ended 30 June 2021 and 2022 and the unaudited consolidated financial information of the Group for each of the three months ended 30 September 2021 and 2022, prepared in accordance with the relevant accounting principles and financial regulations applicable to the International Financial Reporting Standards:

	For the year ended 30 June 2021		For the year ended 30 June 2022	
	<i>(Equivalent to approximately</i>		<i>(Equivalent to approximately</i>	
	<i>(S\$)</i>	<i>HK\$)</i>	<i>(S\$)</i>	<i>HK\$)</i>
Revenue	14,136,821	78,537,894	11,961,710	66,453,944
Loss before tax	(4,815,227)	(26,751,261)	(1,581,965)	(8,788,694)
Loss after tax	(4,883,965)	(27,133,139)	(1,750,691)	(9,726,061)
	For the three months ended 30 September 2021		For the three months ended 30 September 2022	
	<i>(Equivalent to approximately</i>		<i>(Equivalent to approximately</i>	
	<i>(S\$)</i>	<i>HK\$)</i>	<i>(S\$)</i>	<i>HK\$)</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Revenue	3,492,545	19,403,028	2,719,272	15,107,067
Profit/(loss)before tax	135,970	755,389	(571,552)	(3,175,289)
Profit/(loss) after tax	135,970	755,389	(571,552)	(3,175,289)
	As at 30 June 2021		As at 30 June 2022	
	<i>(Equivalent to approximately</i>		<i>(Equivalent to approximately</i>	
	<i>(S\$)</i>	<i>HK\$)</i>	<i>(S\$)</i>	<i>HK\$)</i>
Total assets	17,195,016	95,527,867	10,765,522	59,808,456
Total liabilities	14,868,877	82,604,872	10,146,974	56,372,078
Net assets	2,326,139	12,922,994	618,548	3,436,378

Your attention is also drawn to Appendices II and IV to this Composite Document which contain further financial and general information of the Group.

In deciding whether or not to accept the Offer, the Independent Shareholders should consider the material uncertainty related to going concern as reported by the independent auditor on the consolidated financial statements of the Group for the years ended 30 June 2022 and 2021. Please refer to Appendix II to this Composite Document for further details.

LETTER FROM THE BOARD

Pursuant to Note 3 to Rule 2 of the Takeovers Code, the Board would like to draw the attention of the Independent Shareholders that according to the annual reports of the Company for the years ended 30 June 2022 and 2021, HLB Hodgson Impey Cheng Limited, the reporting accountant and auditor of the Company, reported that there was material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. For further details, please refer to the paragraph headed "1. Summary of financial information of the Group" in Appendix II to this Composite Document. The Independent Shareholders are advised to take into account the foregoing and consider carefully the terms of the Offer. If the Independent Shareholders decide not to accept the Offer, they should be aware of the potential risks associated with the material uncertainties relating to going concern.

5. INTENTION OF THE OFFEROR REGARDING THE GROUP

Your attention is drawn to the paragraphs headed "5. Information on the parties — The Offeror" and "6. Intention of the Offeror in relation to the Group" in the "Letter from BaoQiao Partners" as set out on pages 6 to 13 of this Composite Document. The Board is aware of the intention of the Offeror regarding the Group and is willing to render reasonable co-operation with the Offeror which is in the interests of the Company and the Independent Shareholders as a whole. The Board is aware that the Offeror intends to maintain and continue the existing principal activities of the Group and the Offeror has no intention to further expand and/or divest the existing businesses of the Company during the Offer Period unless appropriate opportunities arise. The Board is also aware that the Offeror intends to review the existing principal businesses, operations, financial position, investments, proposed investments of the Group for the purpose of formulating long-term business plans and strategies for the future business development of the Group.

The Board is aware that, subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, business rationalization, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group. The Board is aware that, as at the date of this Composite Document, (i) no investment or business opportunity has been identified nor have the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group; and (ii) save for the Offeror's intention regarding the Group as set out above, the Offeror has no intention to redeploy any fixed assets of the Group (other than in the ordinary and usual course of business of the Group) or to discontinue the employment of the employees of the Group (except as set forth in the paragraph headed "7. Proposed change of Board composition" in the "Letter from BaoQiao Partners" as set out on pages 6 to 13 of this Composite Document).

6. PROPOSED CHANGE OF COMPANY NAME

The Board proposed to change the English name of the Company from "Global Dining Holdings Limited" to "Global Uin Intelligence Holdings Limited" and the dual foreign name in Chinese of the Company from "環球美食控股有限公司" to "環球友飲智能控股有限公司". The Proposed Change of Company Name is subject to the fulfilment of certain conditions. The EGM will be convened and held for the purposes of considering and, if

LETTER FROM THE BOARD

thought fit, approving, the special resolution in respect of the Proposed Change of Company Name. For further information on the Proposed Change of Company Name, please refer to the circular of the Company dated 15 November 2022.

The Proposed Change of Company Name will not affect any of the rights of the Shareholders or the Company's daily business operation and its financial position. Once the Proposed Change of Company Name becomes effective, any issue of share certificates of the Company thereafter will be in the new name of the Company and the Shares will be traded on the Stock Exchange under the new name of the Company. All existing share certificates of the Company in issue bearing the present name of the Company shall, after the Proposed Change of Company Name having become effective, continue to be evidence of title to such Shares and will continue to be valid for trading, settlement, registration and delivery purposes. Accordingly, there will not be any arrangement for free exchange of the existing share certificates for new certificates bearing the new name of the Company.

Subject to the confirmation by the Stock Exchange, the Company's English and Chinese stock short names will be changed for trading in the securities of the Company on the Stock Exchange after the Proposed Change of Company Name becomes effective.

7. PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

The Board is aware that the Offeror does not intend to avail itself of any powers of compulsory acquisition of any Shares outstanding after the close of the Offer. The Company will, together with the Offeror, use reasonable endeavours to maintain the listing status of the Shares on 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.

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) there are insufficient Shares in public hands to maintain an orderly market, then the Stock Exchange will consider exercising its discretion to suspend dealings in the Shares.

The Offeror intends the Company to remain listed on the Stock Exchange. The sole director of the Offeror and the new Director(s) to be appointed to the Board of the Company will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Company's Shares.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

LETTER FROM THE BOARD

8. RECOMMENDATION

The Independent Board Committee, comprising all the independent non-executive Directors, namely, Mr. Kwok Kin Kwong Gary, Mr. Wong Wah and Mr. Kuan Hong Kin Daniel, has been established to advise the Independent Shareholders as to whether the Offer is fair and reasonable so far as the Independent Shareholders are concerned, and as to acceptance of the Offer. Your attention is drawn to (i) the “Letter from the Independent Board Committee” as set out on pages 21 to 22 of this Composite Document; and (ii) the “Letter from the Independent Financial Adviser” as set out on pages 23 to 43 of this Composite Document containing their respective advice and recommendation in respect of the Offer and principal factors considered by them in arriving at their recommendation.

9. 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 actions to take in connection with the Offer, you should also consider your own tax positions, if any, and in case of any doubt, consult your own professional advisers.

Yours faithfully,
On behalf of the Board of
Global Dining Holdings Limited
John Lim Boon Kiat
Chairman and executive Director

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.

Global Dining Holdings Limited

環球美食控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8496)

25 November 2022

To the Independent Shareholders:

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFER FOR SHARES BY
BAOQIAO PARTNERS CAPITAL LIMITED
FOR AND ON BEHALF OF CHINA UWIN TECHNOLOGY CO., LIMITED
TO ACQUIRE ALL OF THE ISSUED SHARES
IN THE ISSUED SHARE CAPITAL OF
GLOBAL DINING HOLDINGS LIMITED
(OTHER THAN THOSE SHARES ALREADY OWNED OR AGREED TO BE
ACQUIRED BY CHINA UWIN TECHNOLOGY CO., LIMITED AND
PARTIES ACTING IN CONCERT WITH IT)**

We refer to this Composite Document dated 25 November 2022 jointly issued by the Company and the Offeror, of which this letter forms part. Unless the context otherwise requires, terms used in this letter shall have the same meanings as defined in this Composite Document.

We have been appointed to constitute the Independent Board Committee to consider the terms of the Offer and to advise you (i.e. the Independent Shareholders) as to whether or not the terms of the Offer are fair and reasonable so far as the Independent Shareholders are concerned, and to make recommendation in respect of the acceptance of the Offer. Grande Capital has been appointed as the Independent Financial Adviser to make recommendation to us in respect of the terms of the Offer and, in particular, whether the Offer is fair and reasonable so far as the Independent Shareholders are concerned, and to make recommendation in respect of the acceptance of the Offer. Details of its advice and recommendation, together with the principal factors and reasons which it has considered before arriving at such recommendation, are set out in the “Letter from the Independent Financial Adviser” on pages 23 to 43 of this Composite Document.

We also wish to draw your attention to the “Letter from the Board”, the “Letter from BaoQiao Partners” and the additional information set out in the appendices to this Composite Document.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

RECOMMENDATION

Taking into account the terms of the Offer and the Independent Financial Adviser's advice and recommendations, we consider that the terms of the Offer are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to accept the Offer. Independent Shareholders are recommended to read the full text of the "Letter from the Independent Financial Adviser" set out in this Composite Document.

However, for those Independent Shareholders who are considering to realise all or part of their holdings in the Shares, they should closely monitor the market price and liquidity of the Shares during the Offer Period. Should the market price of the Shares exceed the Offer Price during the Offer Period, and the sale proceeds (net of transaction costs) exceed the net proceeds receivable under the Offer, the Independent Shareholders may wish to consider selling their Shares in the market instead of accepting the Offer.

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

Yours faithfully,
For and on behalf of
The Independent Board Committee of
Global Dining Holdings Limited
Mr. Kwok Kin Kwong Gary, Mr. Wong Wah and
Mr. Kuan Hong Kin Daniel
Independent non-executive Directors

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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



25 November 2022

To: The Independent Board Committee

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFER FOR SHARES BY
BAOQIAO PARTNERS CAPITAL LIMITED
FOR AND ON BEHALF OF CHINA UWIN TECHNOLOGY CO., LIMITED
TO ACQUIRE ALL OF THE ISSUED SHARES
IN THE ISSUED SHARE CAPITAL OF
GLOBAL DINING HOLDINGS LIMITED
(OTHER THAN THOSE SHARES ALREADY OWNED OR AGREED TO BE
ACQUIRED BY CHINA UWIN TECHNOLOGY CO., LIMITED
AND PARTIES ACTING IN CONCERT WITH IT)**

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to the Independent Board Committee with respect to the Offer, details of which are set out in Composite Document dated 25 November 2022 jointly issued by the Company and the Offeror to the Shareholders, of which this letter forms part. Unless otherwise stated, terms defined in the Composite Document have the same meanings in this letter.

On 3 November 2022 (after trading hours of the Stock Exchange), the Vendor and the Offeror entered into the Sale and Purchase Agreement, pursuant to which the Vendor has agreed to sell, and the Offeror has agreed to purchase, 153,000,000 Shares, representing 63.75% of the issued share capital of the Company as at the Latest Practicable Date, for an aggregate consideration of HK\$47,812,500, equivalent to HK\$0.3125 per Sale Share, which was satisfied by the Offeror in full by cash. Completion took place on 4 November 2022.

Immediately following Completion, the Offeror and parties acting in concert with it own 153,000,000 Shares, representing 63.75% of the entire issued share capital of the Company. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is therefore required to make a mandatory unconditional cash offer for all the issued Shares (other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it).

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As at the Latest Practicable Date, there are 240,000,000 Shares in issue. Assuming that there is no change in the issued share capital of the Company from the Latest Practicable Date up to the close of the Offer and on the basis of the Offer Price at HK\$0.3125 per Share, the entire issued share capital of the Company is valued at HK\$75,000,000. Excluding 153,000,000 Shares held by the Offeror and parties acting in concert with it, the number of Shares subject to the Offer is 87,000,000. Based on the Offer Price of HK\$0.3125 per Offer Share, the total value of the Offer would be HK\$27,187,500, which will be the maximum amount payable by the Offeror under the Offer in the event that the Offer is accepted in full.

The Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Kwok Kin Kwong Gary, Mr. Wong Wah and Mr. Kuan Hong Kin Daniel, has been established to advise the Independent Shareholders as to whether the terms of the Offer are fair and reasonable so far as the Independent Shareholders are concerned, and as to the acceptance of the Offer.

Pursuant to Rule 2.1 of the Takeovers Code, on 25 October 2022, our appointment as the Independent Financial Adviser has been approved by the Independent Board Committee. As the Independent Financial Adviser in relation to the Offer, our role is to provide the Independent Board Committee with an independent opinion and recommendation 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.

