
THIS OFFER DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of the Partial Offer, this Offer 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, a bank manager, solicitor, professional accountant or other professional adviser.

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

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

This Offer 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 Partial Offer contained herein.

CHEN MIAOPING

OFFER DOCUMENT RELATING TO VOLUNTARY CONDITIONAL CASH PARTIAL OFFER BY VBG CAPITAL LIMITED FOR AND ON BEHALF OF THE OFFEROR TO ACQUIRE 67,808,588 SHARES IN ELIFE HOLDINGS LIMITED (STOCK CODE: 223) (OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY THE OFFEROR AND PARTIES ACTING IN CONCERT WITH HER)

Financial adviser to the Offeror



Capitalised terms used in this cover page shall have the same meanings as those defined in this Offer Document unless the content requires otherwise.

A letter from VBG Capital containing among other things, principal terms of the Partial Offer is set out on pages 5 to 18 of this Offer Document.

The procedures for acceptance and other related information in respect of the Partial Offer are set out in Appendix I to this Offer Document and the accompanying Form of Acceptance. Form of Acceptance should be received by the Receiving Agent, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, as soon as possible and in any event no later than 4:00 p.m. on Tuesday, 7 January 2024 (being the First Closing Date), or such later time and/or date as the Offeror may determine and announce with the consent of the Executive and in accordance with the Takeovers Code.

Any persons including, without limitation, custodians, nominees and trustees, who would, or otherwise intend to, forward this Offer Document and/or the accompanying Form of Acceptance to any jurisdiction outside Hong Kong should read the paragraphs headed "Overseas Shareholders" in the "Letter from VBG Capital" and "Overseas Shareholders" in Appendix I to this Offer Document before taking any action. It is the responsibility of each Overseas Shareholder wishing to accept the Partial Offer to satisfy himself, herself or 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 or any registration or filing which may be required and the compliance with other necessary formalities or legal requirements and payment of any transfer or other taxes due by such Overseas Shareholder in respect of such jurisdiction. Each Overseas Shareholder is advised to seek professional advice on deciding whether to accept the Partial Offer.

This Offer Document will remain on the websites of the Stock Exchange (<http://www.hkexnews.hk>) as long as the Partial Offer remains open.

22 November 2024

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EXPECTED TIMETABLE

The timetable set out below is indicative only and is subject to change. Any changes to the timetable will be announced by the Offeror. Unless otherwise expressly stated, all time and date references contained in this Offer Document refer to Hong Kong time and dates.

Despatch date of this Offer Document and the accompanying Form of Acceptance and commencement date of the Partial Offer (<i>Note 1</i>)	Friday, 22 November 2024
Latest time for posting of the Offeree Document (<i>Note 2</i>)	Friday, 6 December 2024
Latest time and date for acceptance of the Partial Offer on the First Closing Date (<i>Note 3</i>)	4:00 p.m. on Tuesday, 7 January 2025
Announcement of the results of the Partial Offer as at the First Closing Date (or its extension or revision, if any), to be posted on the website of the Stock Exchange	by 7:00 pm on Tuesday, 7 January 2025
Latest time and date for acceptance of the Partial Offer assuming the Partial Offer becomes or is declared unconditional on the First Closing Date (i.e. the Final Closing Date) (<i>Note 4</i>)	4:00 p.m. on Tuesday, 21 January 2025
Announcement of the results of the Partial Offer as at the Final Closing Date to be posted on the website of the Stock Exchange (<i>Note 5</i>)	by 7:00 pm on Tuesday, 21 January 2025
Latest time by which the Partial Offer can be declared unconditional as to acceptances (<i>Note 7</i>)	Tuesday, 21 January 2025
Designated agent starts to stand in the market to provide matching services for sale and purchase of odd lots holdings of Shares (assuming that the Partial Offer becomes or is declared unconditional as to acceptances on the First Closing Date)	9:00 am on Wednesday, 22 January 2025
Latest date for posting of remittances for the amount due in respect of valid acceptances received under the Partial Offer on the Final Closing Date (<i>Note 6</i>)	Tuesday, 4 February 2025

EXPECTED TIMETABLE

Latest date for despatch of share certificate(s) and/or any transfer receipt(s) and other document(s) of title for Shares tendered but not taken up or share certificate(s) in respect of the balance of such Shares (assuming that the Partial Offer becomes or is declared unconditional as to acceptances on the First Closing Date) Tuesday, 4 February 2025

Designated agent ceases to stand in the market to provide matching services for sale and purchase of odd lots holdings of Shares (assuming that the Partial Offer becomes or is declared unconditional as to acceptances on the First Closing Date) Wednesday, 5 March 2025

Notes:

1. The Partial Offer is open for acceptance on and from Friday, 22 November 2024, being the date of posting of this Offer Document, until 4:00 p.m. on the Closing Date, i.e. the later of the First Closing Date on Tuesday, 7 January 2025 or the date falling 14 days after the Partial Offer becomes or is declared unconditional in all respects, or if the Partial Offer is extended, any subsequent Closing Date as extended and announced by the Offeror in accordance with the Takeovers Code.
2. In accordance with the Takeovers Code, the Offeree Company is required to post the Offeree Document to the Shareholders no later than 14 days after the date of this Offer Document, unless the Executive consents to a later date and the Offeror agrees to extend the First Closing Date by the number of days in respect of which the delay in the posting of the Offeree Document is agreed.
3. In accordance with the Takeovers Code, where the Offeree Document is posted after the date of this Offer Document, the Partial Offer must be open for acceptance for at least 28 days after the date of this Offer Document. The Offeror reserves its right, as permitted under the Takeovers Code, to revise or extend the Partial Offer until such date as it may determine in accordance with the Takeovers Code (or as permitted by the Executive in accordance with the Takeovers Code). The Offeror will issue an announcement in relation to any revision or extension of the Partial Offer, which will state the next Closing Date.
4. The Offeror has the right, subject to the Takeovers Code, to extend the Partial Offer until such date as it may determine or as permitted by the Executive, in accordance with the Takeovers Code. Pursuant to Rule 28.4 of the Takeovers Code: (a) if on a Closing Date acceptances received equal or exceed the precise number of Shares stated in this Offer Document, the Offeror must declare the Partial Offer unconditional as to acceptances and extend the Final Closing Date to the 14th day thereafter and the Offeror cannot further extend the Final Closing Date; (b) if the acceptance condition is fulfilled during the period between the Despatch Date and the date which is 14 days before the First Closing Date, the Offeror must declare the Partial Offer unconditional as to acceptances on the day the acceptance condition is met, provided that the Partial Offer would remain open for acceptance for not less than 14 days thereafter, and the Offeror cannot extend the First Closing Date and the Final Closing Date would be on (but no earlier than) the First Closing Date; or (c) if the acceptance condition is fulfilled within the 14-days period before the First Closing Date, the Partial Offer would remain open for acceptance for 14 days after the Partial Offer is declared unconditional as to acceptance (i.e. the Final Closing Date). The Offeror will make an announcement when the Partial Offer becomes unconditional in all respects.
5. The announcement will comply with the disclosure requirements under Rule 19.1 and Note 7 to Rule 19 of the Takeovers Code and will include, among other things, the results of the Partial Offer and details of the way in which the pro rata entitlement for each accepting Shareholder was determined.
6. Subject to the Partial Offer becoming unconditional, remittances in respect of the consideration payable for the Offer Shares tendered under the Partial Offer will be posted by ordinary post to the accepting Shareholders at their own risk as soon as possible but in any event no later than seven business days following the Final Closing Date.

