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## THIS COMPOSITE DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

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

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

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### EVER PERSIST HOLDINGS LIMITED

永續控股有限公司

(Incorporated in the British Virgin Islands  
with limited liability)

### NOVACON TECHNOLOGY GROUP LIMITED

連成科技集團有限公司

(Incorporated in the Cayman Islands  
with limited liability)

(Stock Code: 8635)

## COMPOSITE DOCUMENT RELATING TO MANDATORY UNCONDITIONAL CASH OFFER BY GOLDLINK SECURITIES LIMITED FOR AND ON BEHALF OF EVER PERSIST HOLDINGS LIMITED TO ACQUIRE ALL THE ISSUED SHARES OF NOVACON TECHNOLOGY GROUP LIMITED (OTHER THAN THOSE ALREADY OWNED AND/OR AGREED TO BE ACQUIRED BY THE OFFEROR AND PARTIES ACTING IN CONCERT WITH IT)

Joint Financial Advisers to the Offeror



**MESSIS 大有融資**

Offer Agent to the Offeror



Independent Financial Adviser to the Independent Board Committee



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

A letter from Goldlink Securities containing, among other things, details of the terms of the Offer, is set out on pages 10 to 20 of this Composite Document.

A letter from the Board is set out on pages 21 to 27 of this Composite Document. A letter from the Independent Board Committee is set out on pages 28 to 29 of this Composite Document. A letter from the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Independent Shareholders, is set out on pages IFA-1 to IFA-34 of this Composite Document.

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

Form of Acceptance of the Offer must be received by the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:00 p.m. on Tuesday, 29 April 2025 (Hong Kong time) (or such later time and/or date as the Offeror may determine and the Offeror and the Company may jointly announce with the consent of the Executive in accordance with the Takeovers Code).

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

This Composite Document will remain on the websites of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.novacontechgroup.com](http://www.novacontechgroup.com) as long as the Offer remains open.

8 April 2025

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## CHARACTERISTICS OF GEM

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

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

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*Accompanying Document – Form of Acceptance*

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## EXPECTED TIMETABLE

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*The expected timetable set out below is indicative only and may be subject to changes. Further announcement(s) will be made in the event of any changes to the timetable as and when appropriate. All time and date references contained in this Composite Document and the accompanying Form of Acceptance refer to Hong Kong time and dates.*

Event	Time & Date
	2025
Despatch date of this Composite Document and the accompanying Form of Acceptance (Note 1)	Tuesday, 8 April
Offer opens for acceptance (Note 1)	Tuesday, 8 April
Latest time and date for acceptance of the Offer (Notes 2, 3 and 5)	by 4:00 p.m. on Tuesday, 29 April
Closing Date (Notes 3 and 5)	Tuesday, 29 April
Announcement of the results of the Offer (or its extension or revision, if any) on the website of the Stock Exchange (Notes 3 and 5)	no later than 7:00 p.m. on Tuesday, 29 April
Latest date for posting of remittances in respect of valid acceptances received under the Offer (Notes 4 and 5)	Monday, 12 May

*Notes:*

1. The Offer, which is unconditional in all respects, is made on the date of posting of this Composite Document, and is capable of acceptance on and from that date until 4:00 p.m. on the Closing Date, unless the Offeror decides to revise or extend the Offer in accordance with the Takeovers Code. Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, except in the circumstances set out in the paragraph headed “6. Right of Withdrawal” in Appendix I to this Composite Document.
2. Beneficial owners of Shares who hold their Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements (as set out in the paragraph headed “1. General Procedures for Acceptance of the Offer” in Appendix I to this Composite Document) for causing instructions to be made to CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures.
3. In accordance with the Takeovers Code, the Offer must initially be open for acceptance for at least 21 days after the date of this Composite Document. The latest time and date for acceptance of the Offer is 4:00 p.m. on Tuesday, 29 April 2025 unless the Offeror revises or extends the Offer in accordance with the Takeovers Code. An announcement will be issued jointly by the Offeror and the Company through the website of the Stock Exchange by 7:00 p.m. on the Closing Date stating whether the Offer has been extended, revised or expired. In the event that the Offeror decides to revise or extend the Offer, all Independent Shareholders, whether or not they have already accepted the Offer, will be entitled to accept the revised Offer under the revised terms. The revised Offer must be kept open for at least 14 days after the date of the revised offer document(s) and shall not close earlier than the Closing Date.

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## EXPECTED TIMETABLE

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4. Remittances in respect of the cash consideration (after deducting the seller's ad valorem stamp duty) payable for the Offer Shares tendered under the Offer will be despatched to the Independent Shareholders accepting the Offer by ordinary post at their own risk as soon as possible, but in any event no later than seven (7) Business Days after the date of receipt by the Registrar of all relevant documents required to render such acceptance complete and valid in accordance with the Takeovers Code.
5. If there is a tropical cyclone warning signal number 8 or above, or a "black rainstorm warning signal" or "extreme conditions" as announced by the Hong Kong Government:
  - (a) in force in Hong Kong at any local time before 12:00 noon but no longer in force at or after 12:00 noon on the latest date for acceptance of the Offer under Rule 15.1 of the Takeovers Code, any publication date of a closing announcement under Rule 19.1 of the Takeovers Code or the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances, these dates, as the case may be, will remain on the same Business Day; or
  - (b) in force in Hong Kong at any local time at 12:00 noon and/or thereafter on the latest date for acceptance of the Offer under Rule 15.1 of the Takeovers Code, any publication date of a closing announcement under Rule 19.1 of the Takeovers Code or the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances, these dates, as the case may be, will be rescheduled to the following Business Day which does not have any of those warnings or condition in force in Hong Kong at any local time at 12:00 noon and/or thereafter or such other day as the Executive may approve in accordance with the Takeovers Code.

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

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## IMPORTANT NOTICE

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### NOTICE TO THE OVERSEAS SHAREHOLDERS

The making of the Offer to persons with a registered address in jurisdictions outside Hong Kong may be prohibited or affected by the laws or regulations of the relevant jurisdictions. Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should inform themselves about and observe any applicable legal and regulatory requirements and, where necessary, seek legal advice in respect of the Offer.

It is the responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdiction in connection with the acceptance of the Offer, including the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required or the compliance with other necessary formalities, legal and/or regulatory requirements and the payment of any issue, transfer, cancellation or other taxes and duties due by such Overseas Shareholders in respect of the acceptance of the Offer in such jurisdictions.

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

The Offeror and the parties acting in concert with it, the Company, Goldlink Capital, Messis Capital, Goldlink Securities, the Independent Financial Adviser, the Registrar or any of their respective ultimate beneficial owners, directors, officers, agents, advisers and associates and any other person involved in the Offer shall be entitled to be fully indemnified and held harmless by the Overseas Shareholders for any taxes or duties as such persons may be required to pay. Please see the paragraphs headed “Availability of the Offer” in the “Letter from Goldlink Securities” and “7. Overseas Shareholders” in Appendix I to this Composite Document for further details.

### CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

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

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## DEFINITIONS

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

“Acquisition”	the acquisition of an aggregate of 300,000,000 Sale Shares by the Offeror from the Selling Shareholders pursuant to the Sale and Purchase Agreement, which was completed on 13 March 2025
“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Board”	the board of Directors
“Business Day”	a day on which the Stock Exchange is open for the transaction of business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Closing Date”	Tuesday, 29 April 2025, being the closing date of the Offer, which is at least 21 days after the date of this Composite Document, or if the Offer is extended, any subsequent closing date of the Offer as may be determined by the Offeror and jointly announced by the Offeror and the Company in accordance with the Takeovers Code
“Company”	Novacon Technology Group Limited (連成科技集團有限公司), a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM of the Stock Exchange (stock code: 8635)
“Completion”	completion of the Acquisition

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## DEFINITIONS

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“Composite Document”	this composite offer and response document jointly issued by the Offeror and the Company to the Independent Shareholders in connection with the Offer in compliance with the Takeovers Code containing, among other things, details of the Offer (accompanied by the Form of Acceptance) and the respective letters of advice from the Independent Board Committee and the Independent Financial Adviser
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Consideration”	the purchase price for the Acquisition (being HK\$45,000,000 in aggregate and HK\$0.15 per Share)
“controlling shareholder”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“Encumbrances”	any lien, pledge, encumbrance, charge (fixed or floating), mortgage, third party claim, debenture, option, right of pre-emption, right to acquire, assignment by way of security, trust arrangement for the purpose of providing security or other security interests of any kind, including retention arrangements or other encumbrances and any agreement to create any of the foregoing
“Essential Strategy”	Essential Strategy Investments Limited, a company incorporated in the British Virgin Islands, which is legally, beneficially and wholly owned by Mr. Wei. Essential Strategy is one of the Selling Shareholders
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Expert Wisdom”	Expert Wisdom Holdings Limited, a company incorporated in the British Virgin Islands, which is legally, beneficially and wholly owned by Mr. Chung. Expert Wisdom is one of the Selling Shareholders