As at the Latest Practicable Date, we were independent from and not connected with the Group and the Offeror and any party acting in concert with the Offeror, and we are qualified to give independent advice to the Independent Board Committee regarding the Offer. Apart from the normal advisory fee payable to us in connection with our appointment as the Independent Financial Adviser, no arrangement exists whereby we shall receive any other fees or benefits from the Company.

BASIS OF OUR OPINION

In formulating our opinion, we have relied on the statements, information, opinions, beliefs and representations contained or referred to in the Composite Document and the information and representations as provided to us by the Group, its advisers, its management team (the “**Management**”) and/or the Directors. We have assumed that such information and statements, and any representation made to us, which we have relied upon in formulating our opinion, are true, accurate and complete in all material respects as at the Latest Practicable Date and the Shareholders will be notified of any material changes (if any) as soon as possible in accordance with Rule 9.1 of the Takeovers Code.

We have also assumed that all statements of belief, opinion, expectation and intention made by the Group, its advisers, the Management and/or the Directors in the Composite Document were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Composite Document, or the reasonableness of the opinions expressed by the Group, its advisers, the

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Management and/or the Directors, which have been provided to us. Our opinion is based on the Directors' representation and confirmation that there are no undisclosed private agreements or arrangements or implied understanding with anyone concerning the Offer.

We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion. We have reviewed documents and reports including but not limited to prospectus of the Company dated 29 April 2020, annual reports of the Company for the year ended 30 June 2019, 2020, 2021 and 2022, interim report of the Company for the six months ended 31 December 2021, quarterly reports of the Company for the three months ended 31 March 2022 and 30 September 2022, the news highlights from Ministry of Health of Singapore dated 24 September 2021, 8 November 2021 and 22 April 2022 posted on the official website of Ministry of Health of Singapore in relation to the latest updates on the measures for the control of the COVID-19 situation in Singapore, the Economy Survey of Singapore for the third quarter 2021, full year 2021, first quarter 2022 and second quarter 2022 issued by the Ministry of Trade and Industry of Singapore, the press release dated 26 October 2021 posted on the official website of Singapore Food Agency in relation to the suspension of food business operation of the central kitchen of the Group, statistics extracted from the Singapore Department of Statistics in relation to the outbound departures of Singapore residents, letters from the Singapore Food Agency provided by the Company, website of Hang Seng Indexes Company Limited, etc. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Composite Document (other than that relating to the Offeror) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in the Composite Document (other than opinions expressed by the sole director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in the Composite Document, the omission of which would make any statement in the Composite Document misleading. Mr. Zhang Yang, the beneficial owner and sole director of the Offeror, accepts full responsibility for the accuracy of information contained in the Composite Document (other than those relating to the Group) and confirm, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in the Composite Document have been arrived at after due and careful consideration and there are no other facts not contained in the Composite Document, the omission of which would make any statement in the Composite Document misleading. We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our recommendation. We have not, however, conducted any independent in-depth investigation into the business and affairs, financial condition and future prospects of the Group or the Offeror or associates of any of them.

We have not considered the tax consequences on the Independent Shareholders in respect of their acceptance or non-acceptance of the Offer since they vary depending on respective individual circumstances. The Independent Shareholder who are overseas residents or subject to overseas taxes or Hong Kong taxation on securities dealings should consider their own tax positions and, if in any doubt, should consult their own professional advisers.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

THE OFFER

As set out in the Composite Document, immediately following Completion, the Offeror and parties acting in concert with it own 153,000,000 Shares, representing 63.75% of the entire issued share capital of the Company. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is therefore required to make a mandatory unconditional cash offer for all the issued Shares (other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it).

PRINCIPAL TERMS OF THE OFFER

As mentioned in the Composite Document, BaoQiao Partners, for and on behalf of the Offeror, is making the Offer to acquire all of the Offer Shares in accordance with the Takeovers Code on the following basis:

For each Offer ShareHK\$0.3125 in cash

The Offer Price of HK\$0.3125 per Offer Share is the same as the purchase price per Sale Share under the Sale and Purchase Agreement.

As set out in the “Letter from BaoQiao Partners” to the Composite Document, the Offer Price of HK\$0.3125 per Offer Share represents:

- (i) a discount of approximately 23.8% over the closing price of HK\$0.4100 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a premium of approximately 2.5% over the closing price of HK\$0.3050 per Share as quoted on the Stock Exchange on 3 November 2022, being the Last Trading Day;
- (iii) a premium of approximately 0.2% over the average closing price of approximately HK\$0.3120 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a discount of approximately 5.2% to the average closing price of approximately HK\$0.3295 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a discount of approximately 14.2% to the average closing price of approximately HK\$0.3642 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days immediately prior to and including the Last Trading Day; and
- (vi) a premium of approximately 2,011.5% over the net asset value per Share of approximately S\$0.0027 (equivalent to approximately HK\$0.0148), calculated based on the Group’s audited consolidated net asset value attributable to the Shareholders as at 30 June 2022 of S\$639,784 (equivalent to approximately HK\$3,554,356), divided by the number of issued Shares as at the date of this Composite Document.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Further details of the Offer, including terms and procedures for acceptance of the Offer, are contained in the “Letter from BaoQiao Partners” as set out on pages 6 to 13 of, and Appendix I to, the Composite Document and the accompanying Form of Acceptance.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion regarding the Offer, we have taken into consideration the following principal factors:

1. Information of the Group

The Company was incorporated in the Cayman Islands with limited liability and its Shares are listed on the GEM of the Stock Exchange. The Group is principally engaged in the manufacturing and retailing of bakery products and operation of restaurants. As at 30 June 2022, the Group has (i) 13 bakery outlets; (ii) 5 Japanese fast casual dining restaurants; (iii) 3 Chinese fast casual dining restaurants; and (iv) one Western fast casual dining restaurant all of which are in Singapore. In addition to this, the Group has one Western fast casual dining restaurant and one Chinese fast casual dining restaurant in Shanghai, the PRC.

1.1 Recent financial performance

The table below sets out the audited consolidated key financial information of the Group for the two years ended 30 June 2022 as extracted from the annual report of the Company for the year ended 30 June 2022 (the “**Annual Report 2022**”) and the unaudited financial information of the Group as extracted from the first quarterly report of the Company for the three months ended 30 September 2022 (the “**Q1 Report**”):

	For the year ended 30 June			
	2022		2021	
	<i>(Equivalent to approximately</i>		<i>(Equivalent to approximately</i>	
	S\$	HK\$)	S\$	HK\$)
Revenue	11,961,710	66,453,944	14,136,821	78,537,894
Other income	1,055,528	5,864,044	783,525	4,352,917
Other gains/(losses), net	824,454	4,580,300	(671,347)	(3,729,706)
Raw materials and consumables used	(3,145,066)	(17,472,589)	(3,724,682)	(20,692,678)
Employee benefit costs	(4,525,112)	(25,139,511)	(4,539,063)	(25,217,017)
Cost of leasing for the Group’s operations	(3,970,278)	(22,057,100)	(5,607,431)	(31,152,394)
Loss before income tax	(1,581,965)	(8,788,694)	(4,815,227)	(26,751,261)
Loss for the year	(1,750,691)	(9,726,061)	(4,883,965)	(27,133,139)

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

	For the three months ended 30 September			
	2022		2021	
	<i>(Equivalent to approximately</i>		<i>(Equivalent to approximately</i>	
	<i>S\$</i>	<i>HK\$)</i>	<i>S\$</i>	<i>HK\$)</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Revenue	2,719,272	15,107,067	3,492,545	19,403,028
Other income	110,726	615,144	42,747	237,483
Raw materials and consumables used	(826,017)	(4,588,983)	(896,474)	(4,980,411)
Employee benefit costs	(1,029,915)	(5,721,750)	(1,043,684)	(5,798,244)
Cost of leasing for the Group's operations	(834,477)	(4,635,983)	(808,249)	(4,490,272)
(Loss)/profit before income tax	(571,552)	(3,175,289)	135,970	755,389
(Loss)/profit for the period	(571,552)	(3,175,289)	135,970	755,389

As set out in the table above, we note that the revenue of the Group decreased from approximately S\$14.1 million (equivalent to approximately HK\$78.5 million) for the year ended 30 June 2021 to approximately S\$12.0 million (equivalent to approximately HK\$66.5 million) for the year ended 30 June 2022. According to the Annual Report 2022, the decrease in revenue during the year was primarily attributable to (i) the decrease in customer traffic, as a result of the Singapore Government tightening the COVID-19 curbs from September 2021 to April 2022 that included but not limited to making working from home a default, limiting social interaction and dining out requirements; (ii) the suspension of food business operation of the Group's central kitchen due to failure to comply with relevant regulatory standards and food safety requirements (which we will further discuss in section 2 below in this letter); and (iii) decrease in the number of bakery outlets of the Group. Despite the decrease in revenue during the year ended 30 June 2022, we note that the Group recorded a decline in loss from approximately S\$4.9 million (equivalent to approximately HK\$27.1 million) for the year ended 30 June 2021 to approximately S\$1.8 million (equivalent to approximately HK\$9.7 million) for the year ended 30 June 2022. Such decline in loss was primarily attributable to (i) the change in other gains/losses in which other losses of approximately S\$671,000 (equivalent to approximately HK\$3.7 million) for the year ended 30 June 2021 turned into other gains of approximately S\$824,000 (equivalent to approximately HK\$4.6 million) for the year ended 30 June 2022, where such change was mainly due to transactions of one-off nature such as decline in loss on disposal of plant and equipment and the over-provision of listing expenses; and (ii) the decrease in the depreciation of right-of-use assets by approximately S\$1.7 million (equivalent to approximately HK\$9.3 million) and the decrease in the impairment loss on right-of-use assets by approximately S\$1.5 million (equivalent to approximately HK\$8.2 million) for the year ended 30 June 2022.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We further note from the Annual Report 2022 that the Group had net current liabilities of approximately S\$3.4 million (equivalent to approximately HK\$19.1 million) as at 30 June 2022, which represented a deterioration from the net current liabilities of approximately S\$2.4 million (equivalent to approximately HK\$13.3 million) recorded as at 30 June 2021. Such deterioration was mainly due to the decrease in cash and cash equivalents by approximately S\$2.3 million (equivalent to approximately HK\$12.7 million), which in turn was primarily due to the following:

(i) Loss-making operation of the Group

According to the Group's consolidated statement of cash flows contained in the Annual Report 2022, the Group recorded net cash generated from operating activities of approximately S\$3.2 million (equivalent to approximately HK\$17.8 million) for the year ended 30 June 2022. Despite so, we note that the Group's cash outflows for leasing various premises necessary for its operations (such as bakery outlets, restaurants, head office and central kitchen) were presented under "cash flows from financing activities" in accordance with the relevant accounting standards. If cash outflows for leasing had been included under the Group's "cash flow from operating activities", the Group would have incurred net cash outflow from its operating activities of approximately S\$1.2 million (equivalent to approximately HK\$6.8 million) for the year ended 30 June 2022.

(ii) Capital expenditures for maintaining normal operations

According to the Annual Report 2022, the Group incurred cash outflow on additions of plant and equipment of approximately S\$0.8 million (equivalent to approximately HK\$4.2 million) for the year ended 30 June 2022, which mainly included cash outflows for leasehold improvements and the purchase of machineries. As advised by the Directors, such additions of plant and equipment represented expenditures necessary for maintaining the normal operations of the Group.

(iii) Repayment of borrowings in the absence of new borrowings

As disclosed in the Annual Report 2022, during the year ended 30 June 2022, the Group incurred cash outflows of approximately S\$0.4 million (approximately HK\$2.2 million) for the repayment of and interest paid on borrowings (which predominantly resulted in a reduction of the Group's non-current portion of borrowings). We note from the Company's annual report for the year ended 30 June 2020, 2021 and 2022 that the Group has not obtained any proceeds from borrowings since the year ended 30 June 2021. As advised by the Directors, the Group was unable to obtain new banking facilities since the year ended 30 June 2021 as banks were aware of the Group's net losses recorded for the year ended 30 June 2020 and both net losses and net current liabilities recorded for the years ended 30 June 2021 and 2022.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We further note that the Group's revenue decreased from approximately S\$3.5 million (equivalent to approximately HK\$19.4 million) for the three months ended 30 September 2021 to approximately S\$2.7 million (equivalent to approximately HK\$15.1 million) for the three months ended 30 September 2022. According to the Management and the Q1 Report, such decrease was due to (i) the decrease in customer traffic of bakery outlets, as a result of increase in outbound travelling by Singaporeans as stimulated by the reopening of travel borders and Singapore government's lifting of most COVID-19 restrictions since April 2022, while the Group's bakery outlets operation relied heavily on local consumption; and (ii) the implementation of the COVID-19 pandemic prevention and control quarantine measures in Shanghai, which adversely affected the operation of the Group's restaurants in PRC. The net profit for the period of the Group turned from net profit of approximately S\$136,000 (equivalent to approximately HK\$755,000) for the three months ended 30 September 2021 to net loss of approximately S\$572,000 (equivalent to approximately HK\$3.2 million) for the three months ended 30 September 2022 and the decrease was primarily attributable to the decrease in revenue according to the Q1 Report.