EXPECTED TIMETABLE

7. In accordance with the Takeovers Code, except with the consent of the Executive, the Partial Offer may not become or be declared unconditional as to acceptances after 7:00 p.m. on the 60th day after the date of this Offer Document. Accordingly, unless the Partial Offer has previously become or is declared unconditional as to acceptances, the Partial Offer will lapse after 7:00 p.m. on Tuesday, 21 January 2025, unless extended with the consent of the Executive. If the Partial Offer does not become, or is not declared, unconditional within the time permitted by the Takeovers Code, the share certificate(s) and/or transfer receipt(s) received by the Receiving Agent will be returned to the accepting Shareholders in accordance with Rule 20.2 of the Takeovers Code.
8. If any severe weather condition is in force in Hong Kong:
 - (a) at any local time before 12:00 noon but no longer in force after 12:00 noon on the latest date for acceptance of the Partial Offer and the latest date for despatch of remittances for the amounts due under the Partial Offer in respect of valid acceptances, the latest time for acceptance of the Partial Offer will remain at 4:00 p.m. on the same business day and the latest date for the despatch of remittances will remain on the same business day; or
 - (b) at any local time between 12:00 noon and 4:00 p.m. on the latest date for acceptance of the Partial Offer and the latest date for despatch of remittances for the amounts due under the Partial Offer in respect of valid acceptances, the latest time for acceptance of the Partial Offer and the latest date for the despatch of remittances will be rescheduled on 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.

For the purpose of this Offer Document, “severe weather” refers to the scenario where typhoon signal No. 8 or above, a black rainstorm warning (as issued by the Hong Kong Observatory), or the “extreme conditions” warning (as announced by the Hong Kong Government) is in force in Hong Kong.

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

DEFINITIONS

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

“acting in concert”	the meaning ascribed thereto in the Takeovers Code
“Announcement”	the Announcement dated 1 November 2024 issued by the Offeror in respect of the Partial Offer
“associate(s)”	the meaning ascribed thereto in the Takeovers Code
“Board”	the board of directors of the Offeree Company
“business day(s)”	the meaning ascribed thereto in the Takeovers Code
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“Closing Date”	the First Closing Date of the Partial Offer or any subsequent closing date of the Partial Offer as may be extended or revised in accordance with the Takeovers Code
“Condition”	the condition to which the Partial Offer is subject, as set out in the section entitled “The Partial Offer – Condition to the Partial Offer” in the “Letter from VBG Capital” in this Offer Document
“connected person(s)”	has the meaning given to it under the Listing Rules and the term “connected” shall be construed accordingly
“Despatch Date”	Friday, 22 November 2024, being the date of despatch of this Offer Document to the Shareholders as required by the Takeovers Code
“Director(s)”	the director(s) of the Offeree Company
“Executive”	the Executive Director of the Corporate Finance Division of the SFC from time to time or any of his delegates
“Final Closing Date”	the date which is (i) the 14th day after the date on which the Partial Offer is declared unconditional as to acceptances; or (ii) the First Closing Date, whichever is the later, provided that the Partial Offer will be open for acceptance for at least 28 days following the Despatch Date

DEFINITIONS

“First Closing Date”	the date stated in this Offer Document as the first closing day of the Partial Offer, which shall be at least 28 days following the Despatch Date of this Offer Document, or such later date as may be extended by the Offeror in accordance with the requirements of the Takeovers Code, but may not be longer than the 60th day after the Despatch Date
“Form of Acceptance”	the Form of Acceptance in respect of the Partial Offer accompanying this Offer Document
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Last Trading Day”	1 November 2024, being the last trading day on which the Shares traded on the Main Board of the Stock Exchange prior to the issue and publication of the Announcement
“Latest Practicable Date”	19 November 2024, being the latest practicable date prior to the printing of this Offer Document for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Offer Document”	this document issued by the Offeror in relation to the Partial Offer
“Offer Period”	the period commenced since 24 October 2024, being the date of the Announcement and ending on Closing Date or the date of the lapse of the Partial Offer in accordance with the Takeovers Code
“Offer Price”	HK\$0.11 for each Offer Share
“Offer Share(s)”	the Shares to be purchased by the Offeror from the Qualifying Shareholders under the Partial Offer, being 67,808,588 Offer Shares held by the Qualifying Shareholders; “Offer Share” shall mean any one of them
“Offeree Company”	Elife Holdings Limited, a company incorporated in Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 223)
“Offeree Document”	the response document in respect of the Partial Offer to be issued by the Offeree Company to the Shareholders in accordance with the Takeovers Code

DEFINITIONS

“Offeree Group”	the Offeree Company and its subsidiaries (from time to time)
“Offeror”	Ms. Chen Miaoping (陳妙嫻)
“Options”	options to subscribe for Shares granted under the Share Option Scheme
“Overseas Shareholder(s)”	Qualifying Shareholder(s) whose address(es), as shown on the register of members of the Offeree Company, is/are outside Hong Kong
“Partial Offer”	the voluntary conditional cash partial offer made by VBG Capital for and on behalf of the Offeror to acquire 67,808,588 Shares (other than those already owned by the Offeror and parties acting in concert with her) at the Offer Price in cash from the Qualifying Shareholders in accordance with the Takeovers Code
“PRC”	the People’s Republic of China which, for the purpose of this Offer Document, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Pre-Condition”	the pre-condition to the making of the Partial Offer, as set out in the section headed “PRE-CONDITIONAL VOLUNTARY CASH PARTIAL OFFER – Pre-Condition to the Partial Offer”, which has been satisfied on 4 November 2024 as disclosed in the announcement of the Offeror dated 5 November 2024 in relation to the update on the Partial Offer
“Qualifying Shareholder(s)”	Shareholder(s) other than the Offeror and parties acting in concert with her
“Receiving Agent”	Boardroom Share Registrars (HK) Limited, in its capacity as the receiving agent of the Offeror with respect to the Partial Offer, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong
“Registrar”	Tricor Investor Services Limited, the branch share registrar and transfer office of the Offeree Company in Hong Kong, located at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Relevant Period”	the period commencing from 24 April 2024, being the date falling six months immediately preceding the commencement of the Offer Period, up to and including the Latest Practicable Date
“relevant securities”	the meaning ascribed to it under Note 4 to Rule 22 of the Takeovers Code
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

DEFINITIONS

“Share(s)”	the ordinary shares of HK\$0.1 each in the issued share capital of the Offeree Company
“Share Option Scheme”	the share option scheme adopted by the Offeree Company on 8 October 2010
“Share Subscription”	the subscription of 226,000,000 Shares by China Innovation Investment Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1217), which was completed on 25 September 2024; for details, please refer to the announcements of the Offeree Company dated 15 September 2024, 23 September 2024 and 25 September 2024 respectively
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning given to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“VBG Capital”	VBG 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 financial adviser to the Offeror in respect of the Partial Offer
“%”	per cent.

LETTER FROM VBG CAPITAL

22 November 2024

To the Shareholders

Dear Sir or Madam,

**VOLUNTARY CONDITIONAL CASH PARTIAL OFFER
BY VBG CAPITAL LIMITED
FOR AND ON BEHALF OF THE OFFEROR
TO ACQUIRE 67,808,588 SHARES IN
ELIFE HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE
ACQUIRED BY THE OFFEROR AND PARTIES ACTING IN
CONCERT WITH HER)**

INTRODUCTION

Reference is made to the Announcement.

On 30 September 2024, the Offeror notified the Offeree Company that she has firm intention to make the Partial Offer (in compliance with the Takeovers Code) to acquire 67,808,588 Offer Shares (representing approximately 5.00% of the Offeree Company's issued share capital as at the date of this Offer Document) not already owned or agreed to be acquired by the Offeror and parties acting in concert with her at the Offer Price of HK\$0.11 per Offer Share.

The making of the Partial Offer is subject to the obtaining of consent from the Executive in respect of the Partial Offer pursuant to Rule 28.1 of the Takeovers Code. Reference is also made to the announcement of the Offeror dated 5 November 2024 in relation to the update on the Partial Offer. As disclosed in such announcement, on 5 November 2024, the Offeror announced that the Pre-Condition has been satisfied on 4 November 2024.