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## DEFINITIONS

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“Form of Acceptance”	the form of acceptance and transfer of the Offer Shares in respect of the Offer accompanying this Composite Document
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited
“Goldlink Capital”	Goldlink Capital (Corporate Finance) Limited, a corporation licensed by the SFC to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being one of the joint financial advisers to the Offeror in respect of the Offer
“Goldlink Securities”	Goldlink Securities Limited, a corporation licensed by the SFC to carry out Type 1 (dealing in securities) regulated activity under the SFO, being the agent making the Offer for and on behalf of the Offeror
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent board committee of the Board (comprising all of the three independent non-executive Directors, namely Mr. Moo Kai Pong, Mr. Lo Chi Wang and Ms. Ho Sze Man Kristie) which has been established to advise the Independent Shareholders in connection with the Offer and as to the acceptance of the Offer
“Independent Financial Adviser”	Dakin Capital Limited, a corporation licensed by the SFC to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in connection with the Offer
“Independent Shareholder(s)”	Shareholder(s) other than the Offeror and parties acting in concert with it (which include, Ms. Di)

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## DEFINITIONS

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“Independent Third Party(ies)”	party(ies) independent of and not connected with the Company and its connected persons
“Joint Announcement”	the announcement jointly published by the Offeror and the Company dated 18 March 2025 in relation to, among other things, the Offer pursuant to Rule 3.5 of the Takeovers Code
“Last Trading Day”	12 March 2025, being the last trading day of the Shares on GEM of the Stock Exchange immediately prior to the suspension of trading in the Shares with effect from 9:00 a.m. on Thursday, 13 March 2025, pending the publication of the Joint Announcement
“Latest Practicable Date”	3 April 2025, being the latest practicable date prior to the printing of this Composite Document for ascertaining certain information contained herein
“Messis Capital”	Messis Capital Limited, a corporation licensed by the SFC to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being one of the joint financial advisers to the Offeror in respect of the Offer
“Mr. Chung”	Mr. Chung Chau Kan, an executive Director and the chief executive officer of the Company
“Mr. Wei”	Mr. Wei Ming, a non-executive Director and the chairman of the Board
“Ms. Di”	Ms. Di Xiaoguang, the sole legal and beneficial owner and the sole director of the Offeror, and a party acting in concert with the Offeror
“Offer”	the mandatory unconditional cash offer by Goldlink Securities for and on behalf of the Offeror to acquire all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror and parties acting in concert with it) pursuant to Rule 26.1 of the Takeovers Code
“Offer Period”	has the meaning ascribed to it under the Takeovers Code, being the period commencing on 18 March 2025 (i.e. the date of the Joint Announcement), and ending on the Closing Date

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## DEFINITIONS

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“Offer Price”	the price of HK\$0.15 per Offer Share at which the Offer is made in cash
“Offer Share(s)”	all of the issued Share(s), other than those already owned and/or agreed to be acquired by the Offeror and parties acting in concert with it
“Offeror”	Ever Persist Holdings Limited (永續控股有限公司), a company incorporated in the British Virgin Islands with limited liability, which is legally, beneficially and wholly owned by Ms. Di
“Overseas Shareholder(s)”	Independent Shareholder(s) whose address(es), as shown on the register of members of the Company, is/are outside Hong Kong as at the Latest Practicable Date
“Registrar”	Tricor Investor Services Limited, the Hong Kong branch share registrar and transfer office of the Company, with its address at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Relevant Period”	the period from 18 September 2024, being the date falling six months preceding the commencement of the Offer Period, up to and including the Latest Practicable Date
“Sale and Purchase Agreement”	the sale and purchase agreement dated 13 March 2025 entered into between the Offeror and the Selling Shareholders in relation to the sale and purchase of the 300,000,000 Sale Shares
“Sale Share(s)”	the 300,000,000 Shares acquired by the Offeror from the Selling Shareholders pursuant to the Sale and Purchase Agreement, representing 75% of the total issued Shares as at the Latest Practicable Date
“Selling Shareholders”	Essential Strategy and Expert Wisdom, who held 52.5% and 22.5%, respectively, of the total number of issued Shares immediately before Completion. Immediately after Completion and as at the Latest Practicable Date, the Selling Shareholders ceased to hold and do not hold any issued Share
“SFC”	the Securities and Futures Commission of Hong Kong

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## DEFINITIONS

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“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed to it under the GEM Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent

\* *For identification purpose only*

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## LETTER FROM GOLDLINK SECURITIES

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Rooms 1805-6, 18/F, Alliance Building  
133 Connaught Road Central  
Sheung Wan, Hong Kong

8 April 2025

*To the Independent Shareholders:*

Dear Sir or Madam

**MANDATORY UNCONDITIONAL CASH OFFER BY  
GOLDLINK SECURITIES LIMITED FOR AND ON BEHALF OF  
EVER PERSIST HOLDINGS LIMITED  
TO ACQUIRE ALL THE ISSUED SHARES OF  
NOVACON TECHNOLOGY GROUP LIMITED  
(OTHER THAN THOSE ALREADY  
OWNED AND/OR AGREED TO BE ACQUIRED  
BY THE OFFEROR AND  
PARTIES ACTING IN CONCERT WITH IT)**

### INTRODUCTION

Reference is made to the Joint Announcement jointly published by the Offeror and the Company dated 18 March 2025 in relation to, among other things, the Acquisition and the Offer.

On 13 March 2025 (before trading hours), the Offeror (as purchaser) entered into the Sale and Purchase Agreement with the Selling Shareholders (as vendors) for the acquisition of an aggregate of 300,000,000 Shares, representing 75% of the total issued share capital of the Company as at the Latest Practicable Date, from the Selling Shareholders at a total Consideration of HK\$45,000,000 (equivalent to Consideration of HK\$0.15 per Share). The Consideration was discussed between the Selling Shareholders and the Offeror and was determined after arm's length negotiations between the parties, taking into account (i) the business and the historical financial performance and financial position of the Group. It was noted that the Group recorded a decreasing trend in net profit since the year ended 31 March 2021, and further recorded audited net loss of approximately HK\$23.0 million for the year ended 31 March 2024 and the audited consolidated net assets per Share was approximately HK\$0.266 as at 31 March 2024 and the unaudited consolidated net assets per Share as at 30 September 2024 was approximately HK\$0.247. It is noted that majority of closing prices of Shares were below the audited consolidated net assets per Share as at 31 March 2024 and the unaudited consolidated net assets per Share as at 30 September 2024 during the 12-month period prior to and up to the Last Trading Day; and (ii) the Company's historical liquidity and share prices performance traded on the Stock Exchange. During the 12-month period prior to the Last Trading Day, the closing price of the Shares on the Stock Exchange ranged from HK\$0.066 per Share to HK\$0.590 per Share, with an average closing price of the Shares of approximately HK\$0.113 per Share, and the trading volume of the Shares was thin with

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## LETTER FROM GOLDLINK SECURITIES

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the average daily trading volume of the Shares ranged from approximately 0.0002% to approximately 1.0418% of the total issued Shares for each of the respective month during the 12-month period prior to the Last Trading Day. It is noted that majority of prices of Shares were closed below the Offer Price during the 12-month period prior to and up to the Last Trading Day. Considering the recent market sentiment and the Offeror is willing to acquire all the Sale Shares in one tranche, the Selling Shareholders agreed to sell the Sale Shares to the Offeror at a discount price to the recent market price and net assets per Share. The total Consideration was fully settled on 13 March 2025 and Completion took place on the same day.

Immediately prior to Completion, none of the Offeror, the ultimate beneficial owner of the Offeror and the parties acting in concert with any of them held any Shares.

Immediately following Completion and as at the Latest Practicable Date, save for the 300,000,000 Shares, representing 75% of the total issued share capital of the Company, held by the Offeror, none of the Offeror, the ultimate beneficial owner of the Offeror and the parties acting in concert with any of them holds any Share.

Pursuant to Rule 26.1 of the Takeovers Code, upon Completion, the Offeror is required to make the mandatory unconditional cash offer to acquire all of the Shares in the issued share capital of the Company (other than those already owned and/or agreed to be acquired by the Offeror and parties acting in concert with it). Goldlink Securities is, on behalf of the Offeror, making the Offer in compliance with the Takeovers Code on the terms set out in this Composite Document.

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

The Independent Shareholders are strongly advised to consider carefully the information contained in the "Letter from the Board", the "Letter from the Independent Board Committee" and the "Letter from the Independent Financial Adviser", the accompanying Form of Acceptance and the appendices which form part of this Composite Document and to consult their professional advisers if in doubt before reaching a decision as to whether or not to accept the Offer.

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## LETTER FROM GOLDLINK SECURITIES

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### THE OFFER

Goldlink Securities, for and on behalf of the Offeror and in compliance with the Takeovers Code, is making the Offer on the following basis:

**For each Offer Share . . . . . HK\$0.15 in cash**

The Offer Price of HK\$0.15 per Offer Share under the Offer is equal to the price per Sale Share paid by the Offeror for the 300,000,000 Sale Shares under the Sale and Purchase Agreement.

The Offer is extended to all Shareholders other than the Offeror and parties acting in concert with it in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer shall be fully paid and free from all Encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of this Composite Document.

The Offer is unconditional in all respects when made.

**The Offeror confirms that the Offer Price is final and will not be increased.**

Immediately following Completion and as at the Latest Practicable Date, the Company had 400,000,000 Shares in issue, of which 300,000,000 Shares were held by the Offeror and parties acting in concert with it (representing 75% of the total issued share capital of the Company).

As at the Latest Practicable Date, there were no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company in issue other than the Shares.