1.2 Going concern uncertainty

As set out in the annual reports of the Company for the years ended 30 June 2022 and 2021 as well as Appendix II to the Composite Document, HLB Hodgson Impey Cheng Limited, the independent auditor of the Company, reported that there was material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern (the "**Going Concern Material Uncertainty**"), primarily on the basis that (i) the Group incurred losses during the relevant years; and (ii) the Group recorded net current liabilities as at 30 June 2022 and 2021.

As set out in the annual reports of the Company for the years ended 30 June 2022 and 2021, notwithstanding the Group's loss-making results and net current liabilities positions, the Directors had prepared the consolidated financial statements on a going concern basis and the Directors were of the opinion that there would be sufficient financial resources available to the Group to enable it to meet its liabilities as and when they fall due and to continue as a going concern, primarily due to (i) financial support that a substantial shareholder of the Company had agreed to continuously provide to the Group for its continuing operations so as to enable it to meet its liabilities when they fall due and carry on its business without a significant curtailment of operations in the twelve months from the date of approval of consolidated financial statement; (ii) alternate source of funding that the Group was actively considering by carrying out fund raising activities including but not limited to rights issue, open offer and placing of new shares; and (iii) Management's endeavour to improve the Group's operating results and cash flows through various cost control measures and focus on the existing business.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In deciding whether or not to accept the Offer, we recommend that the Independent Shareholders should attach high importance to the Going Concern Material Uncertainty and the potential risks associated therewith because:

(i) Loss-making results

The Group recorded loss-making results for three consecutive years, being the years ended 30 June 2020, 2021 and 2022. As discussed in section 1.1 above in this letter, while the Group's loss for the year ended 30 June 2022 declined as compared to the loss for the year ended 30 June 2021, such decline in loss was mainly due to one-off transactions as well as decrease in impairment loss rather than any material improvement in the underlying business performance of the Group (as evidenced by the decrease in the Group's revenue for the year ended 30 June 2022 as compared to that for 2021). For the latest three months ended 30 September 2022, no improvement in business performance was noted as the Group's revenue decreased compared to the same period in 2021, while the Group turned from a net profit for the period in 2021 to a net loss of approximately S\$572,000 (equivalent to approximately HK\$3.2 million) for the three months ended 30 September 2022.

(ii) Depleting cash balance

According to the Company's annual reports for the years ended 30 June 2020, 2021 and 2022, the Group's cash and cash equivalents decreased from approximately S\$7.1 million (equivalent to approximately HK\$39.4 million) as at 30 June 2020 to approximately S\$4.6 million (equivalent to approximately HK\$25.3 million) as at 30 June 2021, and further decreased to approximately S\$2.3 million (equivalent to approximately HK\$12.6 million) as at 30 June 2022, primarily due to the loss-making results of the Group. If such pace of cash depletion continues and absent any new debt or equity fundraisings, the Group may run out of cash within one to two years.

(iii) Risk of insolvency

As discussed in section 1.1 above in this letter, the Directors advised that the Group was unable to obtain new banking facilities since the year ended 30 June 2021 as banks were aware of the Group's net losses and net current liabilities position. Taking into account banks' reluctance to grant banking facilities to the Group as well as the Group's continued loss-making results for the three consecutive years ended 30 June 2022 and the three months ended 30 September 2022 and its depleting cash level, we consider that the Group's ability to obtain funding from equity or debt financing in the near future is highly doubtful. If the Group runs out of cash and is unable to obtain additional funding, the Group may become unable to continue as a going concern and the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Creditors (e.g. those in respect of the Group's outstanding bank borrowings and other liabilities) may take actions against the Group, such as legal actions to seek court orders to wind up the

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Company and/or its subsidiaries. In the worst-case scenario, the Group may become insolvent and be wound up compulsorily, and the value of the Shares may become zero.

(iv) The Offer being an assured exit opportunity

Based on the foregoing, we consider that the risks of the aforesaid scenarios materialising, including the risk of insolvency, compulsory winding-up, and the value of the Shares becoming zero when the Company ceases to exist, are not remote. We consider that the Offer provides Independent Shareholders with an assured exit if they wish to avoid the aforesaid risks associated with the Going Concern Material Uncertainty.

2. Industry overview

The Group is principally engaged in the manufacturing and retailing of bakery products and operation of restaurants. According to the Group's Annual Report 2022, the Group has 13 bakery outlets and 9 fast casual dining restaurants in Singapore, and two fast casual dining restaurants in Shanghai, the PRC as at 30 June 2022, where the two restaurants in Shanghai were opened during the year ended 30 June 2022. According to the Annual Report 2022, for the year ended 30 June 2022, the revenue generated from bakery outlets operations accounted for approximately 63.2% of the total revenue; revenue generated from fast and casual dining restaurants operations accounted for approximately 36.7% of total revenue; while revenue generated from a beverage shop in Singapore (which was closed during the year ended 30 June 2022) accounted for the remaining 0.1% of total revenue. In terms of geographical location, approximately 95.5% and 4.5% of the Group's total revenue for the year ended 30 June 2022 were generated from Singapore and the PRC, respectively. In this regard, we have considered (i) the impact of COVID-19 policies to the food and beverage industry in Singapore and the Group's performance in capturing the market opportunities; and (ii) the Group's performance of the two newly opened restaurants in Shanghai.

On 24 September 2021, given the rise in the number of COVID-19 cases from the end of August 2021, the Ministry of Health of Singapore announced that only groups of up to two persons would be allowed to dine-in at regular food and beverage establishment if all the diners were fully vaccinated. The food and beverage sector of Singapore shrank by approximately 4.2% on a year-on-year basis in the third quarter of 2021, according to the Economy Survey of Singapore issued by the Ministry of Trade and Industry of Singapore. On 8 November 2021, the Ministry of Health of Singapore announced that up to 5 fully vaccinated persons from the same household would be allowed to dine in together at food and beverage establishments. After the easing of dine-in restrictions, the food and beverage sector of Singapore recorded a decline of approximately 1.5% and a growth of approximately 2.1% on a year-on-year basis in the fourth quarter of 2021 and the first quarter of 2022, respectively, according to the Economy Survey of Singapore. On 22 April 2022, the Ministry of Health of Singapore further relaxed the restrictive measure by removing group size limits and safe distancing requirements. As a result, the food and beverage sector grew by approximately 28.0% on a year-on-year basis in the second quarter of 2022, according to the Economic Survey of Singapore.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Despite the aforesaid, it is doubtful whether the Group's overall operating and financial performance will be able to benefit to a meaningful extent from such relaxation of restrictive measures and the associated growth in the food and beverage sector, mainly due to the following:

- (i) We note from the Group's Annual Report 2022 and the third quarterly report for the nine months ended 31 March 2022 that the revenue of the Group declined from approximately S\$3.5 million (equivalent to approximately HK\$19.6 million) in the second quarter of 2021 to approximately S\$2.8 million (equivalent to approximately HK\$15.5 million) in the second quarter of 2022, denoting a decline of approximately 20.5% on a year-on-year basis despite the aforesaid relaxation of restrictive measures and growth in the food and beverage sector. Such decrease was primarily attributable to the decline in revenue from the bakery outlets, which accounted for more than 60% of the Group's total revenue for the year ended 30 June 2022 and more than 70% for the year ended 30 June 2021. As mentioned in Q1 Report, the sales of bakery outlets rely heavily on local consumption. With the re-opening of travel borders in Singapore, we note from the statistics published by the Singapore Department of Statistics that the outbound departures of Singapore residents increased from approximately 150,000 in the second quarter of 2021 to approximately 1.1 million in the second quarter of 2022, and further increased to approximately 1.4 million in the third quarter of 2022. According to the Directors and as discussed in the Q1 Report, the increase in outbound travelling by Singapore residents led to a decrease in customer traffic in the Group's bakery outlets, resulting in the decrease in revenue from bakery outlets operation.
- (ii) Further, according to the Company's announcement dated 28 October 2021, the hygiene conditions, food safety practices and maintenance of the Group's central kitchen, where dough and certain bakery products are prepared for delivery to the Group's bakery outlets and restaurants, and food delivery trucks operated by the Group did not comply with the regulatory standards and food safety requirements of the Singapore Food Agency. We note from the press release from the Singapore Food Agency dated 26 October 2021 that the Singapore Food Agency instigated regulatory actions against the Group, which included (i) the suspension of the food business operation of the central kitchen with effect from 26 October 2021 until further notice (such suspension being subsequently revoked by the Singapore Food Agency in January 2022, which will be further discussed below); (ii) requesting the Group to recall various food products distributed from the central kitchen to 16 bakery outlets of the Group; and (iii) requesting the Group to take necessary measures to improve its food safety practices and the cleanliness of its premises. According to the Company's announcement dated 28 October 2021, the aforesaid regulatory actions were expected to result in temporary disruption to the Group's business operation, and, as a contingency measure, the Group maintained the supply of bakery products by carrying out the food preparation process on-site at its bakery outlets during the suspension of central kitchen. In response to the regulatory actions from the Singapore Food Agency, the Group had improved its food safety practices and cleanliness of its premises including cleaning and disinfection of the central kitchen and its food delivery trucks to comply with the regulatory standards

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

and food safety requirements of the Singapore Food Agency and also arranged further trainings to the Group's employees on proper food safety management. We have reviewed the letter from the Singapore Food Agency to the Group dated on 2 November 2021 and noted that the Singapore Food Agency revoked the direction to recall products on 2 November 2021. We further note from the letter from Singapore Food Agency dated 25 January 2022 that the Singapore Food Agency inspected the central kitchen on 22 January 2022 and was of the view that the Group had duly carried out corrective actions to rectify the identified lapses detected in the food preparation and processing areas and in the food delivery truck, and the Singapore Food Agency revoked its previous directions dated 26 October 2021. The central kitchen has resumed normal operation since then. The aforesaid letters from the Singapore Food Agency and the fact that the central kitchen has resumed normal operation suggest that the rectification actions taken by the Group were effective from the perspective of compliance with the relevant food safety regulations. However, we note that such incident had been reported by major news outlets in Singapore such as The Straits Times (which described the incident as "*a massive infestation of cockroaches and rodents*"), and as such, we consider that it remains doubtful whether customers' confidence and loyalty had been and will be adversely affected by such incident for a prolonged period, particularly after taking into account the Group's latest financial results as reported in the Annual Report 2022 and the Q1 Report as discussed above in section 1 of this letter.

- (iii) In addition, we note that the number of bakery outlets of the Group increased from 18 as at 30 June 2021 to 24 as at 30 September 2021, and then sharply reduced to 13 as at 31 March 2022, according to the first quarterly report for the three months ended 30 September 2021 and the third quarterly report for the nine months ended 31 March 2022. The number of bakery outlets remained at 13 as at 30 June 2022 and as at 30 September 2022. We note that the Group expanded its bakery business in the third quarter of 2021, which was right before the implementation of the tightening measures of the COVID-19 by the Ministry of Health of Singapore and the aforesaid suspension of its central kitchen operation. We understand from the management that having considered (i) the decreased customer traffic due to factors including restrictive measures implemented such as making working from home as default as mentioned in the third quarterly report for the nine months ended 31 March 2022, and (ii) the lease of some of the bakery outlets was going to end soon at that time, the Group had assessed internally on the costs and benefits of each of the bakery outlets and decided to close down bakery outlets that were not performing up to expectation in the first quarter of 2022.
- (iv) On the other hand, Shanghai experienced a large-scale outbreak of COVID-19 in the first half of 2022. To contain the spread of COVID-19, the PRC Government imposed stringent quarantine measures such as travel restrictions, public traffic control and a temporary lockdown in Shanghai from mid-March to May 2022. As the PRC Government places emphasis on the zero-Covid policy, the Group also stated in its Annual Report 2022 that there are many uncertainties ahead for its operation in the PRC. The non-current assets of the two restaurants in Shanghai accounted for approximately 24.0% of the total non-current asset of the Group as at

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

30 June 2022, but the revenue contributed from the two restaurants in Shanghai were merely approximately 4.5% of the Group's total revenue for the year ended 30 June 2022. Out of the losses of approximately S\$1.8 million (equivalent to approximately HK\$9.7 million) for the year ended 30 June 2022, we understand from the management that the losses from the two restaurants in Shanghai accounted for approximately S\$1.1 million (equivalent to approximately HK\$6.3 million). We are of the view that the performance of the two newly opened restaurant posed uncertainty to the overall performance of the Group and is highly vulnerable to the outbreak of COVID-19 and the corresponding measures and policies imposed by the PRC Government.