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

As at the Latest Practicable Date, the Offeree Company has 1,356,171,754 Shares in issue. Based on the monthly return for the month ended 31 October 2024 published by the Offeree Company on 1 November 2024, there were 22,351,795 Options outstanding as at 31 October 2024, each entitling the holder thereof to subscribe for one Share at an exercise price of HK\$0.564 per Share. Save as disclosed above, the Offeree Company does not have any outstanding options, derivatives, warrants or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) which are convertible or exchangeable into Shares, nor has it entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares.

LETTER FROM VBG CAPITAL

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

THE PARTIAL OFFER

Principal terms of the Partial Offer

The Partial Offer is made by VBG Capital, for and on behalf of the Offeror, in compliance with the Takeovers Code on the following basis:

For each Offer Share HK\$0.11 in cash

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

The Offer Price of HK\$0.11 per Share was determined after taking into account the most recent, and the historical trend of closing prices of the Shares, the trading liquidity of the Shares, the financial performance and prospect of the Offeree Company, and the current market condition.

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

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

Pre-Condition to the Partial Offer

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

As disclosed in the announcement of the Offeror dated 5 November 2024 in relation to the update on the Partial Offer, the Offeror announced that the Pre-Condition had been satisfied on 4 November 2024.

Condition to the Partial Offer

The Partial Offer is subject to the Condition that valid acceptances being received (and not, where permitted, withdrawn) in respect of a minimum of 67,808,588 Offer Shares at or before 4:00 p.m. (Hong Kong time) on the First Closing Date, which shall be at least 28 days following the Despatch Date of the Offer Document issued by the Offeror in respect of the Partial Offer, or such later date as may be announced by the Offeror in accordance with the requirements of the Takeovers Code.

LETTER FROM VBG CAPITAL

In the event that valid acceptances are received:

- (i) for less than the required number of 67,808,588 Offer Shares by the First Closing Date, unless the First Closing Date is extended in accordance with the requirements of the Takeovers Code, the Partial Offer will not proceed and will lapse immediately; and
- (ii) for not less than the required number of 67,808,588 Offer Shares on or before the First Closing Date, the Offeror will declare the Partial Offer unconditional as to acceptances on or before the First Closing Date.

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

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

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

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

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

LETTER FROM VBG CAPITAL

Comparison of value for the Offer Price

The Offer Price of HK\$0.11 per Offer Share represents:

- (i) a discount of approximately 1.79% to the closing price of HK\$0.112 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 7.56% to the closing price of HK\$0.119 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 11.29% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day of HK\$0.124 per Share;
- (iv) a discount of approximately 9.09% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the 10 consecutive trading days up to and including the Last Trading Day of HK\$0.121 per Share;
- (v) a discount of approximately 21.99% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the 30 consecutive trading days up to and including the Last Trading Day of HK\$0.141 per Share; and
- (vi) a discount of approximately 1.79% to the adjusted consolidated net asset value attributable to the Shareholders of approximately HK\$0.112 per Share, calculated based on the audited consolidated net asset value attributable to the shareholders of approximately HK\$124.1 million as at 31 March 2024 plus net proceeds of HK\$27,700,000 from the Share Subscription and 1,356,171,754 Shares in issue as at the date of this announcement.

Highest and lowest Share prices

During the six-month period immediately preceding and including the Latest Practicable Date:

- (i) the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.350 per Share on 2 July 2024 and 3 July 2024; and
- (ii) the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.073 per Share on 17 September 2024.

Total value of the Partial Offer

Based on the Offer Price of HK\$0.11 per Offer Share, and assuming valid acceptances of the Partial Offer for the required minimum number of 67,808,588 Offer Shares are tendered by the Qualifying Shareholders, the total cash consideration payable by the Offeror to purchase the Offer Shares from the Qualifying Shareholders under the Partial Offer will be approximately HK\$7,458,945.

LETTER FROM VBG CAPITAL

Financial resources available for the Partial Offer

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

VBG Capital has been appointed as the financial adviser to the Offeror in respect of the Partial Offer and is satisfied that sufficient financial resources are available to the Offeror to satisfy the consideration payable by the Offeror under the Partial Offer.

Acceptance of the Partial Offer

Qualifying Shareholders may accept the Partial Offer in respect of some or all of the Shares held by them. Subject to the Partial Offer becoming unconditional in all respects, if valid acceptances are received for more than the required number of Offer Shares on the date which is (i) the 14th day after the date on which the Partial Offer is declared unconditional as to acceptances; or (ii) the First Closing Date, whichever is the later, provided that the Partial Offer will be open for acceptance for at least 28 days following the Despatch Date, the total number of Offer Shares to be taken up by the Offeror from each accepting Qualifying Shareholder will be determined by the total number of Offer Shares tendered for acceptance in accordance with the following formula (the “**Formula**”):

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

- A = the number of Offer Shares under the Partial Offer (i.e. 67,808,588 Offer Shares)
- B = the total number of Offer Shares validly tendered for acceptance by all Qualifying Shareholders under the Partial Offer
- C = the number of Offer Shares tendered for acceptance by the relevant individual Qualifying Shareholder under the Partial Offer

Partial nature of the Partial Offer and effect of fractions

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

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

LETTER FROM VBG CAPITAL

Odd lots

Shareholders should note that acceptance of the Partial Offer may result in holding odd lots of Shares. Accordingly, Ms. Susanne Yip of Funderstone Securities Holdings Limited, whose address is at Room 1802, Capital Centre, No. 151 Gloucester Road, Wanchai, Hong Kong (telephone number: (852) 2533 7302, office hours: 9:00 a.m. to 6:00 p.m.) has been appointed by the Offeror to match sales and purchases of odd lot holdings of Shares in the market for a period of six weeks following the closing of the Partial Offer to enable such Shareholders to dispose of their odd lots or to top up their odd lots to whole board lots. Shareholders should note that the matching of odd lots is not guaranteed.

Effect of accepting the Partial Offer

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

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

Based on the published information of the Offeree Company available to the public, as at the Latest Practicable Date there has been no dividend or distribution declared by the Offeree Company for the financial year ended 31 March 2024 and up to the Latest Practicable Date.

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

Settlement of consideration

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

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

LETTER FROM VBG CAPITAL

Hong Kong Stamp duty

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

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

Return of documents

If the Partial Offer does not become, or is not declared, unconditional in all respects within the time permitted by the Takeovers Code, or is withdrawn or lapses, the share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any indemnity or indemnities required in respect thereof) received by the Receiving Agent will be returned to persons who have accepted the Partial Offer by ordinary post at his/her own risk as soon as possible but in any event no later than seven (7) business days after the Partial Offer is withdrawn or lapsed.

If part of the Shares tendered by the Qualifying Shareholders are not taken up by the Offeror under the Partial Offer, the share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) for the Shares not taken up by the Offeror will be returned to persons who have accepted the Partial Offer by ordinary post at his/her own risk as soon as possible but in any event no later than seven (7) business days following the Final Closing Date.

Taxation advice

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

LETTER FROM VBG CAPITAL

Overseas Shareholders

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

As at the Latest Practicable Date, there are nine Overseas Shareholders located in the PRC. In the event that the receipt of the Offer Document by the Overseas Shareholders is prohibited by any relevant law or regulation or may only be effected after compliance with conditions or requirements that the Offeror regard as unduly onerous or burdensome (or otherwise not in the best interests of the Offeror), the Offer Document may not be despatched to such Overseas Shareholders. For that purpose, the Offeror will apply for a waiver pursuant to Note 3 to Rule 8 of the Takeovers Code at such time. Any such waiver will only be granted if the Executive is satisfied that it would be unduly burdensome to despatch the Offer Document to such Overseas Shareholders. In granting the waiver, the Executive will be concerned to see that all material information in the Offer Document is made available to such Overseas Shareholders. If any such waiver is granted by the Executive, the Offeror reserves the right to make arrangements in respect of such Overseas Shareholders in relation to the Partial Offer.