As disclosed in the announcement of the Company dated 10 February 2025, the Board has resolved to declare an interim dividend of HK\$0.0625 per Share (the “**Interim Dividend**”), which amounts to HK\$25 million in total and would be payable out of the retained earnings of the Company. The Interim Dividend has been paid on 17 March 2025 to the Shareholders whose names appear on the register of members of the Company at the close of business on 24 February 2025. The Board confirms that, as at the Latest Practicable Date, (i) the Company had not declared any dividend or other distribution which remained unpaid; and (ii) it did not have any intention to make, declare or pay any future dividend/make other distributions on or before the close of the Offer. If, after the date of despatch of this Composite Document, any dividend or other distribution is made or paid in respect of the Offer Shares, the Offeror reserves the right to reduce the Offer Price by an amount equal to the gross amount of such dividend or other distribution received or receivable by the Shareholders pursuant to Note 3 to Rule 26.3 and Note 11 to Rule 23.1 of the Takeovers Code.

Further details of the terms of the Offer and the procedures for acceptance of the Offer are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

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## LETTER FROM GOLDLINK SECURITIES

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### Comparison of value of the Offer Price

The Offer Price of HK\$0.15 per Offer Share represents:

- (i) a discount of approximately 71.70% to the closing price of HK\$0.530 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 74.58% to the closing price of HK\$0.590 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 67.53% to the average closing price of HK\$0.462 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a discount of 60.00% to the average closing price of approximately HK\$0.375 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a discount of approximately 47.37% to the average closing price of approximately HK\$0.285 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day;
- (vi) a discount of approximately 43.61% to the audited consolidated net assets per Share of approximately HK\$0.266 as at 31 March 2024, which was calculated based on the audited consolidated net asset value attributable to owners of the Company of approximately HK\$106,332,000 as at 31 March 2024 (the date on which the latest audited financial results of the Group were made up) and 400,000,000 Shares in issue as at the Latest Practicable Date; and
- (vii) a discount of approximately 39.27% to the unaudited consolidated net assets per Share of approximately HK\$0.247 as at 30 September 2024, which was calculated based on the unaudited consolidated net asset value attributable to owners of the Company of approximately HK\$98,846,000 as at 30 September 2024 and 400,000,000 Shares in issue as at the Latest Practicable Date.

### Highest and lowest Share prices

During the Relevant Period, the highest closing price of the Shares quoted on the Stock Exchange was HK\$0.67 per Share on 25 March 2025 and the lowest closing price of the Shares quoted on the Stock Exchange was HK\$0.066 per Share during the period from 27 September 2024 to 2 October 2024.

### Value of the Offer

As at the Latest Practicable Date, the Company had 400,000,000 Shares in issue. On the basis of the Offer Price being HK\$0.15 per Offer Share, the total issued share capital of the Company would be valued at HK\$60,000,000.

Upon Completion and as at the Latest Practicable Date, save for the 300,000,000 Shares held by the Offeror, and assuming the Offer is accepted in full and assuming that



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## LETTER FROM GOLDLINK SECURITIES

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there is no change in the total issued share capital of the Company up to the close of the Offer, a total of 100,000,000 Shares (representing 25% of the total issued share capital of the Company as at the Latest Practicable Date) will be subject to the Offer and the Offer is valued at HK\$15,000,000 based on the Offer Price of HK\$0.15 per Offer Share.

### **Confirmation of financial resources available for the Offer**

The maximum payment obligations payable for the Offer shall be payable in cash. The Offeror intends to finance the maximum payment obligations payable for the Offer by its own financial resources. The maximum aggregate amount payable by the Offeror for the Offer would be HK\$15,000,000 based on the Offer Price of HK\$0.15 per Offer Share assuming full acceptance of the Offer.

Each of Goldlink Capital and Messis Capital, being the joint financial advisers to the Offeror in respect of the Offer, is satisfied that sufficient financial resources are and will remain available to the Offeror to satisfy the maximum payment obligations upon full acceptance of the Offer.

### **Effect of accepting the Offer**

Acceptance of the Offer by any Independent Shareholder will be deemed to constitute a warranty by such person that all Offer Shares sold by such person under the Offer are free from all Encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of the despatch of this Composite Document. The Board confirms that, as at the Latest Practicable Date, (i) the Company had not declared any dividend or other distribution which remained unpaid; and (ii) it did not have any intention to make, declare or pay any future dividend/make other distributions on or before the close of the Offer.

The Offer is unconditional in all respects when made and will not be conditional upon acceptances being received in respect of a minimum number of Offer Shares. Acceptance of the Offer shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code, details of which are set out in the paragraph headed "6. Right of Withdrawal" in Appendix I to this Composite Document.

### **Taxation advice**

Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, parties acting in concert with it, the Company, Goldlink Capital, Messis Capital, Goldlink Securities, the Independent Financial Adviser, and (as the case may be) their respective ultimate beneficial owners, directors, officers, agents, associates, professional advisers or any other person involved in the Offer accepts any responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

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## LETTER FROM GOLDLINK SECURITIES

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### **Hong Kong Stamp duty**

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

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

### **Payment**

Payment in cash in respect of acceptance of the Offer will be made as soon as possible but, in any event, no later than seven (7) Business Days after the date on which the duly completed acceptance of the Offer is received in accordance with Rule 20.1 of the Takeovers Code. Relevant document(s) evidencing title in respect of such acceptance must be received by or on behalf of the Offeror (or its agent) to render each such acceptance of the Offer complete and valid in accordance with Note 1 to Rule 30.2 of the Takeovers Code.

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

### **Dealing and interests in the Company's Securities**

Save for the Acquisition and the Sale Shares, none of the Offeror nor the parties acting in concert with it had dealt for value in nor owned, controlled or directed any Shares, options, derivatives, warrants or other securities convertible into Shares during the Relevant Period.

### **Availability of the Offer**

The Offeror intends to make the Offer available to all the Independent Shareholders. As the Offer to persons with a registered address in a jurisdiction outside Hong Kong may be affected by the laws of the relevant overseas jurisdictions, Independent Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice. Persons who are residents, citizens or nationals outside Hong Kong should inform themselves about and observe, at their own responsibility, any applicable laws, regulations, requirements and restrictions in their own jurisdictions in connection with the acceptance of the Offer, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with the other necessary formalities and the payment of any issue, transfer or other taxes due in respect of such jurisdiction.

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## LETTER FROM GOLDLINK SECURITIES

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Any acceptance by the Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholders to the Offeror that the local laws and requirements have been complied with and such acceptance shall be valid and binding in accordance with all applicable laws.

### INFORMATION OF THE GROUP

The Company is a company incorporated in the Cayman Islands on 7 February 2018 as an exempted company with limited liability. The Group is principally engaged in (i) development and provision of financial trading solutions; (ii) development and supply of resource allocation, planning, scheduling and management of software and services; and (iii) provision of bullion trading services. Further information on the Group is set out in the paragraph headed “Information on the Group” in the “Letter from the Board” as contained in this Composite Document. Financial Information on the Group is set out in Appendix II to this Composite Document.

### INFORMATION OF THE OFFEROR

The Offeror is a company incorporated in the British Virgin Islands with limited liability on 10 February 2025 for the purpose of holding the Shares. As at the Latest Practicable Date, the Offeror was legally, beneficially and wholly owned by Ms. Di who was also the sole director of the Offeror.

Ms. Di, aged 69, is the sole legal and beneficial owner and the sole director of the Offeror. She graduated from the Department of Chemistry of Peking University (北京大學) in the People’s Republic of China. She holds a degree of Master of Economics from Chuo University (中央大學) in Japan. Ms. Di has over 30 years of experience in business operations, corporate affairs and client management. She is currently a director of Kawasaki Sanko Kasei Co., Ltd., a company headquartered in Japan, which is principally engaged in plastic materials compounding business. Ms. Di also serves as a director managing the operations of the Hong Kong branch (K S K Hong Kong Limited (川崎三興化成香港有限公司)) and Shenzhen plant (Super Engineering Plastics (Shenzhen) Co., Ltd.\* (日超工程塑料(深圳)有限公司)) of the company.

Ms. Di, leveraging her extensive expertise in business operations, corporate affairs and client management, aims to explore new industry sectors through strategic investments. Also, Ms. Di considers that the Acquisition presents a compelling investment opportunity yield for long term growth of the Company.

By partnering with Ms. Di, the Company will have the opportunity to benefit from her profound experience in business operations and management to further enhance its competitive position in the rapidly evolving industry landscape in which the Group operates. In particular, the Company has been focusing on exploring new business opportunities and diversifying its source of revenue for both financial and non-financial markets. For instance, as set out in the Company’s interim report for the six months ended 30 September 2024, the Company has been re-developing the Asia-Pacific market using its financial trading solutions together with tailor-made customer relationship functions, and has established a subsidiary in Singapore in 2024 to explore business opportunities in the

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## LETTER FROM GOLDLINK SECURITIES

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Asia market. The Company is also allocating resources to develop non-financial information technology solution, namely resource planning and management software. Ms. Di's client management experience from multinational corporation headquartered in Japan will assist the Company in establishing and maintaining business relationships, including relationship with business partners in Japan (being the largest overseas market for the Group in terms of revenue contribution for the year ended 31 March 2024) and other overseas regions. Her expertise in stakeholder engagement, corporate governance and operational efficiency will further support the Company's strategic growth initiatives.

The Offeror and its ultimate beneficial owner were Independent Third Parties prior to Completion.

Immediately before Completion, none of the Offeror its ultimate beneficial owner, its director and the parties acting in concert with any of them held any Shares. Immediately after Completion and as at the Latest Practicable Date, none of the Offeror, the ultimate beneficial owner and director of the Offeror and the parties acting in concert with any of them held any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company, save for the 300,000,000 Shares acquired by the Offeror through the Acquisition.