Having considered the above, we are of the view that challenging times may be ahead regarding the prospects and outlook of the Group.

3. Information of the Offeror

As set out in the "Letter from BaoQiao Partners", the Offeror is an investment holding company incorporated in Hong Kong with limited liability on 4 November 2021, all shares of which are owned by Mr. Zhang Yang (張陽) ("Mr. Zhang"). As at the Latest Practicable Date, save for holding the Sale Shares, the Offeror did not engage in any other business activities or hold any other asset.

Mr. Zhang, aged 40, holds a master's degree in management science and engineering and a bachelor's degree in computer science and technology from Beijing University of Posts and Telecommunications. Mr. Zhang has more than 15 years of experience in managerial roles in new consumption (an integrated retail section with blending of online and offline commerce through digitization of the entire retail value chain), smart retail and communication technology in the PRC. Since 2015, Mr. Zhang has been engaged in smart beverage vending machine retail business. Mr. Zhang is the founder, chairman and general manager of Beijing Shuoyibuer Technology Company Limited, which is a smart retail beverage machines operator in the PRC. From 2007 to 2014, he worked as the head of terminal sales in China Mobile Communication Group Company Limited, and managed with more than 10,000 terminal stores and more than 30 million users. Since November 2021, Mr. Zhang has been serving as an executive director of Kirin Group Holdings Limited, a company listed on GEM (stock code: 8109).

We note that Mr. Zhang background includes certain experience in the retail and beverage businesses. However, given that such experience mainly concerns smart retail and beverage vending machine only, we consider that they are not directly relevant to the Group's business of bakery outlets and restaurants operations in Singapore and Shanghai. We consider that Mr. Zhang's lack of direct experience in operating bakery outlets and restaurants in Singapore and Shanghai casts doubt on his ability to improve the Group's operating results and financial condition in a sufficiently timely manner so as to avoid the potential risks associated with the Going Concern Material Uncertainty.

4. Intentions of the Offeror regarding the Group and proposed change of Board composition

As stated in the Letter from BaoQiao Partners in the Composite Document, the intention of the Offeror is that the Company's existing principal activities will be maintained and continued after completion of the Offer. The Offeror confirms that there is no intention to further expand and/or divest the existing businesses of the Company during the Offer Period unless appropriate opportunities arise. The Offeror will conduct a review of the existing principal businesses, operations, financial position, investments, proposed investments of the Group for the purpose of formulating long-term business plans and strategies for the future business development of the Group. With Mr. Zhang's personal background and management experience in various industries including food and beverage, new consumption, smart retail and communication technology, the Offeror intends to leverage the synergies between the Offeror and the Group to explore related business opportunities in the future.

As stated in the Letter from BaoQiao Partners in the Composite Document, subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, business rationalization, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group. As at the date of this Composite Document, no investment or business opportunity has been identified nor have the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group. Should such corporate actions materialise, further announcement(s) will be made in accordance with the GEM Listing Rules.

As stated in the Letter from BaoQiao Partners in the Composite Document, save for the Offeror's intention regarding the Group as set out above, the Offeror has no intention to redeploy any fixed assets of the Group (other than in the ordinary and usual course of business of the Group) or to discontinue the employment of the employees of the Group (except as set forth in the section headed "Proposed change of Board composition" below) as at the date of this Composite Document.

4.1 Proposed change of Board composition

As stated in the Letter from BaoQiao Partners in the Composite Document, the Board is comprised of one executive Director and three independent non-executive Directors. Mr. Kwok Kin Kwong Gary has tendered his resignation from his position as the independent non-executive Director and the resignation will take effect from the earliest time permissible under Rule 7 of the Takeovers Code.

As stated in the Letter from BaoQiao Partners in the Composite Document, the Offeror intends to nominate new executive and independent non-executive Directors for appointment to the Board with effect from a date not earlier than the earliest time as permitted under the applicable laws, rules and regulations, the GEM Listing Rules and the Takeovers Code. Any changes to the members of the Board including the aforesaid appointments and resignation will be made subject to necessary procedures and approvals of the Board as and when appropriate in accordance with the Takeovers Code and the

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

GEM Listing Rules. Further announcement(s) will be made upon any changes to the composition to the Board in compliance with the Takeovers Code and GEM Listing Rules as and when appropriate.

4.2 Maintaining the listing status of the Company

As stated in the Letter from BaoQiao Partners in the Composite Document, the Offeror does not intend to avail itself of any powers of compulsory acquisition of any Shares outstanding after the close of the Offer. The Offeror will, together with the Company, use reasonable endeavours to maintain the listing status of the Shares on 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. The sole director of the Offeror and the new Director(s) 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.

According to the GEM Listing Rules, if, upon 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) there are insufficient Shares in public hands to maintain an orderly market, then the Stock Exchange may exercise its discretion to suspend trading in the Shares.

Having considered that:

- (i) although the Offeror will seek for new opportunities to enhance the business of the Group, as at the Latest Practicable Date, the Offeror has not identified any new opportunities for the Group;
- (ii) the beneficial owner of the Offeror does not have direct experience in the manufacture and retail of bakery products and operation of restaurants in Singapore;
- (iii) the revenue of the Group for the year ended 30 June 2022 declined as compared to that in 2021 despite the recovery of food and beverage sector of Singapore in the second quarter of 2022, while the decrease in loss for the year ended 30 June 2022 compared to that for 2021 was mainly due to one-off transactions as well as decrease in impairment loss rather than any material improvement in the underlying business performance of the Group; and
- (iv) despite the relaxation of the dine-in restrictive measures and the re-opening of travel borders in Singapore, it is doubtful whether the Group's overall operating and financial performance will be able to benefit to a meaningful extent from such relaxation due to factors discussed in section 2 above in this letter,

we are of the view that there are uncertainties regarding the future prospect of the Group.

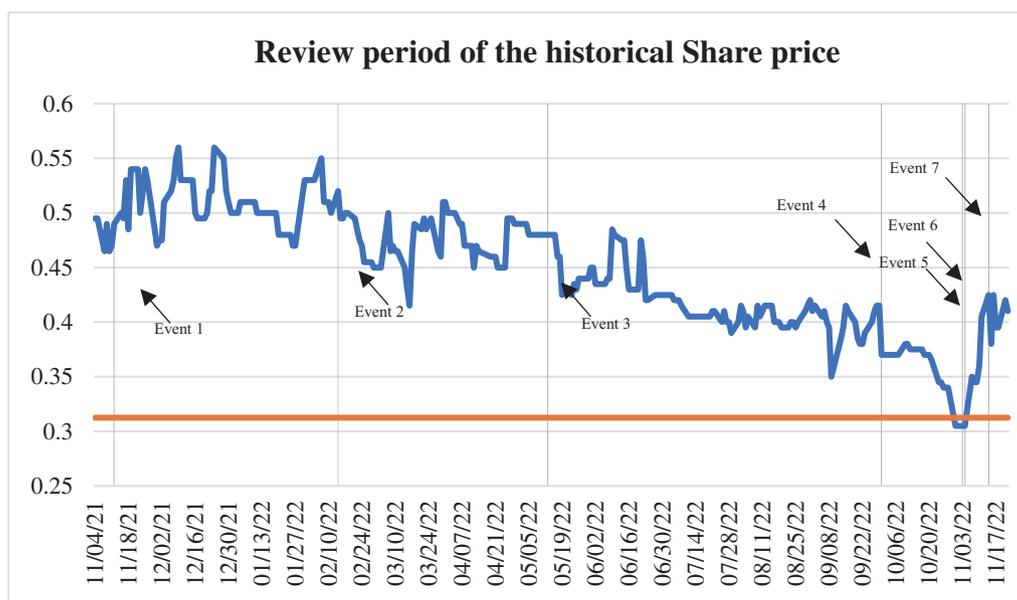
LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

5. Analysis on Offer Price

5.1 Historical price performance of the Shares

We have reviewed the closing prices of the Shares over the 12-month period immediately prior to the Last Trading Day as well as the period from the Last Trading Day up to the Latest Practicable Date dated 22 November 2022 (“**Review Period**”). We consider that a period of 12 months is sufficient for the purpose of our analysis having considered the significant and rapid changes in the financial markets in general over the past year, including but not limited to the significant decline in the general stock market in Hong Kong and the rapid and substantial rise in interest rates. We consider that given such significant and rapid changes in the financial markets, historical prices prior to the Review Period may not be able to provide meaningful reference to the Independent Shareholders when judging the value of the Shares at present.

The Review Period commenced on 4 November 2021 and ended on the Latest Practicable Date. We note that the Share Price has recorded an overall decline throughout this period. The closing price of the Shares declined from HK\$0.560 as at 9 December 2021 to HK\$0.305 as at 3 November 2022, then slightly rebounded to HK\$0.38 as at the Latest Practicable Date. The diagram below depicts the historical Share price over the Review Period:



Event 1: First quarterly results announcement for the three months ended 30 September 2021 published on 12 November 2021

Event 2: Interim results announcement for the six months ended 31 December 2021 published on 14 February 2022

Event 3: Third quarterly results announcement for the nine months ended 31 March 2022 published on 3 May 2022

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

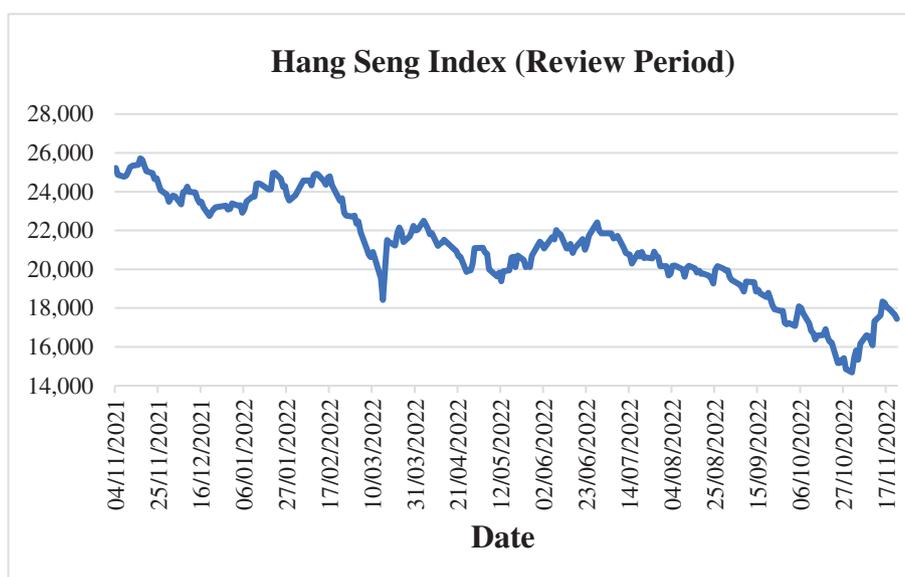
Event 4: Annual results announcement for the year ended 30 June 2022 published on 30 September 2022

Event 5: 3 November 2022 being the Last Trading Day

Event 6: Joint Announcement published on 4 November 2022

Event 7: First quarterly results announcement for the three months ended 30 September 2022 published on 14 November 2022

We note that the Hang Seng Index, the benchmark of the Hong Kong stock market, was facing an overall acute decline over Review Period as demonstrated in the below graph. As at the Latest Practicable Date, the Hang Seng Index closed at 17,424 points and recorded a loss of 7,801 points or representing a decrease of approximately 30.9% when compared to the closing recorded as at 4 November 2021.