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

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

LETTER FROM VBG CAPITAL

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

Reference is made to the announcement of the Offeree Company dated 25 Sept 2024 in relation to the completion of subscription for new Shares under the general mandate based on the information disclosed by the Offeree Company, set out below is the shareholding structure of the Offeree Company as at the Latest Practicable Date and immediately upon completion of the Partial Offer (assuming there will be no other changes to the shareholding structure of the Offeree Company between the Latest Practicable Date and up to the Final Closing Date):

Name of shareholders of the Offeree Company	As at the Latest Practicable Date		Immediately upon completion of the Partial Offer assuming all Qualifying Shareholders tender 100% of their Shares for acceptance under the Partial Offer	
	Number of Shares	% (Note 8)	Number of Shares	% (Note 8)
Directors of the Offeree Company and its subsidiaries (Note 6)				
Mr. Chiu Sui Keung	14,014,200	1.03	13,313,490	0.98
Mr. Zhang Shaoyan	12,966,000	0.96	12,317,700	0.91
Ms. Qin Jiali	51,672,000	3.81	49,088,400	3.62
Mr. Zhao Zhenzhong	63,192,000	4.66	60,032,400	4.43
Mr. Guo Wei	41,392,000	3.05	39,322,400	2.90
Mr. Lam Williamson	436,200	0.03	414,390	0.03
Other directors of the subsidiaries of the Offeree Company	45,000,000	3.32	42,750,000	3.15
Ex-Directors				
Mr. Zhang Xiaobin (Note 2)	19,130,298	1.41	18,173,783	1.34
Mr. Gao Feng (Note 2)	50,351,506	3.71	47,833,931	3.53
Dr. Lam Lee G. (Note 3)	200,000	0.01	190,000	0.01
Mr. Cheng Wing Keung, Raymond (Note 4)	408,200	0.03	387,790	0.03
Mr. Wong Hoi Kuen (Note 4)	436,200	0.03	414,390	0.03
Substantial Shareholder				
China Innovation Investment Limited (Note 5)	226,000,000	16.66	214,700,000	15.83
Sub-total:	525,198,604	38.73	498,938,674	36.79
The Offeror and parties acting in concert with her (Note 7)	–	–	67,808,588	5.00
Public Shareholders	830,973,150	61.27	789,424,492	58.21
Total	<u>1,356,171,754</u>	<u>100.00</u>	<u>1,356,171,754</u>	<u>100.00</u>

LETTER FROM VBG CAPITAL

Notes:

- (1) The above shareholding structure of the Offeree Company was derived based on (i) the Offeree Company's announcement dated 13 September 2024 in respect of the proposed appointment of independent non-executive directors of the Offeree Company; (ii) the Offeree Company's announcement dated 25 September 2024 in respect of the completion of the Share Subscription, (iii) the Offeree Company's announcement dated 30 September 2024 in respect of the appointment of executive directors and non-executive director of the Offeree Company; and (iv) the record made of disclosures of interests in the Shares pursuant to Part XV of the SFO available on the website of the Stock Exchange.
- (2) Both Mr. Zhang Xiaobin and Mr. Gao Feng retired as executive directors of the Offeree Company with effect from 29 September 2023. They are no longer required to make disclosure of any change in shareholding of the Offeree Company as a director after 29 September 2023. Their respective shareholdings set out in the above table are derived from the announcement of the Offeree Company dated 25 September 2024.
- (3) Dr. Lam Lee G. resigned as an independent non-executive director of the Offeree Company with effect from 7 February 2024. He is no longer required to make disclosure of any change in shareholding of the Offeree Company as a director after 7 February 2024. His shareholding set out in the above table are derived from the announcement of the Offeree Company dated 25 September 2024.
- (4) Both Mr. Cheng Wing Keung, Raymond and Mr. Wong Hoi Kuen retired as an independent non-executive director of the Offeree Company with effect from 30 September 2024. They are no longer required to make disclosure of any change in shareholding of the Offeree Company as a director after 30 September 2024. Their respective shareholding set out in the above table are derived from the announcement of the Offeree Company dated 25 September 2024.
- (5) China Innovation Investment Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1217), became a substantial shareholder of the Offeree Company upon completion of the Share Subscription on 25 September 2024. For details, please refer to the announcement of the Offeree Company dated 25 September 2024.
- (6) Apart from the Shares held by the Directors, as at 30 September 2024, there were 22,351,795 options outstanding of which, (i) 5,651,282 Options were held by Mr. Chiu Sui Keung; (ii) 5,651,282 Options were held by Mr. Zhang Shaoyan; (iii) 565,128 Options were held by Mr. Cheng Wing Keung, Raymond; (iv) 565,128 Options were held by Mr. Lam Williamson, (v) 565,128 Options were held by Mr. Wong Hoi Kuen, and (vi) 9,353,847 Options were believed to be held by the Offeree Company's employees and others. The adjusted exercisable price of the aforementioned Options is HK\$0.564 per Share according to the annual report of the Offeree Company for the year ended 31 March 2024.
- (7) The Offeror will be a public Shareholder immediately upon completion of the Partial Offer. The Offeror does not have any relationship with the Directors, former Directors or the substantial shareholder of the Offeree Company, nor with the directors of the Offeree Company's subsidiaries, and they are not parties acting in concert with the Offeror.
- (8) Percentage figures are rounded to two decimal places, and certain percentage figures included in the above table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

LETTER FROM VBG CAPITAL

INFORMATION ON THE OFFEREE GROUP

The Offeree Company is an investment holding company incorporated in the Cayman Islands. The Offeree Group is principally engaged in the supply chain business for branded goods and consumer products in the Greater China region. The Offeree Group's core activities encompass a comprehensive range of brand digitisation services, such as brand management, brand promotion and brand supply chain, thereby establishing an integrated industry chain. In addition, the Offeree Company is also engaged in the supply chain, sales and marketing, and brand building of daily cleaning, anti-epidemic and licensed branded consumer goods.

The following table sets out a summary of certain audited financial information of the Offeree Group for the two years ended 31 March 2023 and 31 March 2024 as extracted from the annual report of the Offeree Company for the year ended 31 March 2024:

	Year ended 31 March	
	2023	2024
	HK\$'000	HK\$'000
	(audited)	(audited)
Revenue	238,840	184,086
Gross profit	1,867	31,860
Loss before tax	(22,849)	(23,761)
Loss for the year from continuing operations	(22,882)	(28,954)
Loss for the year	(25,236)	(30,908)
	As at 31 March	
	2023	2024
Net assets	25,612	52,235
Net assets attributable to the Shareholders	98,825	124,095

INFORMATION ON THE OFFEROR

The Offeror, aged 45, is a businesswoman based in Hong Kong and the PRC. The Offeror holds and has held senior positions in the pharmaceutical companies as set out below.

The Offeror has been a vice president of 真健康(廣東橫琴)醫療科技有限公司 (True Health (Guangdong Hengqin) Medical Technology Co., Ltd *) since March 2022, which is a medical surgical robot technology company that blends robotics and artificial intelligence, and acts as legal representatives of several of its subsidiaries. Since August 2012, she has also been the general manager of 廣州獅馬龍藥業有限公司 (Guangzhou Shi Ma Long Drug Co., Ltd*), a company which sells traditional Chinese medicinal oil and cream consumer products.

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Between 30 May 2013 and 30 April 2017, the Offeror was an executive director of China Biotech Services Holdings Limited (previously known as Rui Kang Pharmaceutical Group Investments Limited and Longlife Group Holdings Limited), a company listed on GEM of the Stock Exchange (stock code: 8037), and acted as its chief executive officer between 16 August 2013 and 30 April 2017. Save as disclosed above, the Offeror does not hold any current directorships or other positions in any other listed companies.