### THE OFFEROR'S INTENTION ON THE GROUP

Following the close of the Offer, it is the intention of the Offeror that the Group will continue with its existing principal business for long-term purposes. The Offeror does not intend to introduce any major changes to the existing operations and business of the Group immediately after close of the Offer and will neither redeploy nor dispose of any of the assets (including fixed assets) of the Group other than in the ordinary course of business. As at the Latest Practicable Date, (i) the Offeror did not have any intention, understanding, negotiation, arrangement, and agreements (formal or informal, express or implied) to downsize or dispose of any existing business or assets of the Group; and (ii) no investment or business opportunity had been identified nor had the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to (a) the injection of any assets or business into the Group; or (b) the disposal of any assets or business of the Group.

Nevertheless, following the close of the Offer, the Offeror will conduct a detailed review on the existing principal operations and business, and the financial position of the Group for the purpose of formulating business plans and strategies for the Group's long-term business development and will explore other business opportunities for the Group. Subject to the results of the review, and should suitable investment or business opportunities arise, the Offeror may consider whether any assets and/or business acquisitions or disposals by the Group will be appropriate in order to enhance its growth. Any acquisition or disposal of the assets or business of the Group, if any, will be conducted in compliance with the GEM Listing Rules.

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## LETTER FROM GOLDLINK SECURITIES

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The Offeror intends to nominate new Directors to the Board and such appointments will not take effect earlier than the earliest time permitted under the Takeovers Code. It is currently intended that Ms. Di will be appointed as a Director, and the Offeror is in the course of identifying additional candidates for the Board. Any changes to the Board will be made in compliance with the Takeovers Code and the GEM Listing Rules. Further announcement(s) (including the biographies of the new Directors) will be made immediately after the appointments.

Save for the above, as at the Latest Practicable Date, the Offeror had no plan to make material changes to the employment of any employees or personnel of the Group. However, the Offeror reserves the right to make any changes that they deem necessary or appropriate to the benefit of the Group. Any changes to the members of the Board will be made in compliance with the Takeovers Code and the GEM Listing Rules.

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

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

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

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

The Company will make an application to the Stock Exchange for a temporary waiver from strict compliance with Rule 11.23(7) of the GEM Listing Rules in case less than 25% of the issued share capital of the Company will be held by the public upon the close of the Offer. Appropriate steps will be taken to ensure public float will be restored as soon as possible after the close of the Offer. The steps that the Offeror may take include but not limited to placing down or selling sufficient number of accepted Shares it acquired from the Offer to selected independent third parties or in the market. No arrangements had been confirmed or put in place as at the Latest Practicable Date. Further announcement(s) will be made in accordance with the requirements of the GEM Listing Rules and the Takeovers Code as and when appropriate. Further announcement(s) regarding the restoration of public float will be made by the Company as and when appropriate.

The Offeror intends the Company to remain listed on the Stock Exchange. Ms. Di (as the sole director of the Offeror and a new director to be appointed to the Board (subject to the nomination and appointment procedures of the Company)) has undertaken to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares.

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## LETTER FROM GOLDLINK SECURITIES

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### ACCEPTANCE AND SETTLEMENT

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

### COMPULSORY ACQUISITION

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

### GENERAL

This Composite Document has been prepared for the purposes of complying with the laws of Hong Kong, the Takeovers Code and the GEM Listing Rules and the information disclosed may not be the same as which would have been disclosed if this Composite Document had been prepared in accordance with the laws of jurisdictions outside Hong Kong.

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

Attention of the Overseas Shareholders is drawn to the paragraph headed “7. Overseas Shareholders” in Appendix I to this Composite Document. All communications, notices, Form of Acceptance, share certificate(s), transfer receipt(s), other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and remittances to settle the consideration payable under the Offer to be delivered by or sent to or from the Independent Shareholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk. None of the Offeror, parties acting in concert with it, the Company, Goldlink Capital, Messis Capital, Goldlink Securities, the Independent Financial Adviser, the Registrar or (as the case may be) their respective ultimate beneficial owners, directors, officers, agents and associates nor any other person involved in the Offer will be responsible for any loss or delay in postage or any other liabilities that may arise as a result thereof or in connection therewith. Further details have been set out in Appendix I to this Composite Document and in the accompanying Form of Acceptance.

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## LETTER FROM GOLDLINK SECURITIES

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### ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this Composite Document and the accompanying Form of Acceptance, which form part of this Composite Document. You are reminded to carefully read the “Letter from the Board”, the “Letter from the Independent Board Committee”, the “Letter from the Independent Financial Adviser” and other information about the Group, which are set out in this Composite Document and the accompanying Form of Acceptance before deciding whether or not to accept the Offer.

In considering what action to take in connection with the Offer, you should consider your own tax or financial position and if you are in any doubt, you should consult your professional advisers.

Yours faithfully  
For and on behalf of  
**Goldlink Securities Limited**  
**Vincent Cheung**  
*Responsible Officer*



**Novacon Technology Group Limited**  
**連成科技集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 8635)**

*Executive Directors:*

Mr. Chung Chau Kan (*Chief Executive Officer*)  
Mr. Wong Wing Hoi

*Non-executive Director:*

Mr. Wei Ming (*Chairman*)

*Independent non-executive Directors:*

Mr. Moo Kai Pong  
Mr. Lo Chi Wang  
Ms. Ho Sze Man Kristie

*Registered Office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

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

Office E, 17th Floor,  
EGL Tower,  
No. 83 Hung To Road,  
Kwun Tong, Kowloon,  
Hong Kong

8 April 2025

*To the Independent Shareholders*

Dear Sirs,

**MANDATORY UNCONDITIONAL CASH OFFER  
BY GOLDLINK SECURITIES LIMITED  
FOR AND ON BEHALF OF EVER PERSIST HOLDINGS LIMITED  
TO ACQUIRE ALL THE ISSUED SHARES OF  
NOVACON TECHNOLOGY GROUP LIMITED  
(OTHER THAN THOSE ALREADY OWNED AND/OR AGREED  
TO BE ACQUIRED BY THE OFFEROR AND PARTIES ACTING IN  
CONCERT WITH IT)**

**INTRODUCTION**

Reference is made to the Joint Announcement.

On 13 March 2025 (before trading hours), the Offeror (as purchaser) entered into the Sale and Purchase Agreement with the Selling Shareholders (as vendors) for the acquisition of an aggregate of 300,000,000 Shares, representing 75% of the total issued share capital of the Company as at the Latest Practicable Date, from the Selling Shareholders at a total Consideration of HK\$45,000,000 (equivalent to Consideration of HK\$0.15 per Share). The Consideration was discussed between the Selling Shareholders and the Offeror and was determined after arm's length negotiations between the parties, taking into account (i) the business and the historical financial performance and financial



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## LETTER FROM THE BOARD

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position of the Group. It was noted that the Group recorded a decreasing trend in net profit since the year ended 31 March 2021, and further recorded audited net loss of approximately HK\$23.0 million for the year ended 31 March 2024 and the audited consolidated net assets per Share was approximately HK\$0.266 as at 31 March 2024 and the unaudited consolidated net assets per Share as at 30 September 2024 was approximately HK\$0.247. It is noted that majority of closing prices of Shares were below the audited consolidated net assets per Share as at 31 March 2024 and the unaudited consolidated net assets per Share as at 30 September 2024 during the 12-month period prior to and up to the Last Trading Day; and (ii) the Company's historical liquidity and share prices performance traded on the Stock Exchange. During the 12-month period prior to the Last Trading Day, the closing price of the Shares on the Stock Exchange ranged from HK\$0.066 per Share to HK\$0.590 per Share, with an average closing price of the Shares of approximately HK\$0.113 per Share, and the trading volume of the Shares was thin with the average daily trading volume of the Shares ranged from approximately 0.0002% to approximately 1.0418% of the total issued Shares for each of the respective month during the 12-month period prior to the Last Trading Day. It is noted that majority of prices of Shares were closed below the Offer Price during the 12-month period prior to and up to the Last Trading Day. Considering the recent market sentiment and the Offeror is willing to acquire all the Sale Shares in one tranche, the Selling Shareholders agreed to sell the Sale Shares to the Offeror at a discount price to the recent market price and net assets per Share. The total Consideration was fully settled on 13 March 2025 and Completion took place on the same day.

The purpose of this Composite Document (of which this letter forms part) is to provide you with, among other things: (i) the information relating to the Group, the Offeror and parties acting in concert with it; (ii) the letter from Goldlink Securities containing, among others, the details of the Offer; (iii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Offer; and (iv) a letter of advice from the Independent Financial Adviser to the Independent Board Committee in respect of the Offer.

Terms used in this letter shall have the same meanings as those defined in this Composite Document unless the context otherwise requires.

### **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee, comprising all of the three independent non-executive Directors, namely Mr. Moo Kai Pong, Mr. Lo Chi Wang and Ms. Ho Sze Man Kristie, has been established to advise the Independent Shareholders as to whether the Offer is, or is not, fair and reasonable and to give a recommendation as to acceptance of the Offer. Mr. Wei, a non-executive Director, is the ultimate beneficial owner of Essential Strategy, one of the Selling Shareholders, and he is therefore not considered independent to be a member of the Independent Board Committee and has declared his interest to the Board accordingly.

Dakin Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in connection with the Offer and in particular as to whether the Offer is, or is not, fair and

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## LETTER FROM THE BOARD

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reasonable and as to their acceptance. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee.