Source: Information from the Hang Seng Indexes Company Limited

We note that the Offer Price is 44.2% lower than the Share's highest closing prices of HK\$0.56 as at 9 December 2021 and 24 December 2021, and 30.1% lower than the Share's average closing price of HK\$0.44 during the Review Period. However, we also note that the closing prices had demonstrated an apparent general declining trend over the Review Period because the investors might have noted the central kitchen incident as discussed above in section 2 of this letter which may cast doubt on customers' confidence and loyalty and will be adversely affected by such incident for a prolonged period, particularly after taking into account the Group's latest financial results as reported in the Annual Report 2022 and the Q1 Report as discussed above in section 1 of this letter, although a rebound was noted after the Joint Announcement was published. In light of (i) after the Joint Announcement was published and up to the Latest Practicable Date, there has been no positive public news of the Group that could be associated with the recent rebound of the price of the Share; (ii) the Directors are not aware of any reasons that caused the recent fluctuation in price of the Share; and (iii) the intention of

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

the Offeror as contained in the Joint Announcement and the Composite Document does not include any specific or concrete steps to improve the Group's business performance or financial position, we are not aware of any factor that could support a sustainable rebound of the price of the Share. We also note the overall acute decline of the Hang Seng Index during the Review Period, which indicated the Hong Kong stock market was lacklustre in general, especially in recent months.

Shareholders should note that the information set out above is not an indicator of the future performance of the Shares and that the price of the Shares may increase or decrease from its closing price as at the Latest Practicable Date.

5.2 Historical liquidity of the Shares

Apart from the daily closing price of the Shares, we have also performed a review on the average daily trading volume per month, as well as the percentage of average daily trading volume of the Shares as compared to (i) the total number of the issued Share at the relevant time; and (ii) total number of Shares held by the public for the Review Period and up to the Last Trading Day:

Month	Total monthly trading volume of the Shares <i>Number of Shares</i>	No. of trading days	Average daily trading volume of the Shares <i>Number of Shares</i>	Percentage of average daily trading volume to the total number of issued Shares <i>(Note 1)</i> %	Percentage of average daily trading volume to the total number of Shares held by the public <i>(Note 2)</i> %
2021					
November (from 4 November 2021)	5,102,500	19	268,553	0.11	0.31
December	8,430,000	22	383,182	0.16	0.44
2022					
January	3,370,000	21	160,476	0.07	0.18
February	1,747,500	17	102,794	0.04	0.12
March	6,027,500	23	262,065	0.11	0.30
April	7,107,500	18	394,861	0.16	0.45
May	1,007,500	20	50,375	0.02	0.06
June	1,205,000	21	57,381	0.02	0.07
July	1,837,500	20	91,875	0.04	0.11
August	5,010,000	23	217,826	0.09	0.25
September	4,732,500	21	225,357	0.09	0.26
October	2,447,500	20	122,375	0.05	0.14
November (up to the Latest Practicable Date)	6,240,000	15	416,000	0.17	0.48

Source: Information from the website of the Stock Exchange

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Notes:

- (1) The total number of issued Shares is 240,000,000, as extracted from the latest monthly return of equity issuer on movements in securities of the Company.
- (2) The total number of Shares held by the public is 87,000,000, as disclosed in the Joint Announcement.

As illustrated in the table above, the average daily trading volume of the Shares during the Review Period ranged from approximately 50,375 Shares to approximately 416,000 Shares, representing 0.02% to approximately 0.17% of the total number of the Shares in issue, or approximately 0.06% to approximately 0.48% of the total number of Shares held by the public.

The historical trading volume of the Shares is generally thin, as evidenced by the fact that the percentage of average daily trading volume to the total number of issued Shares has generally been below 0.2% during the Review Period. Given the Shares are illiquid, the disposal of a significant number of Shares held by the Shareholders in the open market would likely to trigger price slump of the Shares.

Given the thin historical average daily trading volume of the Shares, it is uncertain whether there would be sufficient liquidity in the Shares for the Independent Shareholders to dispose of a significant number of Shares in the open market without exerting a downward pressure on the Share price. We, therefore, consider that the Offer provides the Independent Shareholders with an assured exit if they wish to realise their investments in the Shares.

RECOMMENDATIONS

Having considered the aforementioned principal factors and reasons, including in particular:

- (i) the Group has been loss-making for three consecutive years from the year ended 30 June 2020 to the year ended 30 June 2022 as well as for the three months ended 30 September 2022, and the Group was in a net current liabilities position as at 30 June 2022 and such net current liabilities position represented a deterioration as compared to that as at 30 June 2021;
- (ii) in our opinion, the Going Concern Material Uncertainty is a factor of high importance and the potential risks associated therewith including the risk of insolvency are not remote due to reasons set out in section 1.2 above in this letter;

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- (iii) although the Offer Price is 44.2% lower than the Share's highest closing prices of HK\$0.56 as at 9 December 2021 and 24 December 2021, and 30.1% lower than the Share's average closing price of HK\$0.44 during the Review Period, the Offer Price represents a premium of 2.5% over the closing price of HK\$0.3050 per Share as quoted on the Stock Exchange on 3 November 2022, being the Last Trading Day. It is also noted that the closing prices had demonstrated an apparent general declining trend over the Review Period, and although a rebound was noted after the Joint Announcement was published, we are not aware of any factor that could support a sustainable rebound of the price of the Share. Also, and the overall acute decline of the Hang Seng Index during the Review Period indicated the Hong Kong stock market was lacklustre in general, especially in recent months;
- (iv) the Offer Price represents a premium of approximately 2,011.5% over the net asset value per Share of approximately S\$0.0027 (equivalent to approximately HK\$0.0148), calculated based on the Group's audited consolidated net asset value attributable to the Shareholders as at 30 June 2022 of S\$639,784 (equivalent to approximately HK\$3,554,356), divided by the number of issued Shares as at the date of the Composite Document; and
- (v) the historical trading volume of the Shares during the Review Period is thin, while the Offer provides the Independent Shareholders with an assured exit if they wish to realise their investments in the Shares,

we consider that the terms of the Offer are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to accept the Offer.

In view of the volatility of market conditions, those Independent Shareholders who intend to accept the Offer are reminded that they should closely monitor the market price and the liquidity of the Shares during the Offer Period and should consider selling their Shares in the open market, rather than accepting the Offer, if the net proceeds from the sale of such Shares in the open market would exceed the net proceeds receivable under the Offer.

In addition, the Independent Shareholders who wish to realise their investments in the Company in the open market should also consider and monitor the trading volume of the Shares during the Offer Period as, having taken into account the thin historical trading volume of the Shares on the Stock Exchange as discussed in the sub-section "Historical Liquidity of the Shares" of this letter, they may experience difficulty in disposing of the Shares in the open market without creating downward pressure on the price of the Shares.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As each individual Independent Shareholder would have different investment objectives and/or circumstances, we would recommend the Independent Shareholders who may require advice in relation to any aspect of the Composite Document, or as to the action to be taken, to consult a licensed securities dealer, bank manager, solicitor, professional accountant, tax adviser or other professional adviser. Furthermore, they should carefully read the procedures for accepting the Offer as set out in the Composite Document, its appendices and the accompanying Forms of Acceptance.

Yours faithfully,
For and on behalf of
Grande Capital Limited
Matthew Leung **Sumwing Shum**
Managing Director *Managing Director*

Mr. Matthew Leung is licensed under the Securities and Futures Ordinance to carry on Type 6 (advising on corporate finance) regulated activity and is currently a responsible officer and sponsor principal of Grande Capital Limited. Mr. Leung has over 12 years of experience in the corporate finance industry.

Mr. Sumwing Shum is licensed under the Securities and Futures Ordinance to carry on Type 6 (advising on corporate finance) regulated activity and is currently a responsible officer of Grande Capital Limited. Mr. Shum has over 8 years of experience in the 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 form part of the terms of the Offer.

- (a) If the share certificate(s) and/or transfer receipt(s) and/or any other documents 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 in respect of your Shares (whether in full or in part), you must send the Form of Acceptance duly completed and signed together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other documents of title (and/or any satisfactory indemnity or indemnities required in respect thereof), to the Share Registrar, Boardroom Share Registrars (HK) Limited at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong marked “**Global Dining Holdings Limited — Offer**” on the envelope as soon as possible but in any event so as no later than 4:00 p.m. on the Closing Date or such later time(s) and/or date(s) as the Offeror may determine and announce in accordance with the Takeovers Code, if any.
- (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 all or part of your Shares, you must either:
 - (i) lodge your share certificate(s) and/or transfer receipt(s) and/or any other documents of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares with the nominee company, or other nominee, with instructions authorising it to accept the Offer on your behalf and requesting it to deliver the Form of Acceptance duly completed and signed together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other documents of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for the number of Shares in respect of which you intend to accept the Offer to the Share Registrar in an envelope marked “**Global Dining Holdings Limited — Offer**”; or
 - (ii) arrange for the Shares to be registered in your name by the Company through the Share Registrar, and deliver the Form of Acceptance duly completed and signed together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other documents of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares to the Share Registrar in an envelope marked “**Global Dining Holdings Limited — Offer**”; 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 on or before the deadline set by HKSCC Nominees Limited. In order to meet the deadline set by HKSCC Nominees Limited, you should check with your licensed securities dealer/registered institution in securities/custodian bank for the timing on processing 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 documents 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, as the case may be, and you wish to accept the Offer in respect of your Shares, the Form of Acceptance should nevertheless be completed, signed and delivered in an envelope marked "**Global Dining Holdings Limited — Offer**" to the Share 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 other documents 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 documents of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares should be forwarded to the Share Registrar as soon as possible thereafter. If you have lost the share certificate(s) and/or transfer receipt(s) and/or other documents of title in respect of your Shares, you should also write to the Share Registrar for a letter of indemnity which, when completed in accordance with the instructions given, should be returned to the Share Registrar. The Offeror shall have the absolute discretion to decide whether any Shares in respect of which the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title is/are not readily available and/or is/are lost will be taken up by the Offeror.
- (d) If you have lodged transfer(s) 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 "**Global Dining Holdings Limited — Offer**" to the Share Registrar together with the transfer receipt(s) duly signed by yourself. Such action will constitute an irrevocable authority to the Offeror and/or BaoQiao Partners and/or their respective agent(s) to collect from the Company or the Share Registrar on your behalf the relevant share certificate(s) when issued and to deliver such share certificate(s) to the Share Registrar on your behalf and to

authorise and instruct the Share 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 Share Registrar with the Form of Acceptance.

- (e) Acceptance of the Offer will be treated as valid only if the completed and signed Form of Acceptance is received by the Share Registrar by no later than 4:00 p.m. on the Closing Date or such later time and/or date as the Offeror may determine and announce with the consent of the Executive in accordance with the Takeovers Code and the Share Registrar has recorded that the acceptance and the relevant documents as required by the Takeovers Code have been so received, and is:
- (i) accompanied by the relevant share certificate(s) and/or transfer receipt(s) and/or other documents of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares and, if that/those share certificate(s) and/or transfer receipt(s) and/or other documents of title (and/or any satisfactory indemnity or indemnities required in respect thereof) is/are not in your name, such other documents (e.g. a duly stamped transfer of the relevant Share(s) in blank or in favour of the acceptor executed by the registered holder) in order to establish your right to become the registered holder of the relevant Shares; or
 - (ii) from a registered Shareholder or his/her personal representative (but only up to the amount of the registered holding and only to the extent that the acceptance relates to the Shares which are not taken into account under another subparagraph of this paragraph (e)); or
 - (iii) certified by the Share 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 (for example, grant of probate or certified copy of a power of attorney) to the satisfaction of the Share Registrar must be produced.
- (g) In Hong Kong, seller's ad valorem stamp duty arising in connection with acceptances of the Offer will be payable by each accepting Shareholder at a rate of 0.13% 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, and will be deducted from the cash amount payable by the Offeror to such Independent Shareholder on acceptance of the Offer. The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of relevant accepting Shareholders and will pay the buyer's ad valorem stamp duty in connection with the acceptances 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, 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 will be given.

2. ACCEPTANCE PERIOD AND REVISIONS

- (a) Unless the Offer has previously been revised or extended with the consent of the Executive or otherwise in accordance with the Takeovers Code, to be valid, the Form of Acceptance must be received by the Share Registrar in accordance with the instructions printed thereon by 4:00 p.m. on the Closing Date.
- (b) The Offeror reserves the right to revise the terms of the Offer after the despatch of this Composite Document until such day as they may determine and in accordance with the Takeovers Code. If the Offeror revises the terms of the Offer, all the Independent Shareholders, whether or not they have already accepted the Offer, will be entitled to accept the revised Offer under the revised terms.
- (c) If the Offer is extended, the Offeror will issue an announcement in relation to any extension of the Offer, which announcement will state either the next closing date or, a statement that the Offer will remain open until further notice. In the latter case, at least fourteen (14) days' notice in writing must be given before the Offer is closed to those Independent Shareholders who have not accepted the Offer.
- (d) 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.
- (e) Any acceptance of the relevant revised Offer shall be irrevocable unless and until the Independent Shareholders who accept the Offer become entitled to withdraw their acceptance under the paragraph headed "5. Right of withdrawal" in this Appendix I below and duly do so.