The Offeror graduated from the China Pharmaceutical University (中國藥科大學) with a bachelor's degree of Science in Pharmacy.

REASONS FOR THE PARTIAL OFFER

The Partial Offer is conducted as part of the Offeror's investment diversification efforts. She is familiar with the Offeree Group's supply chain business for branded goods and consumer products in the Greater China region, having been personally involved in, among others, consumer pharmaceutical and medicine businesses for over 20 years.

Notwithstanding the Offeree Group's loss-making financial performance in recent years, the Offeror is confident of the Offeree Group's business outlook and corporate development having considered (i) its improved financial position given its fund raising exercises in 2024; (ii) the improved gross profit margin in the recent financial year; and (iii) its initiative to expand its sales channels at various levels and to develop various value-added services such as brand building, management and promotion for brand owners (or their advertising agents) since 2023 as mentioned in its public announcements.

In the past six months including the suspension of trading from 2 October 2024 to 24 October 2024 (both dates inclusive), the monthly average daily closing price of the Shares as quoted on the Stock Exchange ranged from HK\$0.13 per Share to HK\$0.27 per Share and the average daily trading volume per month ranged from 589,420 Shares to 7,273,684 Shares, whilst the monthly average daily Volume Weighted Average Price ("VWAP"), calculated based on the daily highest price, lowest price and closing price and the trading volume of the Shares, ranged from HK\$0.13 per Share to HK\$0.27 per Share. Generally, trading in the Shares has been thin. The average daily trading volume to total number of issued Shares held by the public as at the Last Trading Day for each month is below 0.25% with the exception in June 2024, September 2024 and October 2024 of around or below 0.9% during the past six months. Given the fluctuation of trading volume, market price and VWAP of the Shares in the past six months, it would be difficult for the Offeror to build up such a sizeable stake of 5% in the Offeree Company at a constant price from the open market.

In addition, the Share price as at the Last Trading Day was quoted at only HK\$0.119 per Share, and the average closing price of the Shares was approximately HK\$0.13 per Share in September 2024 and October 2024. With reference to the average closing price of the Shares in the past six months (i.e. approximately HK\$0.21 per Share from May 2024 to October 2024), the Offeror believed the Share price was of good value. As such, the Offeror considers the Partial Offer to be an opportunity for her to acquire the Shares and obtain high potential returns in the future. The Offeror has considered the cost and time required to build up a 5.00% stake in the open market, given the illiquidity of the Shares over the past six months, it is not favourable for her to purchase such a stake in the open market.

LETTER FROM VBG CAPITAL

Taking into account her own financial resources needed for the Partial Offer, the Offeror considers that the Partial Offer represents a feasible mechanism for her to acquire a 5.00% stake in the Offeree Company. As a result, the Offeror will become the second largest shareholder of the Offeree Company upon completion of the Partial Offer.

PUBLIC FLOAT OF THE OFFEREE COMPANY

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

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

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

The Offeror intends the Offeree Company to remain listed on the Stock Exchange.

As at the date of this announcement, the Offeree Company has a public float of approximately 61.27% of the Shares in issue. Assuming (i) full acceptance of the Partial Offer by the Qualifying Shareholders; and (ii) that there are no changes to the issued share capital of the Offeree Company between the date of this announcement and up to the Final Closing Date, the Offeree Company will have a public float in excess of 25% of the Shares in issue immediately following the close of the Partial Offer. Accordingly, the number of Shares in public hands will continue to meet the 25% minimum public float requirement under Rule 8.08 of the Listing Rules.

ACCEPTANCE AND SETTLEMENT OF THE PARTIAL OFFER

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

COMPULSORY ACQUISITION

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

EFFECTS OF THE PROPOSED RIGHTS ISSUE ON THE PARTIAL OFFER

References are made to the Offeree Company's announcements (i) dated 30 September 2024 in relation to inside information on the conditional right issue at a discount; (ii) dated 24 October 2024 in relation to the possible conditional partial cash offer and the resumption of trading; and (iii) dated 25 October 2024 in relation to update on the possible conditional partial cash offer and the conditional rights issue at a discount (the "**Offeree Company's Announcements**").

LETTER FROM VBG CAPITAL

Based on the information available to the Offeror from the Offeree Company's Announcements, the Offeror has noted that (i) the Offeree Company had a proposal to issue Shares on the basis of one (1) rights share for every five (5) existing Shares of the Offeree Company at the subscription price of HK\$0.10 per rights Share ("**Proposed Rights Issue**") and (ii) the SFC has made a ruling and confirmed that Rule 4 of the Takeovers Code does not apply to the Proposed Rights Issue.

On the basis that the Condition is satisfied, and provided that (i) the Proposed Rights Issue is implemented based on the same offer structure and at the same subscription price, and (ii) the Offeror is recognised as an eligible shareholder as at the record date and is eligible to participate in the Proposed Rights Issue after completion of the Partial Offer, the Offeror will subscribe to any rights Shares provisionally allotted to her in the Proposed Rights Issue. In the event that the Proposed Rights Issue completes before the Partial Offer and the Offeror is not eligible to participate in the Proposed Rights Issue, the Offeror shall continue with the Partial Offer in the same offer size and under the same principle terms as set out in this Offer Document, and accordingly the ultimate shareholding of the Offeror upon completion of the Partial Offer may not reach 5.00%.

GENERAL

All documents and remittances will be sent to the Shareholders by ordinary post at their own risk. These documents and remittances will be sent to them at their respective addresses as they appear in the register of members, or, in case of joint holders to the Shareholder whose name appears first in the said register of members. None of the Offeror, parties acting in concert with her, VBG Capital and their respective ultimate beneficial owners, directors, advisers, agents or associates or any other person involved in the Partial Offer will be responsible for any loss or delay in transmission of such documents and remittances or any other liabilities that may arise as a result thereof.

ADDITIONAL INFORMATION

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

Yours faithfully,
For and on behalf of
VBG Capital Limited
Ringo Hui
Director

* *For identification purpose only*

1. GENERAL PROCEDURES FOR ACCEPTANCE OF THE PARTIAL OFFER

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

- (i) 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 in respect thereof) (if applicable) in respect of the Shares is/are in the name of the Qualifying Shareholder(s), and he/she/it wishes to accept the Partial Offer whether in full or in respect of part of his/her/its holding of the Shares, he/she/it should complete and return the accompanying Form of Acceptance in accordance with the instructions printed in this Offer Document and on the Form of Acceptance to the Receiving Agent, Boardroom Share Registrars (HK) Limited at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong. The instructions in this Offer Document should be read together with the instructions on the Form of Acceptance (which instructions form part of the terms of the Partial Offer).
- (ii) In order to be valid, the completed Form of Acceptance should be forwarded, together with the Share certificate(s), transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) for not less than the number of Shares in respect of which the relevant Qualifying Shareholder wishes to accept the Partial Offer, by post or by hand to the Receiving Agent, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, in an envelope marked “Elife Holdings Limited – Partial Offer” as soon as possible after receipt of the Form of Acceptance but in any event so as to reach the Receiving Agent by no later than 4:00 p.m. (Hong Kong time) on the Final Closing Date, or such later time and/or date as the Offeror may decide and announce and the Executive may approve.
- (iii) Unless the Partial Offer is extended (ii) or revised in accordance with the Takeovers Code, no Form of Acceptance received after the Final Closing Date will be accepted.
- (iv) If the Form of Acceptance is executed by a person other than the registered holder, appropriate documentary evidence of authority (e.g., a grant of probate or certified copy of a power of attorney) to the satisfaction of the Receiving Agent must be delivered to the Receiving Agent with the completed Form of Acceptance.
- (v) No acknowledgement of receipt of any Form of Acceptance, Share certificate(s), transfer receipt(s) or other document(s) of title (and/or any indemnity or indemnities in respect thereof) (if applicable) will be given.