You are advised to read the “Letter from the Independent Board Committee” to the Independent Shareholders, the “Letter from the Independent Financial Adviser” and the additional information contained in the appendices to this Composite Document before taking any action in respect of the Offer.

### THE OFFER

Goldlink Securities, for and on behalf of the Offeror and in compliance with the Takeovers Code, is making the Offer on the following basis:

**For each Offer Share . . . . . HK\$0.15 in cash**

The Offer Price of HK\$0.15 per Offer Share under the Offer is equal to the price per Sale Share paid by the Offeror for the 300,000,000 Sale Shares under the Sale and Purchase Agreement.

The Offer is extended to all Shareholders other than the Offeror and parties acting in concert with it in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer will be fully paid and free from all Encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of this Composite Document.

The Offer is unconditional in all respects when made and is not conditional upon acceptances being received in respect of a minimum number of Offer Shares.

The Offeror confirms that the Offer Price is final and will not be increased.

Immediately following Completion and as at the Latest Practicable Date, the Company had 400,000,000 Shares in issue, of which 300,000,000 Shares were held by the Offeror and parties acting in concert with it (representing 75% of the total issued share capital of the Company). As at the Latest Practicable Date, there were no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company in issue other than the Shares. As disclosed in the announcement of the Company dated 10 February 2025, the Board has resolved to declare an interim dividend of HK\$0.0625 per Share (the “**Interim Dividend**”), which amounts to HK\$25 million in total and would be payable out of the retained earnings of the Company. The Interim Dividend has been paid on 17 March 2025 to the Shareholders whose names appear on the register of members of the Company at the close of business on 24 February 2025. The Board confirms that, as at the Latest Practicable Date, (i) the Company had not declared any dividend or other distribution which remained unpaid; and (ii) it did not have any intention to make, declare or pay any future dividend/make other distributions on or before the close of the Offer. If, after the date of despatch of this Composite Document, any dividend or other distribution is made or paid in respect of the Offer Shares, the Offeror reserves the right to reduce the Offer Price by an amount equal to the gross amount of such dividend or other

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## LETTER FROM THE BOARD

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distribution received or receivable by the Shareholders pursuant to Note 3 to Rule 26.3 and Note 11 to Rule 23.1 of the Takeovers Code.

Further details regarding the Offer, including the terms and procedures for acceptance of the Offer are set out in the “Letter from Goldlink Securities” and Appendix I to this Composite Document and the accompanying Form of Acceptance.

### INFORMATION ON THE OFFEROR

Your attention is drawn to the section headed “Information of the Offeror” in the “Letter from Goldlink Securities” in this Composite Document for information on the Offeror.

### INFORMATION ON THE GROUP

The Company is a company incorporated in the Cayman Islands on 7 February 2018 as an exempted company with limited liability. The Group is principally engaged in (i) development and provision of financial trading solutions; (ii) development and supply of resource allocation, planning, scheduling and management of software and services; and (iii) provision of bullion trading services.

Set out below is a summary of the financial information of the Group for (i) the years ended 31 March 2022, 2023 and 2024 as extracted from the annual reports of the Company for the years ended 31 March 2022, 2023 and 2024; and (ii) the six months ended 30 September 2023 and 2024 as extracted from the interim reports of the Company for the six months ended 30 September 2023 and 2024:

	For the year ended 31 March			For the six months ended 30 September	
	2022	2023	2024	2023	2024
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
	(Audited)	(Audited)	(Audited)	(Unaudited)	(Unaudited)
Revenue	50,035	52,577	22,791	14,223	9,209
Profit/(loss) and total comprehensive income/(loss) for the year/period	11,221	5,710	(22,987)	(12,944)	(6,686)

As disclosed in the interim report of the Company for the six months ended 30 September 2024, the unaudited consolidated net assets of the Company as at 30 September 2024 was approximately HK\$98.8 million.

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

## LETTER FROM THE BOARD

### SHAREHOLDING STRUCTURE OF THE COMPANY

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

	Immediately before Completion		Immediately upon Completion and as at the Latest Practicable Date	
	<i>Number of Shares</i>	<i>Approximate % of issued Shares</i>	<i>Number of Shares</i>	<i>Approximate % of issued Shares</i>
<b>The Offeror and parties acting in concert with it</b>				
– The Offeror ( <i>Note 1</i> )	–	–	300,000,000	75.0
<b>Selling Shareholders</b>				
– Essential Strategy ( <i>Note 2</i> )	210,000,000	52.5	–	–
– Expert Wisdom ( <i>Note 3</i> )	90,000,000	22.5	–	–
<b>Sub-total</b>	<b>300,000,000</b>	<b>75.0</b>		
Public Shareholders	100,000,000	25.0	100,000,000	25.0
<b>Total</b>	<b>400,000,000</b>	<b>100.0</b>	<b>400,000,000</b>	<b>100.0</b>

*Notes:*

1. The Offeror is legally, beneficially and wholly owned by Ms. Di.
2. Essential Strategy, a company incorporated in the British Virgin Islands, is legally, beneficially and wholly owned by Mr. Wei. Mr. Wei is a non-executive Director and the chairman of the Board.
3. Expert Wisdom, a company incorporated in the British Virgin Islands, is legally, beneficially and wholly owned by Mr. Chung. Mr. Chung is an executive Director and the chief executive officer of the Company.
4. Save for Mr. Wei and Mr. Chung, who beneficially owned in aggregate 300,000,000 Shares immediately before Completion, none of the Directors held any Shares immediately before and following Completion and as at the Latest Practicable Date.
5. Certain percentage figures included in this table have been subject to rounding adjustments. Figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

### INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

Your attention is drawn to the section headed “The Offeror’s Intention on the Group” in the “Letter from Goldlink Securities” in this Composite Document. The Board is pleased to note that, as at the Latest Practicable Date, it is the intention of the Offeror that the Group will continue with its existing principal business for long-term purposes. The Offeror does not intend to introduce any major changes to the existing operations and

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## LETTER FROM THE BOARD

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business of the Group immediately after close of the Offer and will neither redeploy nor dispose of any of the assets (including fixed assets) of the Group other than in the ordinary course of business.

Nevertheless, following the close of the Offer, the Offeror will conduct a detailed review on the existing principal operations and business, and the financial position of the Group for the purpose of formulating business plans and strategies for the Group's long-term business development and will explore other business opportunities for the Group. Subject to the results of the review, and should suitable investment or business opportunities arise, the Offeror may consider whether any assets and/or business acquisitions or disposals by the Group will be appropriate in order to enhance its growth. Any acquisition or disposal of the assets or business of the Group, if any, will be conducted in compliance with the GEM Listing Rules.

As at the Latest Practicable Date, no investment or business opportunity had been identified nor had the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group.

The Offeror intends to nominate new Directors to the Board and such appointments will not take effect earlier than the earliest time permitted under the Takeovers Code. It is currently intended that Ms. Di will be appointed as a Director, and the Offeror is in the course of identifying additional candidates for the Board. Any changes to the Board will be made in compliance with the Takeovers Code and the GEM Listing Rules. Further announcement(s) (including the biographies of the new Directors) will be made immediately after the appointments.

Save for the above, as at the Latest Practicable Date, the Offeror had no intention to make material changes to the employment of employees or other personnel of the Group. However, the Offeror reserves the right to make any changes that they deem necessary or appropriate to the benefit of the Group. Any changes to the members of the Board will be made in compliance with the Takeovers Code and the GEM Listing Rules and further announcement(s) will be made as and when appropriate in accordance with the GEM Listing Rules.

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

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares (excluding treasury 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;

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

The Company will make an application to the Stock Exchange for a temporary waiver from strict compliance with Rule 11.23(7) of the GEM Listing Rules in case less

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## LETTER FROM THE BOARD

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than 25% of the issued share capital of the Company will be held by the public upon the close of the Offer. Appropriate steps will be taken to ensure public float will be restored as soon as possible after the close of the Offer. The steps that the Offeror may take include but not limited to placing down or selling sufficient number of accepted Shares it acquired from the Offer to selected independent third parties or in the market. No arrangements had been confirmed or put in place as at the Latest Practicable Date. Further announcement(s) will be made in accordance with the requirements of the GEM Listing Rules and the Takeovers Code as and when appropriate. Further announcement(s) regarding the restoration of public float will be made by the Company as and when appropriate.

The Offeror intends the Company to remain listed on the Stock Exchange. Ms. Di (as the sole director of the Offeror and a new director to be appointed to the Board (subject to the nomination and appointment procedures of the Company)) has undertaken to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares.

### RECOMMENDATION

Your attention is drawn to (i) the “Letter from the Independent Board Committee” as set out on page 28 to page 29 of this Composite Document which contains its recommendation to the Independent Shareholders as to whether the Offer is, or is not, fair and reasonable and as to their acceptance of the Offer; and (ii) the “Letter from the Independent Financial Adviser” as set out on pages IFA-1 to IFA-34 of this Composite Document which contains its advice to the Independent Board Committee in connection with the Offer and the principal factors considered by it in arriving at its advice.

### ADDITIONAL INFORMATION

Your attention is drawn to the additional information contained in the appendices to the Composite Document. Further details on the terms and the procedures for acceptance of the Offer are set out in Appendix I “Further Terms and Procedures of Acceptance of the Offer” to the Composite Document and the accompanying Form of Acceptance.