3. NOMINEE REGISTRATION

To ensure equality of treatment of all Independent Shareholders, those Independent Shareholders who hold Shares as nominee on behalf of 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) 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 Takeovers Code on the Stock Exchange's website by 7:00 p.m. on the Closing Date stating, amongst other information required under Rule 19.1 of the Takeovers Code, whether the Offer has been revised, extended or expired.
- (b) The announcement will state, among other matters, the following:
 - (i) the total number of Offer Shares for which acceptances of the Offer have been received;
 - (ii) the total number of Shares held, controlled or directed by the Offeror and parties acting in concert with it before the Offer Period;
 - (iii) the total number of Shares acquired or agreed to be acquired during the Offer Period by the Offeror and parties acting in concert with it;
 - (iv) details of any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror or any parties acting in concert with it has borrowed or lent, save for any borrowed securities which have been either on-lent or sold; and
 - (v) the percentages of the issued share capital of the Company and the percentages of voting rights of the Company represented by these numbers.
- (c) In computing the total number of Shares represented by acceptances as of the Closing Date, only valid acceptances in complete and good order and in compliance with Note 1 to Rule 30.2 of the Takeovers Code, which have been received by the Share Registrar, no later than 4:00 p.m. on the Closing Date, shall be included.
- (d) If the Offeror, the parties acting in concert with it or its advisers make any statement about the level of acceptances or the number or percentage of accepting Shareholders during the Offer Period, then the Offeror must make an immediate announcement in compliance with Note 2 to Rule 19 of the Takeovers Code.
- (e) 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 made in accordance with the requirements of the Takeovers Code and the GEM Listing Rules, where appropriate.

5. RIGHT OF WITHDRAWAL

- (a) Acceptances of the Offer shall be irrevocable and cannot be withdrawn, except in the circumstances set out in the following paragraph.
- (b) In the circumstances set out in Rule 19.2 of the Takeovers Code (which is to the effect that if the Offeror is unable to comply with any of the requirements of making announcements relating to the Offer as described in the paragraph headed “4. Announcements” in this Appendix I above), the Executive may require that accepting Shareholders be granted a right of withdrawal, on terms acceptable to the Executive, until such requirements can be met.
- (c) If an accepting Shareholder withdraws the acceptance, the Offeror shall, as soon as possible but in any event within ten (10) days thereof, 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) in respect of the Shares lodged with the Form of Acceptance to the relevant accepting Shareholders.

6. SETTLEMENT OF THE OFFER

Provided that a valid Form of Acceptance and the relevant share certificate(s) and/or transfer receipt(s) and/or any other documents of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the relevant Shares as required by the Takeovers Code are complete and in good order in all respects and have been received by the Share Registrar by not later than 4:00 p.m. on the Closing Date or such later time and/or date as the Offeror may determine and announce in accordance with the Takeovers Code, a cheque for the amount due to each of the accepting Shareholders, less seller’s ad valorem stamp duty, in respect of the Offer Shares tendered by him/her under the Offer, will be despatched to such Shareholder by ordinary post at his/her own risk as soon as possible but in any event within seven (7) Business Days after the date on which the duly completed and valid acceptances of the Offer and the relevant documents of title in respect of such acceptances are received by the Share Registrar to render each such acceptance complete and valid.

Settlement of the consideration to which any accepting 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 ad valorem stamp duty in respect of the Offer) 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 accepting Shareholder.

No fraction of a cent will be payable and the amount of consideration payable to an accepting Shareholder will be rounded up to the nearest cent.

7. OVERSEAS SHAREHOLDERS

The Offeror intends to make the Offer available to all Independent Shareholders, including those who are not resident in Hong Kong. The making and the implementation of the Offer to the Independent Shareholders who are not resident in Hong Kong may be subject to the laws of the relevant overseas jurisdictions in which such Independent Shareholders are located. Such Overseas Shareholders should inform themselves about and observe any applicable requirements and restrictions in their own jurisdictions, and where necessary, seek independent legal advice in respect of the Offer. It is the responsibility of such Overseas Shareholders who have registered addresses outside Hong Kong and wish to accept the Offer to satisfy themselves as to the full observance of the applicable laws and regulations of the relevant jurisdiction in connection therewith (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes payable by such accepting Shareholders in such jurisdiction).

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 local laws and requirements have been complied with. The Overseas Shareholders should consult their professional advisers if in doubt.

8. TAX IMPLICATIONS

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 Company, BaoQiao Partners, Gram Capital, Kingsway Capital Limited, the Independent Financial Adviser, the Share Registrar and 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 person or persons as a result of their acceptance of the Offer.

9. GENERAL

- (a) All communications, notices, Form of Acceptance, share certificates, transfer receipts (as the case may be), other documents of title and/or any satisfactory indemnity or indemnities required in respect thereof and remittances to settle the consideration payable under the Offer to be delivered by or sent to or from the 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, the Company, their respective ultimate beneficial owners and parties acting in concert with them, BaoQiao Partners, Gram Capital, Kingsway Capital Limited, the Independent Financial Adviser, the Share Registrar, any of their respective directors, officers, advisers, associates, agents or any persons 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.

- (b) The provisions set out in the Form of Acceptance form part of the terms and conditions of the Offer to which it relates.
- (c) The accidental omission to despatch this Composite Document and/or Form of Acceptance or any of them to any person to whom the Offer is made will not invalidate the Offer in any way.
- (d) The Offer and all acceptances are governed by and shall be construed in accordance with the laws of Hong Kong.
- (e) Due execution of a Form of Acceptance will constitute an authority to the Offeror, BaoQiao Partners, and such person or persons as the Offeror may direct to complete, amend and execute any document on behalf of the person or persons accepting the Offer and to do any other act that may be necessary or expedient for the purposes of vesting in the Offeror or such person or persons as they may direct, the Shares in respect of which such person or persons has accepted the Offer.
- (f) Acceptance of the Offer will be deemed to constitute a warranty to the Offeror, BaoQiao Partners and the Company by the accepting Shareholder(s) that
 - (i) the Shares held by the Independent Shareholders are sold to the Offeror free from all Encumbrances and together with all rights accruing or attaching thereto or subsequently becoming attached to them, including, without limitation, the rights to receive all future dividends and/or other distributions declared, paid or made, if any, on or after the date on which Offer is made, being the date of posting of this Composite Document; and
 - (ii) the Independent Shareholder(s) have not taken or omitted to take any action which will or may result in the Offeror, BaoQiao Partners or any other person acting in breach of the legal or regulatory requirements of any territory in connection with the Offer or the acceptance thereof, and the Independent Shareholder(s) are permitted under all applicable laws to receive and accept the Offer, and any revision thereof, and that such acceptance is valid and binding in accordance with all applicable laws. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, the above representations and warranties.
- (g) Acceptance of the Offer by any nominee will be deemed to constitute a warranty by such nominee to the Offeror that the number of Shares in respect of which as indicated in the Form of Acceptance is the aggregate number of Shares held by such nominee for such beneficial owner who is accepting the Offer.
- (h) References to the Offer in this Composite Document and in the Form of Acceptance include any extension or revision thereof.

- (i) In making their decision, 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. 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 legal or business advice on the part of the Offeror, its beneficial owners, the Company, BaoQiao Partners, Gram Capital, Kingsway Capital Limited, the Independent Financial Adviser. The Independent Shareholders should consult their own professional advisers for professional advice.
- (j) Unless otherwise expressly stated in this Composite Document and/or the Form of Acceptance, no one other than the Offeror and the relevant accepting Shareholder may enforce any terms of the contract that will arise on delivery of the relevant Form of Acceptance, duly completed and executed, under the Contracts (Rights of Third Parties) Ordinance, Cap. 623 of the Laws of Hong Kong.
- (k) The English texts of this Composite Document and the Form of Acceptance shall prevail over their respective Chinese texts in case of inconsistency.

1. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

Set out below is a summary of the audited consolidated financial results of the Group for each of the financial years ended 30 June 2020, 2021 and 2022 and the unaudited consolidated financial results of the Group for each of the three months ended 30 September 2021 and 2022, respectively, as extracted from the relevant published financial statements of the Group for the relevant years/periods.

	For the three months ended		For the year ended		
	30 September		30 June		
	2022	2021	2022	2021	2020
	S\$	S\$	S\$	S\$	S\$
	(Unaudited)	(Unaudited)			
Revenue	2,719,272	3,492,545	11,961,710	14,136,821	14,739,159
Other income	110,726	42,747	1,055,528	783,525	417,491
Other gains/(losses), net	—	—	824,454	(671,347)	(229,909)
Raw materials and consumables used	(826,017)	(896,474)	(3,145,066)	(3,724,682)	(3,211,872)
Employee benefit costs	(1,029,915)	(1,043,684)	(4,525,112)	(4,539,063)	(4,213,889)
Expenses under short-term lease and variable lease payments	(206,308)	(60,006)	(366,904)	(298,813)	(293,056)
Rent concessions	126,218	273,624	201,177	543,825	1,188,067
Depreciation of right-of-use assets	(663,415)	(874,881)	(3,337,381)	(5,015,175)	(4,161,087)
Depreciation of plant and equipment	(213,349)	(110,339)	(649,437)	(760,155)	(599,450)
Impairment loss on right-of-use assets	—	—	(542,815)	(2,026,353)	—
Impairment loss on plant and equipment	—	—	(250,771)	(238,736)	—
Listing expenses	—	—	—	—	(3,609,820)
Other expenses	(497,792)	(532,156)	(2,332,836)	(2,130,900)	(1,501,853)
Finance income	—	—	52,550	67,973	9,835
Finance costs	(90,972)	(155,406)	(527,062)	(942,147)	(1,109,087)
	<u>(571,552)</u>	<u>135,970</u>	<u>(1,581,965)</u>	<u>(4,815,227)</u>	<u>(2,575,471)</u>
(Loss)/profit before income tax	(571,552)	135,970	(1,581,965)	(4,815,227)	(2,575,471)
Income tax expense	—	—	(168,726)	(68,738)	(11,581)
	<u>(571,552)</u>	<u>135,970</u>	<u>(1,750,691)</u>	<u>(4,883,965)</u>	<u>(2,587,052)</u>
(Loss)/profit for the period/year	<u>(571,552)</u>	<u>135,970</u>	<u>(1,750,691)</u>	<u>(4,883,965)</u>	<u>(2,587,052)</u>
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss:					
Exchange differences arising on translation of foreign operations	8,259	—	233	452	—
	<u>8,259</u>	<u>—</u>	<u>233</u>	<u>452</u>	<u>—</u>
Total comprehensive (expense)/income for the period/year	<u>(563,293)</u>	<u>135,970</u>	<u>(1,750,458)</u>	<u>(4,883,513)</u>	<u>(2,587,052)</u>

	For the three months ended		For the year ended		
	30 September		30 June		
	2022	2021	2022	2021	2020
	S\$	S\$	S\$	S\$	S\$
	(Unaudited)	(Unaudited)			
(Loss)/profit attributable to:					
Owners of the Company	(510,607)	137,040	(1,685,280)	(4,883,965)	(2,587,052)
Non-controlling interests	<u>(60,945)</u>	<u>(1,070)</u>	<u>(65,411)</u>	<u>—</u>	<u>—</u>
	<u>(571,552)</u>	<u>135,970</u>	<u>(1,750,691)</u>	<u>(4,883,965)</u>	<u>(2,587,052)</u>
Total comprehensive (expense)/ income attributable to:					
Owners of the Company	(504,532)	137,040	(1,685,367)	(4,883,513)	(2,587,052)
Non-controlling interests	<u>(58,761)</u>	<u>(1,070)</u>	<u>(65,091)</u>	<u>—</u>	<u>—</u>
	<u>(563,293)</u>	<u>135,970</u>	<u>(1,750,458)</u>	<u>(4,883,513)</u>	<u>(2,587,052)</u>
(Loss)/earnings per Share					
Basic and diluted (S\$ cents)	<u>(0.21)</u>	<u>0.06</u>	<u>(0.70)</u>	<u>(2.03)</u>	<u>(1.38)</u>
Amount of dividends distributed to the Shareholders	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Dividends per share	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

The Company was incorporated in the Cayman Islands with limited liability on 16 May 2019 and its issued shares have been listed on the GEM of the Stock Exchange since 18 May 2020 (“**Listing**”). No dividend has been paid or declared by the Company since its date of incorporation. During the year ended 30 June 2020, dividends amounting to S\$5.5 million were declared by certain operating companies now comprising the Group to the then owners of those companies. The dividends are settled by offsetting the balances due from the directors who are also the shareholders of these operating companies.