- (vi) In relation to any acceptance(s) of the Partial Offer in respect of Shares held in CCASS, the Offeror reserves the right to make such alterations, additions or modifications to the terms of the Partial Offer as may be necessary or desirable to give effect to any purported acceptance of the Partial Offer, whether to comply with the facilities or requirements of CCASS or otherwise, provided such alterations, additions or modifications are consistent with the requirements of the Takeovers Code and any applicable laws and regulations or are otherwise made with the Executive's consent.

2. ACCEPTANCE OF THE PARTIAL OFFER

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

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

- A = the number of Offer Shares under the Partial Offer (i.e. 67,808,588 Offer Shares)
- B = the total number of Offer Shares validly tendered for acceptance by all Qualifying Shareholders under the Partial Offer
- C = the number of Offer Shares tendered for acceptance by the relevant individual Qualifying Shareholder under the Partial Offer

3. PARTIAL NATURE OF THE PARTIAL OFFER AND EFFECT OF FRACTIONS

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

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

4. NOMINEE HOLDINGS

- (a) If the Share certificate(s), transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) in respect of a Qualifying Shareholder's Share(s) is/are in the name of a nominee company or some name other than his/her/its own, and such Qualifying Shareholder wishes to accept the Partial Offer (either in full or in respect of part of his/her/its holding(s) of Shares), he/she/it must either:
- (a) lodge the Share certificate(s), transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) with the nominee company, or other nominee, with instructions authorising it to accept the Partial Offer on his/her/its behalf and requesting it to deliver the Form of Acceptance duly completed and signed together with the relevant Share certificate(s), transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) to the Receiving Agent, within such deadline (which may be earlier than the deadline specified under the Partial Offer) as may be stipulated by the nominee; or
 - (b) arrange for the Shares to be registered in his/her/its name by the Offeree Company through the Registrar, and send the Form of Acceptance duly completed and signed together with the relevant Share certificate(s), transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) to the Receiving Agent on or before 4:00 p.m. (Hong Kong time) on the Final Closing Date, or such later time and/or date as the Offeror may decide and announce and the Executive may approve; or
 - (c) where his/her/its Shares have been deposited in CCASS via his/her/its licensed securities dealer/broker/custodian bank, instruct his/her/its licensed securities dealer/broker/custodian bank to authorise HKSCC Nominees Limited to accept the Partial Offer on his/her/its behalf on or prior to the deadline set by HKSCC Nominees Limited or any other date as shall be determined by HKSCC Nominees Limited. In order to meet the deadline set by HKSCC Nominees Limited, that Qualifying Shareholder should check with his/her/its licensed securities dealer/broker/custodian bank for the timing on processing his/her/its instruction, and submit such instruction to his/her/its licensed securities dealer/broker/custodian bank as required by them; or
 - (d) if the Shares have been lodged with his/her/its investor participant account with CCASS, authorise his/her/its instruction via the CCASS phone system or CCASS internet system no later than one business day before the deadline set by HKSCC Nominees Limited or any other date as shall be determined by HKSCC Nominees Limited.

- (b) Qualifying Shareholders with a nominee holding of Shares should ensure that they undertake the above applicable course of action promptly to allow their nominee(s) sufficient time to complete the acceptance procedure on his/her/its behalf before the Final Closing Date, or such later time and/or date as the Offeror may decide and announce and the Executive may approve.

5. TIMING OF ACCEPTANCES UNDER THE PARTIAL OFFER

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

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

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

6. RECENT TRANSFERS

If a Qualifying Shareholder has lodged transfer(s) of Shares for registration in his/her/its name and has not yet received the Share certificate(s) and wishes to accept the Partial Offer, he/she/it should nevertheless complete and sign the Form of Acceptance and deliver it to the Receiving Agent together with the transfer receipt(s) duly signed by him/her/it. Such action will be deemed to be an irrevocable authority to the Offeror and/or VBG Capital and/or any of their respective agent(s) or such other person(s) as any of them may direct for the purpose of collecting from the Offeree Company or the Registrar on his/her/its behalf the relevant Share certificate(s) when issued and to deliver such Share certificate(s), subject to the terms of the Partial Offer, as if it was/they were delivered to the Receiving Agent with the Form of Acceptance.

7. LOST OR UNAVAILABLE SHARE CERTIFICATES

- (i) If the Share certificate(s), transfer receipt(s) and/or any other document(s) of title is/are not readily available and/or is/are lost and a Qualifying Shareholder wishes to accept the Partial Offer, the Form of Acceptance should nevertheless be completed, signed and delivered, together with a letter stating that he/she/it has lost one or more of his/her/its Share certificate(s) and/or transfer receipts and/or other document(s) of title or that it/they is/are not readily available, to the Receiving Agent so as to reach the Receiving Agent no later than 4:00 p.m. (Hong Kong time) on the First Closing Date, or such later time and/or date as the Offeror may decide and announce and the Executive may approve. If the Qualifying Shareholder finds such document(s) or if it/they become available, the relevant Share certificate(s), transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) should be forwarded to the Receiving Agent as soon as possible thereafter and in any event no later than 4:00 p.m. (Hong Kong time) on the First Closing Date, or such later time and/or date as the Offeror may decide and announce and the Executive may approve.

- (ii) In addition, if a Qualifying Shareholder has lost his/her/its Share certificate(s), transfer receipt(s) and/or any other document(s) of title, he/she/it should also write to the Registrar and request a letter of indemnity in respect of the lost Share certificate(s), transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (as the case may be) which, when completed in accordance with the instructions given, should be returned to the Receiving Agent, together with the Form of Acceptance and any Share certificate(s), transfer receipt(s) and/or any other document(s) of title which are available, to the Receiving Agent either by post or by hand, so as to arrive not later than 4:00 p.m. (Hong Kong time) on the First Closing Date or such later time and/or date as the Offeror may decide and announce and the Executive may approve. In such cases, the Qualifying Shareholder will be informed of the fees and/or expenses payable to the Receiving Agent for which he/she/it will be responsible. The Offeror shall have the absolute discretion to decide whether any Shares in respect of which the Share certificate(s), 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.

8. SETTLEMENT

- (i) Provided that the Partial Offer becomes or is declared unconditional in all respects and a duly completed Form of Acceptance and the relevant documents required to tender the relevant acceptance under the Partial Offer are received by the Receiving Agent by no later than 4:00 p.m. (Hong Kong time) on the Final Closing Date, or such later time and/or date as the Offeror may decide and announce and the Executive may approve, and are in good order in all respects and in accordance with the Takeovers Code, the Receiving Agent will send to the relevant accepting Shareholder by ordinary post, at his/her/its own risk, (a) a remittance for the amount due to him/her/it under the Partial Offer (taking into account any scaling down of his/her/its acceptance, seller's ad valorem stamp duty payable by the relevant accepting Shareholder and, if applicable, the fees payable to the Receiving Agent in respect of lost or unavailable Share certificates); and (b) (if applicable) any Share certificate(s) and/or any transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities in respect thereof) (if applicable) for Shares not taken up by the Offeror, in each case, as soon as possible but in any event no later than seven business days following the Final Closing Date.
- (ii) Settlement of the consideration to which any accepting Shareholder is entitled under the Partial Offer will be implemented in full in accordance with the terms of the Partial Offer (save with respect to payment of seller's ad valorem stamp duty as set out in paragraph above) 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.
- (iii) No fractions of a cent will be payable and the amount of cash consideration payable to an accepting Shareholder will be rounded up to the nearest cent.
- (iv) If the Partial Offer does not become, or is not declared, unconditional in all respects within the time permitted by the Takeovers Code, or is withdrawn or lapsed, the share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) received by the Receiving Agent will be returned to persons who have accepted the Partial Offer by ordinary post at his/her/its own risk as soon as possible but in any event no later than seven business days after the Partial Offer is withdrawn or lapsed.
- (v) If part of the Shares tendered by the Qualifying Shareholders are not taken up by the Offeror under the Partial Offer, the share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) for the Shares not taken up by the Offeror will be returned to persons who have accepted the Partial Offer by ordinary post at his/her/its own risk as soon as possible but in any event no later than seven business days following the Final Closing Date.