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

By order of the Board of  
**Novacon Technology Group Limited**  
**Wei Ming**  
*Chairman and non-executive Director*

**Novacon Technology Group Limited**  
**連成科技集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
(Stock Code: 8635)

8 April 2025

*To the Independent Shareholders*

Dear Sirs,

**MANDATORY UNCONDITIONAL CASH OFFER  
BY GOLDLINK SECURITIES LIMITED  
FOR AND ON BEHALF OF EVER PERSIST HOLDINGS LIMITED  
TO ACQUIRE ALL THE ISSUED SHARES OF  
NOVACON TECHNOLOGY GROUP LIMITED  
(OTHER THAN THOSE ALREADY OWNED AND/OR AGREED  
TO BE ACQUIRED BY THE OFFEROR AND PARTIES ACTING IN  
CONCERT WITH IT)**

**INTRODUCTION**

We refer to the Composite Document jointly issued by the Company and the Offeror dated 8 April 2025, of which this letter forms part. Unless the context otherwise requires, terms used in this letter shall have the same meanings as those defined in the Composite Document.

We have been appointed by the Company to form the Independent Board Committee to consider the Offer and to advise the Independent Shareholders as to, in our opinion, whether or not the Offer is fair and reasonable and to make recommendation in respect of acceptance of the Offer.

Dakin Capital Limited has been appointed as the Independent Financial Adviser with our approval to make recommendation to us in respect of the Offer and, in particular, whether the Offer is fair and reasonable and to make recommendation in respect of the acceptance of the Offer. Details of its advice and recommendation, together with the principal factors and reasons which it has considered before arriving at such recommendation, are set out in the “Letter from the Independent Financial Adviser” in this Composite Document.

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

Taking into account the terms of the Offer and the independent advice and recommendations from the Independent Financial Adviser, we consider that (i) THE OFFER IS NOT FAIR AND NOT REASONABLE so far as the Independent Shareholders are concerned; and (ii) the Independent Shareholders who would like to realise part or all

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## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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of their investments in the Shares, instead of accepting the Offer, selling their Shares in the open market if they wish so. Accordingly, we recommend the Independent Shareholders NOT TO ACCEPT THE OFFER.

The Independent Shareholders are recommended to read the full text of the section headed “Letter from the Independent Financial Adviser” set out in this Composite Document.

Yours faithfully,  
For and on behalf of  
the Independent Board Committee of  
**Novacon Technology Group Limited**

**Mr. Moo Kai Pong**  
*Independent non-executive  
Director*

**Mr. Lo Chi Wang**  
*Independent non-executive  
Director*

**Ms. Ho Sze Man Kristie**  
*Independent non-executive  
Director*



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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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*Set out below is the text of a letter received from Dakin Capital Limited, the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Offer prepared for the purpose of inclusion in this Composite Document.*



8 April 2025

*To: the Independent Board Committee and the Independent Shareholders of  
Novacon Technology Group Limited*

Dear Sirs,

**MANDATORY UNCONDITIONAL CASH OFFER BY  
GOLDLINK SECURITIES LIMITED FOR AND ON BEHALF OF  
EVER PERSIST HOLDINGS LIMITED  
TO ACQUIRE ALL THE ISSUED SHARES OF  
NOVACON TECHNOLOGY GROUP LIMITED  
(OTHER THAN THOSE ALREADY  
OWNED AND/OR AGREED TO BE ACQUIRED  
BY THE OFFEROR AND  
PARTIES ACTING IN CONCERT WITH IT)**

### INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer, details of which are set out in the Composite Document jointly issued by the Offeror and the Company to the Independent Shareholders dated 8 April 2025, of which this letter forms part. Unless otherwise stated, capitalised terms used in this letter shall have the same meanings as defined in the Composite Document.

On 13 March 2025 (before trading hours), the Offeror (as purchaser) entered into the Sale and Purchase Agreement with the Selling Shareholders (as vendors) for the acquisition of an aggregate of 300,000,000 Shares, representing 75% of the total issued Shares as at the Latest Practicable Date, from the Selling Shareholders at a total Consideration of HK\$45,000,000 (equivalent to the Consideration of HK\$0.15 per Share). The Consideration was discussed between the Selling Shareholders and the Offeror and was determined after arm's length negotiations between the parties, taking into account, (i) the business and the historical financial performance and financial position of the Group. It was noted that the Group recorded a decreasing trend in net profit since the year ended 31 March 2021, and further recorded audited net loss of approximately HK\$23.0 million for the year ended 31 March 2024 and the audited consolidated net assets per Share was approximately HK\$0.266 as at 31 March 2024 and the unaudited consolidated net assets per Share as at 30 September 2024 was approximately HK\$0.247. It is noted that majority of closing prices of Shares were below the audited consolidated net assets per Share as at 31 March 2024 and the unaudited consolidated net assets per Share as at 30

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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September 2024 during the 12-month period prior to and up to the Last Trading Day; and (ii) the Company's historical liquidity and share prices performance traded on the Stock Exchange. During the 12-month period prior to the Last Trading Day, the closing price of the Shares on the Stock Exchange ranged from HK\$0.066 per Share to HK\$0.590 per Share, with an average closing price of the Shares of approximately HK\$0.113 per Share, and the trading volume of the Shares was thin with the average daily trading volume of the Shares ranged from approximately 0.0002% to approximately 1.0418% of the total issued Shares for each of the respective month during the 12-month period prior to the Last Trading Day. It is noted that majority of prices of Shares were closed below the Offer Price during the 12-month period prior to and up to the Last Trading Day. Considering the recent market sentiment and the Offeror is willing to acquire all the Sale Shares in one tranche, the Selling Shareholders agreed to sell the Sale Shares to the Offeror at a discount price to the recent market price and net assets per Share. The total Consideration was fully settled on 13 March 2025 and Completion took place on 13 March 2025.

Immediately prior to Completion, none of the Offeror, the ultimate beneficial owner of the Offeror and the parties acting in concert with any of them held any Shares. Immediately following Completion and as at the Latest Practicable Date, save for the 300,000,000 Shares, representing 75% of the total issued Shares, held by the Offeror, none of the Offeror, the ultimate beneficial owner of the Offeror and the parties acting in concert with any of them holds any Share.

Pursuant to Rule 26.1 of the Takeovers Code, upon Completion, the Offeror is required to make the mandatory unconditional cash offer to acquire all of the Shares in the issued share capital of the Company (other than those already owned and/or agreed to be acquired by the Offeror and parties acting in concert with it).

Goldlink Securities, for and on behalf of the Offeror and in compliance with the Takeovers Code, is making the Offer at the offer price of HK\$0.15 per Offer Share in cash.

### INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, comprising all the three independent non-executive Directors, namely Mr. Moo Kai Pong, Mr. Lo Chi Wang and Ms. Ho Sze Man Kristie, has been formed in accordance with the Takeovers Code to advise the Independent Shareholders on whether the Offer is fair and reasonable, and give recommendation as to acceptance of the Offer. Mr. Wei, a non-executive Director, is the ultimate beneficial owner of Essential Strategy, one of the Selling Shareholders, and he is therefore not considered independent to be a member of the Independent Board Committee and has declared his interest to the Board accordingly.

### OUR INDEPENDENCE

We, Dakin Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. Our appointment as the Independent Financial Adviser has been approved by the Independent Board Committee. During the past two years immediately preceding the date of the Joint Announcement and including and up to the Latest Practicable Date,

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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we did not act as financial adviser or independent financial adviser to the other transactions of the Company and the Offeror. Save for the appointment as the Independent Financial Adviser in respect of the Offer, there were no other engagements between the Company and us during the past two years immediately preceding the date of the Joint Announcement and including and up to the Latest Practicable Date. We are independent from, and are not associated with the Company, the Offeror, or any party acting, or presumed to be acting, in concert with any of the above, or any company controlled by any of them. Apart from normal professional fees payable to us in connection with this appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, no other arrangements exist whereby we will receive any fees and/or benefits from the abovementioned parties or any party acting, or presumed to be acting, in concert with any of them, any of their respective associates, close associates or core connected persons or other parties that could be regarded as relevant to our independence. Accordingly, we are considered eligible to give independent advice in respect of the Offer to the Independent Board Committee and the Independent Shareholders in accordance with the Takeovers Code.

### **BASIS OF OUR OPINION**

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the accuracy of the statements, information, opinions and representations contained or referred to in the Composite Document and the information and representations provided to us by the Directors, the director of the Offeror and the management of the Company. We have assumed that all statements, information and representations provided by the Directors, the director of the Offeror and the management of the Company, for which they are solely responsible, are true and accurate at the time when they were provided and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors, the director of the Offeror and the management of the Company in this Composite Document were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in this Composite Document, or the reasonableness of the opinions expressed by the Directors, the director of the Offeror and the management of the Company and/or its advisers, which have been provided to us. The Company will notify the Independent Shareholders of any material change to information contained in or referred to in the Composite Document as soon as possible in accordance with Rule 9.1 of the Takeovers Code. The Independent Shareholders will also be informed as soon as possible when there is any material change to information contained in or referred to herein as well as any changes to our opinion, if any, after the Latest Practicable Date.

Your attention is drawn to the responsibility statements as set out in the paragraph headed "1. Responsibility statements" under the section headed "Appendix III General information of the Group" in this Composite Document. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Composite Document, save and except for this letter of advice.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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We consider that we have been provided with sufficient information and have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion. We have not, however, carried out any independent verification of the information provided, nor have we conducted any independent investigation into the business and affairs of the Group. We have not considered the taxation implication on the Group or the Shareholders as a result of the Offer. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Where information in this letter has been extracted from published or otherwise publicly available sources, the sole responsibility of us is to ensure that such information has been correctly and fairly extracted, reproduced or presented from the relevant stated sources and not be used out of context.