The reporting accountant and auditor of the Company for the three years ended 30 June 2020 were PricewaterhouseCoopers, Certified Public Accountants in Hong Kong, who did not issue any qualified or modified opinion (including emphasis of matter, adverse opinion and disclaimer of opinion) on the combined financial information of the Group for the years ended 30 June 2018 and 30 June 2019, and the consolidated financial statements of the Group for the year ended 30 June 2020, respectively.

The reporting accountant and auditor of the Company for the two years ended 30 June 2022 were HLB Hodgson Impey Cheng Limited, Certified Public Accountants of Hong Kong. According to the annual reports of the Company for the years ended 30 June 2022 and 2021, HLB Hodgson Impey Cheng Limited reported, without modification of opinion, that there was

material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern on the basis that (i) the Group incurred a loss during the relevant year; and (ii) the Group recorded net current liabilities as of 30 June 2022 and 2021. Relevant extracts of the independent auditors' report for the years ended 30 June 2022 and 2021 as set out in the Company's annual report 2021/2022 and annual report 2020/2021 are reproduced below:

For the year ended 30 June 2022

“MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 3 to the consolidated financial statements, which indicates that the Group incurred a loss of S\$1,750,691 during the year ended 30 June 2022 and, as of that date, the Group had net current liabilities of S\$3,445,081. As stated in Note 3, these events or conditions, along with other matters as set forth in Note 3, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.”

Following is an extract of Note 3 to the independent auditors' report as set out in the Company's annual report 2021/22:

“Going concern basis

During the year ended 30 June 2022, the Group recorded a consolidated net loss of S\$1,750,691 and, as of that date, the Group had net current liabilities of S\$3,445,081. Notwithstanding the above results, the consolidated financial statements have been prepared on a going concern basis, the validity of which is dependent upon the success of the Group's future operations, its ability to generate adequate cash flows in order to meet its obligations as and when fall due and its ability to refinance or restructure its borrowings such that the Group can meet its future working capital and financing requirements.

Also, the directors of the Company are of the opinion that the Group will be able to finance its future financing requirements and working capital based on the following considerations:

1. Financial support

A substantial shareholder of the Company has agreed to continuously provide financial support for the continuing operations of the Company so as to enable it to meet its liabilities when they fall due and carry on its business without a significant curtailment of operations in the twelve months from the date of approval of consolidated financial statement.

2. Alternate source of funding

The Group is actively considering to raise new capital by carrying out fund raising activities including but not limited to right issue, open offer and placing of new shares.

3. Operating plans

Management has been endeavoring to improve the Group's operating results and cash flows through various cost control measures and will focus on the existing business.

In view of the above, the directors of the Company are of the opinion that there will be sufficient financial resources available to the Group to enable it to meet its liabilities as and when they fall due and to continue as a going concern. Accordingly, the directors of the Company have prepared the consolidated financial statements on a going concern basis.

Should the Group be unable to continue as a going concern, it may be unable to realise its assets and discharge its liabilities in the normal course of business. Adjustments would have to be made to the consolidated financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively."

For the year ended 30 June 2021

“MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 3 to the consolidated financial statements, which indicates that the Group incurred a loss of S\$4,883,965 during the year ended 30 June 2021 and, as of that date, the Group had net current liabilities of S\$2,400,265. As stated in Note 3, these events or conditions, along with other matters as set forth in Note 3, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter."

Following is an extract of Note 3 to the independent auditors' report as set out in the Company's annual report 2020/21:

“Going concern basis

During the year ended 30 June 2021, the Group recorded a consolidated net loss of S\$4,883,965 and, as of that date, the Group had net current liabilities of S\$2,400,265. Notwithstanding the above results, the consolidated financial statements have been prepared on a going concern basis, the validity of which is dependent upon the success of the Group's future operations, its ability to generate adequate cash flows in order to meet its obligations as and when fall due and its ability to refinance or restructure its borrowings such that the Group can meet its future working capital and financing requirements.

Also, the directors of the Company are of the opinion that the Group will be able to finance its future financing requirements and working capital based on the following considerations:

1. *Financial support*

A substantial shareholder of the Company has agreed to continuously provide financial support for the continuing operations of the Company so as to enable it to meet its liabilities when they fall due and carry on its business without a significant curtailment of operations in the twelve months from the date of approval of consolidated financial statement.

2. *Alternate source of funding*

The Group is actively considering to raise new capital by carrying out fund raising activities including but not limited to right issue, open offer and placing of new shares.

3. *Operating plans*

Management has been endeavoring to improve the Group's operating results and cash flows through various cost control measures and will focus on the existing business.

In view of the above, the directors of the Company are of the opinion that there will be sufficient financial resources available to the Group to enable it to meet its liabilities as and when they fall due and to continue as a going concern. Accordingly, the directors of the Company have prepared the consolidated financial statements on a going concern basis.

Should the Group be unable to continue as a going concern, it may be unable to realise its assets and discharge its liabilities in the normal course of business. Adjustments would have to be made to the consolidated financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively."

Save as disclosed above, HLB Hodgson Impey Cheng Limited did not issue any qualified or modified opinion (including emphasis of matter, adverse opinion and disclaimer of opinion) on the consolidated financial statements of the Group for the years ended 30 June 2021 and 30 June 2022, respectively.

Save as disclosed below, there were no items of any income or expense which was material in respect of the consolidated financial results of the Group for each of the financial year ended 30 June 2020, 2021 and 2022:

- (i) During the year ended 30 June 2020, the Group incurred listing expenses of approximately S\$3.6 million, which were primarily professional fees in connection with the Listing. The Listing took place in May 2020.

2. CONSOLIDATED FINANCIAL STATEMENTS

The Company is required to set out or refer in this Composite Document the consolidated statements of financial position, the consolidated statements of cash flows, and any other primary statements as shown in the unaudited consolidated financial statements of the Group for the three months ended 30 September 2022 (the “**2022 Q1 Financial Statements**”) and the audited consolidated financial statements of the Group for the year ended 30 June 2022 (the “**2022 Financial Statements**”), the year ended 30 June 2021 (the “**2021 Financial Statements**”) and the year ended 30 June 2020 (the “**2020 Financial Statements**”) together with the relevant notes to the relevant published accounts which are of major relevance to the appreciation of the above financial information.

The 2022 Q1 Financial Statements are set out from page 4 to 8 in the first quarterly report of the Company for the three months ended 30 September 2022 (the “**First Quarterly Report 2022**”) which was published on 14 November 2022. The First Quarterly Report 2022 of the Company was posted on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.proofer.com.sg), and is accessible via the following hyperlinks:

<https://www1.hkexnews.hk/listedco/listconews/gem/2022/1114/2022111401781.pdf>

The 2022 Financial Statements are set out from page 65 to page 127 in the annual report of the Company for the year ended 30 June 2022 (the “**Annual Report 2021/2022**”) which was published on 30 September 2022. The Annual Report 2021/2022 of the Company was posted on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.proofer.com.sg), and is accessible via the following hyperlinks:

<https://www1.hkexnews.hk/listedco/listconews/gem/2022/0930/2022093002497.pdf>

The 2021 Financial Statements are set out from page 67 to page 125 in the annual report of the Company for the year ended 30 June 2021 (the “**Annual Report 2020/2021**”) which was published on 29 September 2021. The Annual Report 2020/2021 of the Company was posted on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.proofer.com.sg), and is accessible via the following hyperlinks:

<https://www1.hkexnews.hk/listedco/listconews/gem/2021/0929/2021092901110.pdf>

The 2020 Financial Statements are set out from page 70 to page 121 in the annual report of the Company for the year ended 30 June 2020 (the “**Annual Report 2019/2020**”) which was published on 30 September 2020. The Annual Report 2019/2020 of the Company was posted on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.proofer.com.sg), and is accessible via the following hyperlinks:

<https://www1.hkexnews.hk/listedco/listconews/gem/2020/0930/2020093001938.pdf>

3. INDEBTEDNESS

As at 30 September 2022, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this Composite Document, the Group had outstanding bank borrowing of approximately S\$0.5 million and lease liabilities of approximately S\$5.4 million. The Group’s borrowings are secured by corporate guarantees provided by the Company. Save as aforesaid, the Group did not have any other bank overdrafts or loans, or other similar indebtedness, mortgages, charges or guarantees or other material contingent liabilities at the close of business on 30 September 2022.

4. MATERIAL CHANGE

The Directors confirm that there has been no material change in the financial or trading position or outlook of the Group subsequent to 30 June 2022, being the date to which the latest audited consolidated financial statements of the Company were made up, up to and including the Latest Practicable Date.

1. RESPONSIBILITY STATEMENT

The sole director of the Offeror, Mr. Zhang, accepts full responsibility for the accuracy of the information contained in this Composite Document (other than that relating to the Group and the Vendor), and confirms, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this Composite Document (other than those expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statement in this Composite Document misleading.

2. DISCLOSURE OF INTERESTS IN THE COMPANY OF THE OFFEROR

As at the Latest Practicable Date, the Offeror, Mr. Zhang and parties acting in concert with any of them owned or controlled an aggregate of 153,000,000 Shares, representing 63.75% of the entire issued share capital of the Company. Save for the above, the Offeror, Mr. Zhang and parties acting in concert with any of them did not have any other interest in any shares, warrants, options, derivatives or securities carrying conversion of subscription rights into Shares. As at the Latest Practicable Date, apart from the 63.75% shareholding interest in the Company, none of the Offeror, Mr. Zhang and parties acting in concert with any of them had any other interest in any relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company.

3. ADDITIONAL DISCLOSURE OF INTERESTS AND DEALINGS IN THE COMPANY

As at the Latest Practicable Date:

- (i) the Offeror, its ultimate beneficial owner, and/or parties acting in concert with any of them have not 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/it/them;
- (ii) save for the Sale Shares, none of the Offeror, its ultimate beneficial owner, and/or parties acting in concert with any of them holds, has control or has direction over any voting rights or rights over 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 Sale Shares, none of the Offeror, its ultimate beneficial owner, and/or parties acting in concert with any of them has acquired any voting rights in or otherwise dealt for value in the Shares or rights over the Shares during the six-month period immediately prior to the date of this Composite Document;
- (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 relevant security (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror, its beneficial owner and/or parties acting in concert with any of them have borrowed or lent;
- (vi) there is no agreement, arrangement or understanding that any securities acquired in pursuance of the Offer would be transferred, charged or pledged to any other persons;
- (vii) save for the sale and purchase of the Sale Shares pursuant to the Sale and Purchase Agreement, there is no arrangement (whether by way of option, indemnity or otherwise) in relation to the shares of the Offeror or the Company and which might be material to the Offer (as referred to in Note 8 to Rule 22 of the Takeovers Code);
- (viii) no persons with whom the Offeror or any person acting in concert with the Offeror or associate(s) of the Offeror has any arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code;
- (ix) save for the Sale and Purchase Agreement, 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) save for the consideration paid by the Offeror to the Vendor under the Sale and Purchase Agreement, there is no consideration, compensation or benefit in whatever form paid or to be paid by the Offeror, its beneficial owner and/or parties acting in concert with any of them to the Vendor and/or any parties acting in concert with it in connection with the sale and purchase of the Sale Shares;
- (xi) save for the Sale and Purchase Agreement, there was no agreement or arrangement or understanding (including any compensation arrangement) between any Director, recent Director, Shareholder or recent Shareholder and any other person which was conditional on or dependent upon the outcome of the Offer or otherwise connected with the Offer;
- (xii) save for the Sale and Purchase Agreement, there is no understanding, arrangement and agreement between the Offeror, its beneficial owner and/or parties acting in concert with any of them on one hand, and the Vendor, its beneficial owners and/or parties acting in concert with any of them on the other hand;
- (xiii) save for the Sale and Purchase Agreement, there is no understanding, arrangement and agreement between (1) any Shareholder (including the Vendor, its ultimate beneficial owner and parties acting in concert with any of them); and (2) (a) the Offeror, its beneficial owner and/or parties acting in concert with any of them, or (b) the Company, its subsidiaries or associated companies;

- (xiv) there is no understanding, arrangement or agreement which constitutes a special deal (as defined under Rule 25 of the Takeovers Code) between (1) any Shareholder (including the Vendor, its ultimate beneficial owner and parties acting in concert with any of them); and (2)(a) the Offeror, its beneficial owner and/or parties acting in concert with any of them; or (b) the Company, its subsidiaries or associated companies;
- (xv) no benefit (other than statutory compensation) was or would be given to any Director as compensation for loss of office or otherwise in connection with the Offer; and
- (xvi) save for the Sale and Purchase Agreement, which Mr. Goh Leong Heng Aris and Ms. Anita Chia Hee Mei had interests in, there was no agreement or arrangement or understanding (including any compensation arrangement) between the Offeror and any Director, recent Director, Shareholder or recent Shareholder and any other person which was conditional on or dependent upon the outcome of the Offer or otherwise connected with the Offer.