9. EFFECT OF ACCEPTING THE PARTIAL OFFER

Acceptance of the Partial Offer by any Qualifying Shareholder will constitute a warranty by such Qualifying Shareholder to the Offeror that the Shares sold by it to the Offeror under the Partial Offer are fully paid, free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights and benefits at any time accruing and attaching thereto, including all rights to any dividend or other distributions the record date of which falls on or after the Final Closing Date. Acceptance of the Partial Offer shall be irrevocable and shall not be capable of being withdrawn, except as permitted under the Takeovers Code.

(i) Right of withdrawal

The Form of Acceptance which has been duly completed and received by the Receiving Agent will constitute irrevocable acceptance of the Partial Offer in respect of the number of the Shares inserted in the Form of Acceptance and subject to the terms and conditions set out in this Offer Document, except in compliance with Rule 17 of the Takeovers Code, which provides that an acceptor of the Partial Offer shall be entitled to withdraw his/her/its acceptance after 21 days from the First Closing Date if the Partial Offer has not by then become unconditional as to acceptances.

Furthermore, Rule 19.2 of the Takeovers Code relates to failure to announce the results of the Partial Offer as set out in the section headed “Announcements” in this Appendix and provides that the Executive may require that accepting Shareholders be granted a right of withdrawal, on terms acceptable to the Executive, until the requirements of Rule 19 of the Takeovers Code can be met.

If acceptance of the Partial Offer is withdrawn by the accepting Shareholders with the consent of the Executive in accordance with the Takeovers Code, the Offeror shall, as soon as possible but in any event no later than seven business days thereof, return the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) in respect of such number of Shares lodged with the Form of Acceptance to the relevant accepting Shareholder(s) by ordinary post.

(ii) Representations and warranties

If the Qualifying Shareholder is a resident or a citizen outside Hong Kong, he/she/it hereby represents and warrants that (i) all local laws and requirements in connection with such acceptance have been complied with and (ii) the Partial Offer can be accepted by such Qualifying Shareholder under the laws and regulations of the relevant jurisdiction and such acceptance shall be valid and binding in accordance with all applicable laws and regulations. If the Qualifying Shareholders are in doubt with the relevant requirement, Qualifying Shareholders should consult their professional advisers.

(iii) Appointment and authority

Due execution of the Form of Acceptance constitutes an irrevocable instruction to the Offeror or VBG Capital, or such other person as any of them may direct to complete and execute the Form of Acceptance and/or any other document on behalf of the person accepting the Partial Offer and to do any other acts or things (such as, among others, due execution of instruments of transfer to effect transfers of Shares accepted by the Qualifying Shareholders pursuant to the Partial Offer to the Offeror and to tender the relevant Share certificate(s) for cancellation) as may be necessary, expedient or desirable for the purpose of the Offeror to acquire some or all of the Shares (as the Offeror may in its absolute discretion determine in accordance with the formula as set out in the section headed “Acceptance of the Partial Offer” in this Appendix in respect of which such person has accepted the Partial Offer).

(iv) Undertakings

By executing the Form of Acceptance, he/she/it:

- (a) undertakes to deliver to the Receiving Agent the share certificate(s), transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) in respect of the Shares for which the Partial Offer is accepted, or an indemnity or indemnities acceptable to the Offeror in lieu thereof, or to procure the delivery of such document(s) to the Receiving Agent as soon as possible thereafter and, in any event, no later than 4:00 p.m. (Hong Kong time) on the Final Closing Date, or such later time and/or date as the Offeror may decide and announce and the Executive may approve;
- (b) undertakes to do all such acts and things and execute all such deeds and documents as may be necessary to carry into effect or to give legal effect to his/her/its acceptance of the Partial Offer, including, without limitation, to sell any Shares in respect of which he/she/it has accepted the Partial Offer free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights and benefits at any time accruing and attaching thereto, including all rights to any dividend or other distributions the record date of which falls on or after the Final Closing Date.

(v) General

- (a) The provisions of the Form of Acceptance and the other terms and conditions in this Offer Document are deemed to be incorporated into the terms and conditions of the Partial Offer.

- (b) The Offeror or such other person as the Offeror may direct is authorised to despatch by post the consideration to which the Qualifying Shareholder is entitled at his/her/its risk to the address of the registered Shareholder or the first named of joint registered Shareholders on the Register or, if different, to the name and address of the person as specified on the Form of Acceptance.
- (c) In making their decisions, the Qualifying Shareholders must rely on their own examination of the Offeree Group and the terms of the Partial Offer including the merits and risks involved. The contents of this Offer Document together with the Form of Acceptance, shall not be construed as any legal or business advice on the part of the Offeror, VBG Capital or their respective professional advisers. Shareholders should consult their own professional advisers for professional advice in relation to their decisions.
- (d) The Qualifying Shareholders may accept the Partial Offer by completing the Form of Acceptance in accordance with the instructions set out in the Form of Acceptance (which constitute part of the terms of the Partial Offer). A Form of Acceptance may be rejected as invalid if the procedures contained in this Offer Document and in the Form of Acceptance are not complied with.
- (e) The Partial Offer and all acceptances of it, the Form of Acceptance and all contracts made pursuant to the Partial Offer, and all action taken or made or deemed to be taken or made pursuant to these terms will be governed by and construed in accordance with Hong Kong laws. Delivery of a Form of Acceptance will constitute submission to the non-exclusive jurisdiction of the Hong Kong courts.
- (f) The accidental omission to despatch, or the failure of any person to receive this Offer Document or the Form of Acceptance will not invalidate any aspect of the Partial Offer. Extra prints of these documents are available to any Qualifying Shareholder at the office of the Receiving Agent during the period from the date of this Offer Document to the Final Closing Date (both days inclusive), between 9:00 a.m. and 4:00 p.m. (Hong Kong time) from Monday to Friday (other than public holidays), and on the Stock Exchange's website at www.hkexnews.hk.
- (g) The Offeror reserves the right, subject to the Takeovers Code, any applicable law or regulatory requirements and the requirements of the Executive, to amend the Offer Price or other terms of the Partial Offer. In the event of such amendment, a supplemental document and new Form of Acceptance will be despatched to the Qualifying Shareholders. Any revised Partial Offer will be kept open for at least 14 days following the date on which the revised offer document is posted. If in the course of the Partial Offer, the Offeror revises the terms of the Partial Offer, all Qualifying Shareholders, whether they have accepted the Partial Offer or not, will be entitled to the revised terms.

- (h) The right of acceptance of the Partial Offer is personal to the Qualifying Shareholders and is not capable of being assigned or renounced in favour of others or otherwise transferred by the Qualifying Shareholders.
- (i) Subject to (a) the terms of the Partial Offer as set out in this Offer Document; (b) the provisions of the Takeovers Code; and (c) any requirements of the Executive, the Offeror shall determine the calculation of the number of Shares to be taken up by the Offeror from each accepting Shareholder, the Offer Price to be paid therefor, whether an acceptance tendered fully complies with the terms of the Partial Offer and all other questions as to the validity, form and eligibility (including the time of receipt) of an acceptance (provided that this is determined consistently with the requirement of the Takeovers Code or otherwise with the Executive's consent). In the absence of manifest error, such a determination by the Offeror shall be conclusive.
- (j) All communications, notices, the Form of Acceptance, Share certificate(s), transfer receipt(s), other document(s) of title (and/or any indemnity or indemnities in respect thereof) and remittances to be delivered or sent by, to or from any Shareholders will be delivered or sent by, to and from them, or their designated agents, at their own risks and none of the Offeror, VBG Capital, the Receiving Agent or any of their respective directors or professional advisers or any other person involved in the Partial Offer accepts any liability for any loss or any other liabilities whatsoever which may arise as a result.