### PRINCIPAL TERMS OF THE OFFER

#### 1. The Offer

Goldlink Securities is making the Offer for and on behalf of the Offeror which is unconditional in all respect in compliance with the Takeovers Code on the following terms:

**For each Offer Share**

**HK\$0.15 in cash**

The Offer Price of HK\$0.15 per Offer Share under the Offer is equal to the price per Sale Share paid by the Offeror for the 300,000,000 Sale Shares under the Sale and Purchase Agreement.

The Offer is extended to all Shareholders other than the Offeror and parties acting in concert with it in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer shall be fully paid and free from all Encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of this Composite Document.

**The Offeror confirms that the Offer Price is final and will not be increased.**

Immediately following Completion and as at the Latest Practicable Date, the Company has 400,000,000 Shares in issue, of which 300,000,000 Shares are held by the Offeror and parties acting in concert with it (representing 75% of the total issued Shares). As at the Latest Practicable Date, there are no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company in issue other than the Shares.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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As disclosed in the announcement of the Company dated 10 February 2025, the Board has resolved to declare an interim dividend of HK\$0.0625 per Share (the “**Interim Dividend**”), which amounts to HK\$25 million in total and would be payable out of the retained earnings of the Company. The Interim Dividend has been paid on 17 March 2025 to the Shareholders whose names appear on the register of members of the Company at the close of business on 24 February 2025. The Board confirms that, as at the Latest Practicable Date, (i) the Company had not declared any dividend or other distribution which remained unpaid; and (ii) it did not have any intention to make, declare or pay any future dividend/make other distributions on or before the close of the Offer. If, after the date of despatch of this Composite Document, any dividend or other distribution is made or paid in respect of the Offer Shares, the Offeror reserves the right to reduce the Offer Price by an amount equal to the gross amount of such dividend or other distribution received or receivable by the Shareholders pursuant to Note 3 to Rule 26.3 and Note 11 to Rule 23.1 of the Takeovers Code.

### **2. Value and total consideration of the Offer**

As at the Latest Practicable Date, the Company had 400,000,000 Shares in issue. On the basis of the Offer Price being HK\$0.15 per Offer Share, the total issued share capital of the Company would be valued at HK\$60,000,000.

Upon Completion and as at the Latest Practicable Date, save for the 300,000,000 Shares held by the Offeror, and assuming the Offer is accepted in full and assuming that there is no change in the total issued Shares up to the close of the Offer, a total of 100,000,000 Shares (representing 25% of the total issued Shares as at the Latest Practicable Date) will be subject to the Offer and the Offer is valued at HK\$15,000,000 based on the Offer Price of HK\$0.15 per Offer Share.

### **3. Confirmation of financial resources available for the Offer**

The maximum payment obligations payable for the Offer shall be payable in cash. The Offeror intends to finance the maximum payment obligations payable for the Offer by its own financial resources. The maximum aggregate amount payable by the Offeror for the Offer would be HK\$15,000,000 based on the Offer Price of HK\$0.15 per Offer Share assuming full acceptance of the Offer.

Each of Goldlink Capital and Messis Capital, being the joint financial advisers to the Offeror in respect of the Offer, is satisfied that sufficient financial resources are and will remain available to the Offeror to satisfy the maximum payment obligations upon full acceptance of the Offer.

### PRINCIPAL FACTORS AND REASONS TAKEN INTO CONSIDERATION ON THE OFFER

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

#### BACKGROUND OF THE OFFEROR AND THE GROUP

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

###### *1.1 Background information of the Group*

The Company is a company incorporated in the Cayman Islands on 7 February 2018 as an exempted company with limited liability. The Group is principally engaged in (i) development and provision of financial trading solutions; (ii) development and supply of resource allocation, planning, scheduling and management of software and services; and (iii) provision of bullion trading services.

###### *1.2 Historical financial performance and position of the Group*

The table below summarises the general financial information of the Group (i) for the financial years ended 31 March 2023 and 2024 which are extracted from the Company's annual report for the year ended 31 March 2024 (the "**Annual Report**"); and (ii) for the six months ended 30 September 2023 and 2024 which are extracted from the Company's interim report for the six months ended 30 September 2024 (the "**Interim Report**").

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

### *Summary of the consolidated financial results of the Group*

	For the year ended 31 March 2023 (audited) HK\$'000	For the year ended 31 March 2024 (audited) HK\$'000	For the six months ended 30 September 2023 (unaudited) HK\$'000	For the six months ended 30 September 2024 (unaudited) HK\$'000
Revenue				
Financial trading solutions and other information technology services				
Licensing and maintenance services	41,490	11,576	6,723	5,092
Initial set up and customization services	11,087	8,000	6,954	495
Subtotal	52,577	19,576	13,677	5,587
Commission and dealing income from bullion trading services	–	3,215	546	3,622
Total revenue	52,577	22,791	14,223	9,209
Other net income	1,826	2,841	563	1,382
License and subscription cost	(1,822)	(1,343)	(734)	(536)
Internet services cost	(3,436)	(1,969)	(1,365)	(617)
Employee benefit expenses	(22,790)	(25,924)	(18,643)	(8,859)
Depreciation of property and equipment	(1,966)	(1,877)	(934)	(894)
Depreciation of right-of-use assets	(369)	(392)	(216)	–
Amortisation of intangible assets	(6,045)	(6,268)	(3,036)	(3,061)
(Impairment losses)/Reversal of impairment losses on financial and contract assets	(4,619)	422	(1,758)	–
Bad debts written off	–	(4,964)	–	–
Impairment loss on intangible assets	–	(770)	–	–
Other expenses	(6,408)	(5,811)	(2,647)	(3,117)
Finance costs	(16)	(8)	(6)	–
Profit/(Loss) before income tax	6,932	(23,272)	(14,553)	(6,493)
Income tax (expense)/credit	(1,221)	296	1,624	(247)
Profit/(Loss) for the year/period	5,711	(22,976)	(12,929)	(6,740)



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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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*Financial performance for the year ended 31 March 2023 (“FY2023”) and 31 March 2024 (“FY2024”)*

For FY2024, the Group recorded total revenue of approximately HK\$22.8 million, representing a decrease of approximately 56.7% as compared with FY2023 of approximately HK\$52.6 million. Such decrease in total revenue was mainly due to the decrease in revenue derived from financial trading solution and other information technology services segment (the “**Financial Trading Solution Segment**”) from approximately HK\$52.6 million for FY2023 to approximately HK\$19.6 million for FY2024. As stated in the Annual Report, such decrease in revenue derived from the Financial Trading Solution Segment was mainly due to the decrease in providing the licensing and maintenance services to existing customers caused by the modification of services contracts with the customers and closed down of some customers, representing a decrease in revenue from approximately HK\$41.5 million for FY2023 to approximately HK\$11.6 million for FY2024. In addition, revenue from initial set up and customisation services in the Financial Trading Solution Segment also decreased from approximately HK\$11.1 million for FY2023 to approximately HK\$8.0 million for FY2024. According to the Annual Report, the above decrease in revenue derived from the Financial Trading Solution Segment was partially offset by the revenue derived from the commission and dealing income from bullion trading services segment (the “**Bullion Trading Segment**”), which are attributable by the newly acquired subsidiary of Max Online Limited (formerly known as GMO-Z.com Bullion HK Limited) (“**Max Online**”) during FY2024 and contributing revenue of approximately HK\$3.2 million for FY2024. For detailed information about the acquisition of Max Online, please refer to the Company’s announcements dated 20 September 2023 and 25 September 2023.

The Group’s other net income increased from approximately HK\$1.8 million for FY2023 to approximately HK\$2.8 million for FY2024, representing an increase of approximately 55.6%. Pursuant to the Annual Report, such increase in other net income was mainly attributable to the effect of recognition of gain from change in fair value of financial assets at fair value through profit or loss (“**FVTPL**”) of approximately HK\$1.2 million for FY2024 (FY2023: loss from change in fair value of financial assets at FVTPL of approximately HK\$0.7 million); and partially offset by the decrease in government grant from approximately HK\$1.0 million for FY2023 to approximately HK\$37,000 for FY2024.

For FY2024, the Group’s license and subscription cost was approximately HK\$1.3 million, representing a decrease of approximately 26.3% compared to the license and subscription cost of approximately HK\$1.8 million for FY2023. According to the Annual Report, such decrease in license and subscription cost was driven by the decrease in revenue from licensing and maintenance services.



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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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For FY2024, the Group's internet services cost was approximately HK\$2.0 million, representing a decrease of approximately 42.7% compared to the internet services cost of approximately HK\$3.4 million for FY2023. As stated in the Annual Report, such decrease in internet services cost was primarily because of the reduced subscription of services by the Group during FY2024 as part of its cost control measures.

The Group's employee benefit expenses increased from approximately HK\$22.8 million for FY2023 to approximately HK\$25.9 million for FY2024, representing an increase of approximately 13.8%. As stated in the Annual Report, such increase in employee benefit expenses was mainly due to the one-off staff bonus of approximately HK\$7.5 million distributed in May 2023.