4. MARKET PRICES

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

Date	Closing price per Share HK\$
31 May 2022	0.450
30 June 2022	0.425
29 July 2022	0.390
31 August 2022	0.420
30 September 2022	0.370
31 October 2022	0.305
3 November 2022 (being the Last Trading Day)	0.305
22 November 2022 (being the Latest Practicable Date)	0.410

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.49 on 4 May 2022 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.305 on 31 October 2022, 1 November 2022, 2 November 2022 and 3 November 2022.

5. CONSENTS AND QUALIFICATIONS

In addition to those listed under the paragraph headed “10. Qualifications and consents of experts” in Appendix IV to this Composite Document, the following is the qualifications of the experts whose letters, opinions or advices are contained or referred to in this Composite Document:

Name	Qualification
Gram Capital Limited	a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO
BaoQiao Partners 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

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, advices, letters and references to its name in the form and context in which they appear.

6. MISCELLANEOUS

- (i) The principal members of the Offeror’s concert group are the Offeror and Mr. Zhang. The Offeror is an investment holding company incorporated Hong Kong with limited liability on 4 November 2021, which is wholly owned by Mr. Zhang, who is also the sole director of the Offeror.
- (ii) The registered office of the Offeror is situated at 6/F, Manulife Place, 348 Kwun Tong Road, Kowloon, Hong Kong.
- (iii) The correspondence addresses of the Offeror and Mr. Zhang are situated at 6/F, Manulife Place, 348 Kwun Tong Road, Kowloon, Hong Kong and Anlian Mansion, Block 3, 38 Dongsanhuan North Road, Chaoyang District, Beijing, PRC.
- (iv) The main business address of BaoQiao Partners is situated at Unit 2803–05, 28/F, Tower I, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong.
- (v) The main business address of Gram Capital is situated at Room 1209, 12/F, Nan Fung Tower, 88 Connaught Road Central/173 Des Voeux Road Central, Central, Hong Kong.
- (vi) In the event of inconsistency, the English texts of this Composite Document and the Form of Acceptance shall prevail over their respective Chinese texts.

7. DOCUMENTS AVAILABLE ON DISPLAY

In addition to the documents relating to the Company as set out in the paragraph headed “12. Documents available on display” in Appendix IV to this Composite Document, copies of the following documents are available on display (i) on the website of the Company (www.proofer.com.sg) and (ii) on the website of the SFC (www.sfc.hk) from the date of this Composite Document up to and including the Closing Date:

- (i) the articles of association of the Offeror;
- (ii) the letter from BaoQiao Partners, the text of which is set out on page 6 to 13 of this Composite Document;
- (iii) the written consents as referred to in the paragraph headed “5. Consents and Qualifications” in this Appendix;
- (iv) the Sale and Purchase Agreement; and
- (v) this Composite Document and the accompanying Form of Acceptance.

1. RESPONSIBILITY STATEMENT

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than the information relating to the Offeror and 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 that 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 as at the Latest Practicable Date were as follows:

<i>Authorised</i>	<i>HK\$</i>
<u>600,000,000</u> Shares	<u>6,000,000</u>
Issued and fully paid:	
<u>240,000,000</u> Shares	<u>2,400,000</u>

All of the existing issued Shares currently in issue rank pari passu in all respects with each other, including, in particular, as to rights in respect of capital, dividends and voting. The Shares are listed and traded on the Stock Exchange. No Shares are listed, or dealt in, on any other stock exchange, nor is any listing of or permission to deal in the Shares being, or proposed to be sought, on any other stock exchange.

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

The Company has not issued any Shares since 30 June 2022, the date to which the latest audited financial statements of the Company were made up.

3. MARKET PRICES

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

Date	Closing Price per Share HK\$
31 May 2022	0.450
30 June 2022	0.425
29 July 2022	0.390
31 August 2022	0.420
30 September 2022	0.370
31 October 2022	0.305
3 November 2022 (being the Last Trading Day)	0.305
22 November 2022 (being the Latest Practicable Date)	0.410

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.49 on 4 May 2022 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.305 on 31 October 2022, 1 November 2022, 2 November 2022 and 3 November 2022.

4. DISCLOSURE OF INTERESTS

(a) Directors and the chief executive's interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations

As at the Latest Practicable Date, none of the Directors or 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 or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Rule 5.46 to 5.67 of the GEM Listing Rules; or (iv) which were required to be disclosed under the Takeovers Code.

(b) Substantial Shareholders' interests and short positions in the Shares, underlying Shares and debentures of the Company

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of the SFO and, so far as was known to the Directors, the persons or entities who had an interest or a short position in the Shares or the underlying Shares which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO or who were, directly or indirectly, interested in 5% or more of the issued voting shares of any other member of the Group, or in any options in respect of such share capital were as follows:

Name	Capacity/nature	Total number of Shares and/ or underlying Shares interested (Note 1)	% in the issued share capital of the Company (Note 2)
China Uwin Technology Co., Limited (Note 3)	Beneficial owner	153,000,000(L)	63.75%
Mr. Zhang Yang (Note 3)	Interest in controlled corporation	153,000,000(L)	63.75%
Dunman Capital Global Limited (Note 4)	Beneficial owner	23,632,500(L)	9.85%
Mr. Yang Fan (Note 4)	Interest in controlled corporation	23,632,500(L)	9.85%
Ms. Zhong Hua (Note 5)	Interest of spouse	23,632,500(L)	9.85%

Notes:

- The letter "L" denotes the individual's or corporation's long position in the Shares.
- The percentage has been calculated based on 240,000,000 Shares in issue as at the Latest Practicable Date.
- As at the Latest Practicable Date, the Offeror was interested in 153,000,000 Shares. The Offeror is wholly-owned by Mr. Zhang Yang and Mr. Zhang Yang is therefore deemed to be interested in the Shares in which the Offeror is interested under the SFO.
- As at the Latest Practicable Date, Dunman Capital Global Limited was interested in 23,632,500 Shares. Dunman Capital Global Limited is wholly-owned by Mr. Yang Fan and Mr. Yang Fan is therefore deemed to be interested in the Shares in which Dunman Capital Global Limited is interested under the SFO.
- Ms. Zhong Hua is the spouse of Mr. Yang Fan. Accordingly Ms. Zhong Hua is deemed to be interested in the Shares in which Mr. Yang Fan is interested under the SFO.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other person who had, or was deemed or taken to have, an interest or short position in the Shares and underlying Shares which are required to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, as

recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, or who were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

5. SHAREHOLDINGS AND DEALINGS IN SECURITIES

- (a) During the Relevant Period and up to the Latest Practicable Date,
 - (i) save for the sale of the Sale Shares under the Sale and Purchase Agreement by the Vendor, which is legally and beneficially owned by Mr. Goh Leong Heng Aris and Ms. Anita Chia Hee Mei (both being former Directors until their resignations on 29 June 2022) in equal shares, none of the Directors 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; and
 - (ii) none of the Company and the Directors had owned or controlled, or had dealt for value in, any shares or any convertible securities, warrants, options or derivatives in respect of the shares of the Offeror;
- (b) no relevant securities (as defined in Note 4 to Rules 22 of the Takeovers Code) of the Company were owned or controlled or dealt with by a subsidiary of the Company or by a pension fund of members of the Group or by a person 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 (but excluding exempt principal traders and exempt fund managers) during the Offer Period and up to the Latest Practicable Date;
- (c) save for the Sale and 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 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 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;
- (d) none of the Company nor any Director had borrowed or lent any Shares or any securities, convertible securities, warrants, options or derivatives in respect of any Shares or securities of the Company;
- (e) none of the Directors beneficially owned any Shares and accordingly none of them is entitled to the Offer; and

- (f) no Shares or any securities, convertible securities, warrants, options or derivatives in respect of any Shares or securities of the Company were managed on a discretionary basis by fund managers (other than exempt fund managers) connected with the Company and no such person 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.

6. ARRANGEMENTS AFFECTING DIRECTORS

As at the Latest Practicable Date:

- (a) no benefit (other than statutory compensation) would be given to any Director as compensation for loss of office or otherwise in connection with the Offer;
- (b) save for the Sale and Purchase Agreement, no agreement or arrangement was entered into between any Director and any other person which was conditional or dependent upon the outcome of the Offer or otherwise connected with the Offer; and
- (c) no material contract was entered into by the Offeror in which any Director had a material personal interests.

7. SERVICE CONTRACT OF DIRECTOR

Save as disclosed below, as at the Latest Practicable Date, none of the Directors had any service contracts with the Company or any of its subsidiaries or associated companies in force which: (a) (including both continuous and fixed term contracts) had been entered into or amended within 6 months before the commencement of the Offer Period; (b) were continuous contracts with a notice period of 12 months or more; or (c) were fixed term contracts with more than 12 months to run irrespective of the notice period.

Name of director	Term of contract	Remuneration
Mr. John Lim Boon Kiat	Fixed term of three years from the listing date (18 May 2020 to 17 May 2022)	HK\$180,000 per annum

There is no variable remuneration payable under the contract as mentioned above.

8. MATERIAL CONTRACT

As at the Latest Practicable Date, the members of the Group had not entered into any material contracts (being a contract not entered into in the ordinary course of business carried or intended to be carried on by any member of the Group) after the date two years before the commencement of the Offer Period, which are or may be material.

9. LITIGATION

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

10. QUALIFICATIONS AND CONSENTS OF EXPERTS

The following is the qualification of the experts who have given its letter or advice which is contained in this Composite Document:

Name	Qualification
Grande Capital	a corporation licensed 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 for the purpose of advising the Independent Board Committee in relation to the Offer and as to acceptance of it
Kingsway Capital Limited	a corporation licensed to carry out type 6 (advising on corporate finance) regulated activity under the SFO, being the financial adviser to the Company

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 letter or advice and references to its name included herein in the form and context in which they respectively appear.

11. GENERAL

- (a) The registered office of the Company is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.
- (b) The principal place of business in Hong Kong of the Company is Unit A, 12/F, China Overseas Building, 139 Hennessy Road, Wanchai, Hong Kong.
- (c) As at the Latest Practicable Date, the executive Director is Mr. John Lim Boon Kiat; and the independent non-executive Directors are Mr. Kwok Kin Kwong Gary, Mr. Wong Wah and Mr. Kuan Hong Kin Daniel.
- (d) The company secretary of the Company is Mr. Yu Chun Kit, who is the authorised representative under Rule 5.24 of the GEM Listing Rules.
- (e) The Hong Kong branch share registrar of the Company is Boardroom Share Registrars (HK) Limited at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong.

- (f) The registered office of Grande Capital, the Independent Financial Adviser, is at Room 2701, 27/F., Tower One, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong.
- (g) In the event of inconsistency, the English texts of this Composite Document and the Form of Acceptance shall prevail over their respective Chinese texts.

12. DOCUMENTS AVAILABLE ON DISPLAY

In addition to the documents relating to the Offeror as set out in the paragraph headed “7. Documents available on display” in Appendix III to this Composite Document, copies of the following documents are available on display (i) on the website of the Company (www.proofer.com.sg) and (ii) on the website of the SFC (www.sfc.hk) from the date of this Composite Document up to and including the Closing Date:

- (a) The second amended and restated memorandum of association and articles of association of the Company;
- (b) The annual report of the Company for the year ended 30 June 2020, 2021 and 2022, respectively and the quarterly report of the Company for the three months ended 30 September 2022;
- (c) the letter from the Board, the text of which is set out on pages 14 to 20 of this Composite Document;
- (d) the letter from the Independent Board Committee, the text of which is set out on pages 21 to 22 of this Composite Document;
- (e) the letter from the Independent Financial Adviser, the text of which is set out on pages 23 to 43 of this Composite Document;
- (f) the service contract referred to in the paragraph headed “7. Service Contract of Director” in this Appendix;
- (g) the letter of consent referred to in the paragraph headed “10. Qualifications and Consents of Experts” in this Appendix.