10. OVERSEAS SHAREHOLDERS

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

In the event that the receipt of the Offer Document by the Overseas Shareholders is prohibited by any relevant law or regulation or may only be effected after compliance with conditions or requirements that the Offeror regard as unduly onerous or burdensome (or otherwise not in the best interests of the Offeror), the Offer Document may not be despatched to such Overseas Shareholders. For that purpose, the Offeror will apply for a waiver pursuant to Note 3 to Rule 8 of the Takeovers Code at such time. Any such waiver will only be granted if the Executive is satisfied that it would be unduly burdensome to despatch the Offer Document to such Overseas Shareholders. In granting the waiver, the Executive will be concerned to see that all material information in the Offer Document is made available to such Overseas Shareholders. If any such waiver is granted by the Executive, the Offeror reserves the right to make arrangements in respect of such Overseas Shareholders in relation to the Partial Offer.

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

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

11. HONG KONG STAMP DUTY

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

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

12. TAXATION ADVICE

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

13. ANNOUNCEMENTS

The announcement of the results of the Partial Offer will be issued by the Offeror and posted on the website of the Stock Exchange by 7:00 p.m. on the day when the Partial Offer has become or been declared unconditional in all respects (if such date is prior to the First Closing Date) or on the First Closing Date, as the case may be, and on the Final Closing Date. Such announcement will comply with the disclosure requirements under Rule 19.1 and Note 7 to Rule 19 of the Takeovers Code and will include, among other things, the results of the Partial Offer and details of the way in which each accepting Shareholder's pro-rata entitlement was determined. In any announcement of an extension of the Partial Offer, either the next closing date must be stated or, if the Partial Offer is unconditional in all respects, a statement may be made that the Partial Offer will remain open for acceptance for 14 days thereafter in accordance with the Takeovers Code. The Offeror cannot extend the Final Closing Date to a day beyond the 14th day after the First Closing Date pursuant to Rule 28.4 of the Takeovers Code.

The results announcements shall specify the total number of Shares: (i) for which acceptances of the Partial Offer have been received; (ii) held, controlled or directed by the Offeror or parties acting in concert with it before the Offer Period; and (iii) acquired or agreed to be acquired during the Offer Period by the Offeror or any parties acting in concert with it.

The results announcements must include the details of the way in which each of the accepting Shareholder's pro-rata entitlement was/is to be determined in compliance with Note 7 to Rule 19 of the Takeovers Code.

The results announcements must include details of any relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Offeree Company which the Offeror or any parties acting in concert with it has borrowed or lent, save for any borrowed Shares which have been either on-lent or sold.

The results announcements shall include the percentages of the relevant classes of share capital of the Offeree Company, and the percentages of voting rights, represented by these numbers.

If the Offeror, any 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.

As required under the Takeovers Code and the Listing Rules, all announcements in relation to the Partial Offer in respect of which the Executive and the Stock Exchange have confirmed that they have no further comments thereon, will be published on the website of the Stock Exchange.

APPENDIX II GENERAL INFORMATION RELATING TO THE OFFEROR

1. RESPONSIBILITY STATEMENT

The Offeror accepts full responsibility for the accuracy of the information contained in this Offer Document and confirms, having made all reasonable inquiries, that to the best of her knowledge, opinions expressed in this Offer Document have been arrived at after due and careful consideration and there are no other facts not contained in this Offer Document, the omission of which would make any statements in this Offer Document misleading.

The information relating to the Offeree Group in this Offer Document has been extracted from or based on the published information of the Offeree Company. The only responsibility accepted by the Offeror in respect of such information is for the correctness and fairness of the extraction of such information and/or its reproduction or presentation.

2. MARKET PRICES

The table below shows the closing price per Share as quoted on the Stock Exchange on (a) the Latest Practicable Date; (b) the Last Trading Day; and (c) the last trading day of each of the calendar months during the Relevant Period.

Date	Closing price per Share (HK\$)
30 April 2024	0.219
31 May 2024	0.235
28 June 2024	0.31
31 July 2024	0.215
30 August 2024	0.193
30 September 2024	0.111
31 October 2024	0.109
1 November 2024 (Last Trading Day)	0.119
Latest Practicable Date	0.112

During the Relevant Period, the highest closing price of the Shares quoted on the Stock Exchange was HK\$0.350 per Share on 2 July 2024 and 3 July 2024, and the lowest closing price of the Shares quoted on the Stock Exchange was HK\$0.073 per Share on 17 September 2024.

3. INTERESTS IN SECURITIES OF THE OFFEREE COMPANY

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

4. DEALING IN SECURITIES OF THE OFFEREE COMPANY

During the Relevant Period, none of the Offeror or parties acting in concert with her has dealt in any Shares, options, derivatives, warrants or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Offeree Company.

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

- (i) none of the Offeror or parties acting in concert with her has received any irrevocable commitment to accept the Partial Offer;
- (ii) there is no outstanding derivative in respect of securities in the Offeree Company which has been entered into by the Offeror or parties acting in concert with her;
- (iii) there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code between any person and the Offeror and/or parties acting in concert with her;
- (iv) there is no agreement or arrangement to which the Offeror or any of the parties acting in concert with her is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Partial Offer;
- (v) none of the Offeror or parties acting in concert with her has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Offeree Company;
- (vi) other than the Offer Price under the Partial Offer, there is no other consideration, compensation or benefit in whatever form paid or to be paid by the Offeror or parties acting in concert with her in connection with the Partial Offer;
- (vii) there is no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (1) any Shareholder; and (2) the Offeror and/or parties acting in concert with her;
- (viii) there is no agreement, arrangement or understanding that the securities in the Offeree Company acquired in pursuance of the Partial Offer would be transferred, charged or pledged to any other persons;
- (ix) there was no benefit given or to be given to any Directors as compensation for loss of office or otherwise in connection with the Partial Offer; and
- (x) there was no agreement, arrangement or understanding (including any compensation arrangement) existing between the Offeror or its concert parties and any Directors, recent Directors, Shareholders or recent Shareholders having any connection with or dependent upon the Partial Offer.

APPENDIX II GENERAL INFORMATION RELATING TO THE OFFEROR

5. EXPERT AND CONSENT

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

Name	Qualifications
VBG Capital	a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, VBG Capital has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion therein of its letter, opinion or advice and the references to its name, logo and/or its qualifications included herein in the form and context in which it appears.

6. MISCELLANEOUS

As at the Latest Practicable Date,

- (i) The correspondence address of the Offeror is Flat B05, 12/F, Man Foong Industrial Building, 7 Cheung Lee Street, Chai Wan, Hong Kong.
- (ii) The registered office of VBG Capital is at 21/F, Grand Millennium Plaza, 181 Queen's Road Central, Hong Kong.
- (iii) The English text of this Offer Document and the accompanying Form of Acceptance shall prevail over their respective Chinese texts, in case of any inconsistency.

7. DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents are published on the website of the SFC (www.sfc.hk) from the date of this Offer Document up to and including the Final Closing Date:

- (a) the letter from VBG Capital, the text of which is set out in this Offer Document;
- (b) the written consents referred to in the paragraph headed "Expert and Consent" in this Appendix II; and
- (c) this Offer Document and the accompanying Form of Acceptance.