The Group's depreciation of property and equipment was approximately HK\$1.9 million for FY2024, representing a slight decrease of approximately 4.5% from approximately HK\$2.0 million for FY2023. According to the Annual Report, such decrease in depreciation of property and equipment was primarily due to certain items of property and equipment were fully depreciated during FY2023 and FY2024 and thus less depreciation was recognised for those property and equipment during FY2024; and partially offset by the property and equipment brought from the acquisition of Max Online during FY2024.

The Group's depreciation of right-of-use assets remained stable at approximately HK\$0.4 million for FY2023 and FY2024.

The Group's amortisation of intangible assets was approximately HK\$6.3 million for FY2024, representing a slight increase of approximately 3.7% from approximately HK\$6.0 million for FY2023. Pursuant to the Annual Report, such increase in amortisation of intangible assets was primarily due to additions of computer software systems mainly contributed from staff costs capitalized during FY2024.

For FY2024, the net amount of bad debts written off and reversal of impairment losses of financial and contract assets of approximately HK\$4.5 million (FY2023: impairment losses of financial and contract assets of approximately HK\$4.6 million) was recognised. According to the Annual Report, such recognition of bad debts written off and/or impairment losses of financial and contract assets was due to the ongoing impact of the globalwide inflation, military conflict and rise in the US interest rate. Most business activities and the payment chains were significantly affected which led to extension of debt collection periods and increase in bad debts written off for trade receivables.

The Group recorded an impairment loss on intangible assets of approximately HK\$0.8 million for FY2024 (FY2023: nil). Pursuant to the Annual Report, such recognition in the impairment loss on intangible assets came from the research and development of the Group's financial trading solutions.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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As stated in the Annual Report, the Group's other expenses mainly comprised of (i) legal and professional fees, (ii) auditors' remuneration, (iii) advertising expenses and (iv) consultancy fees. The Group's other expenses for FY2024 were approximately HK\$5.8 million, representing a decrease of approximately 9.3% compared to the other expenses of approximately HK\$6.4 million for FY2023. According to the Annual Report, such decrease in other expenses was primarily attributable to the decrease in consultancy fees, legal and professional fee and telephone and utilities of approximately HK\$1.7 million in total; and partial offset by the increase in advertising expenses of approximately HK\$0.6 million and incurrence of exchange loss of approximately HK\$0.2 million (FY2023: exchange gain of approximately HK\$0.2 million).

The Group's finance cost represents the finance cost for lease liability, which amounted to approximately HK\$16,000 and HK\$8,000 for FY2023 and FY2024, respectively.

The Group recorded loss before income tax of approximately HK\$23.3 million for FY2024 (FY2023: profit before income tax of approximately HK\$6.9 million). As stated in the Annual Report, the change from profit before income tax to loss before income tax was mainly due to the combined effect of (i) the decrease in total revenue of approximately HK\$29.8 million; (ii) the increase in employee benefit expenses of approximately HK\$3.1 million; and (iii) the increase in impairment loss of intangible assets of approximately HK\$0.8 million; and partially offset by (a) the increase in other net income by approximately HK\$1.0 million; and (b) the decrease in license and subscription cost, internet service cost and other expenses by approximately HK\$2.5 million in total.

The Group's income tax credit for FY2024 was approximately HK\$0.3 million (FY2023: income tax expenses of approximately HK\$1.2 million). As stated in the Annual Report, such change in income tax was mainly due to the change from profit before income tax to loss before income tax as mentioned above. The effective income tax rates of the Group, which equal to the income tax expense divided by profit before tax, were approximately 1.3% for FY2024 (FY2023: 17.6%).

The Group's loss for the year of FY2024 amounted to approximately HK\$23.0 million, as compared to the Group's profit for the year of approximately HK\$5.7 million for FY2023. Pursuant to the Annual Report, such change from profit for the year to loss for the year was due to the above mentioned reasons under profit/(loss) before income tax and partially offset by the effect from income tax credit of approximately HK\$0.3 million for FY2024.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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*Financial performance for the six months ended 30 September 2023 ("IR2023") and 30 September 2024 ("IR2024")*

For IR2024, the Group recorded total revenue of approximately HK\$9.2 million, representing a decrease of approximately 35.2% as compared with IR2023 of approximately HK\$14.2 million. Such decrease in total revenue was mainly due to the significant drop in revenue from initial set up and customisation services in the Financial Trading Solution Segment by approximately 92.9% from approximately HK\$7.0 million for IR2023 to approximately HK\$0.5 million for IR2024. As stated in the Interim Report, such decrease in the revenue derived from initial set up and customisation services was primarily due to the completion of a major project during IR2024 and other projects were still at initial stage. Furthermore, initial set up and customisation services are generally provided on an on-demand basis, depending on our customers' business needs. The revenue from licensing and maintenance services in the Financial Trading Solution Segment also decreased from approximately HK\$6.7 million for IR2023 to approximately HK\$5.1 million for IR2024, representing a decrease of approximately 24.3%. According to the Interim Report, such decrease in the revenue derived from licensing and maintenance services was mainly due to the decrease in services provided to existing customers. According to the Interim Report, the above decrease in revenue derived from the Financial Trading Solution Segment was partially offset by the revenue derived from the Bullion Trading Segment, representing an increase in revenue of the Bullion Trading Segment from approximately HK\$0.5 million for IR2023 to approximately HK\$3.6 million for IR2024.

The Group's other net income increased from approximately HK\$0.6 million for IR2023 to approximately HK\$1.4 million for IR2024, representing an increase of approximately 145.5%. Pursuant to the Interim Report, such increase in other net income was mainly attributable to the combined effect of (i) the increase in change in fair value of financial assets at FVTPL from approximately HK\$10,000 for IR2023 to approximately HK\$0.4 million for IR2024; and (ii) the recognition of other interest income, net of approximately HK\$0.2 million for IR2024 (IR2023: other interest expenses, net of approximately HK\$0.2 million); and partially offset by the decrease in interest income on time deposits from approximately HK\$0.7 million for IR2023 to approximately HK\$0.6 million for IR2024.

For IR2024, the Group's license and subscription cost was approximately HK\$0.5 million, representing a decrease of approximately 27.0% compared to the license and subscription cost of approximately HK\$0.7 million for IR2023. According to the Interim Report, such decrease in license and subscription cost was driven by the decrease in revenue from licensing and maintenance services.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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For IR2024, the Group's internet services cost was approximately HK\$0.6 million, representing a decrease of approximately 54.8% compared to the internet services cost of approximately HK\$1.4 million for IR2023. As stated in the Interim Report, such decrease in internet services cost was primarily because of the reduced subscription of services by the Group during IR2024 as part of its cost control measures.

The Group's employee benefit expenses decreased from approximately HK\$18.6 million for IR2023 to approximately HK\$8.9 million for IR2024, representing a decrease of approximately 52.5%. As stated in the Interim Report, such decrease in employee benefit expenses was mainly due to no one-off staff bonus was incurred during IR2024 (IR2023: approximately HK\$7.5 million) and a reduction in staff cost of approximately HK\$2.0 million due to restructuring as part of the Group's cost control measures.

The Group's depreciation of property and equipment remained stable at approximately HK\$0.9 million for IR2023 and IR2024.

The Group's depreciation of right-of-use assets was approximately nil for IR2024 (IR2023: approximately HK\$0.2 million). As stated in the Annual Report, the right-of-use assets under the lease agreement was terminated in February 2024.

The Group's amortisation of intangible assets remained stable at approximately HK\$3.0 million and HK\$3.1 million for IR2023 and IR2024 respectively.

There were no impairment losses of financial and contract assets recognised for IR2024 (IR2023: approximately HK\$1.8 million).

The Group's other expenses for IR2024 were approximately HK\$3.1 million, representing an increase of approximately 17.8% compared to the other expenses of approximately HK\$2.6 million for IR2023. According to the Interim Report, such increase in other expenses was mainly due to the increase in advertising expenses of approximately HK\$0.7 million for promoting the Bullion Trading Segment; and partially offset by the decrease in legal and professional fees of approximately HK\$0.2 million.

There was no finance cost recognised for IR2024 (IR2023: approximately HK\$6,000).

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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The Group recorded loss before income tax of approximately HK\$6.5 million for IR2024 (IR2023: loss before income tax of approximately HK\$14.6 million). As stated in the Interim Report, such improvement was mainly attributable to the increase in other net income, decrease in internet services cost and employee benefit expenses and no impairment losses on financial and contract assets. It has been partially offset by the decrease in revenue as mentioned above in this paragraph.

The Group's income tax expenses for IR2024 were approximately HK\$0.2 million (IR2023: income tax credit of approximately HK\$1.6 million). As stated in the Interim Report, such substantial reversal was mainly due to no deferred income tax assets in respect of losses was recognised as at 30 September 2024 of approximately HK\$1.7 million. If the deferred income tax assets in respect of losses were recognised, no income tax expenses were paid.

The Group's loss for the period of IR2024 amounted to approximately HK\$6.7 million (IR2023: loss for the period of approximately HK\$12.9 million). Pursuant to the Interim Report, such improvement was mainly due to the above mentioned reasons under loss before income tax.

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

### *Summary of the consolidated financial positions of the Group*

	As at 31 March 2023 (audited) HK\$'000	As at 31 March 2024 (audited) HK\$'000	As at 30 September 2024 (unaudited) HK\$'000
Property and equipment	30,939	29,119	28,232
Right-of-use assets	499	–	–
Intangible assets	19,512	21,005	19,565
Deposits	1,215	1,132	1,132
Financial assets at FVTPL	7,625	8,840	9,216
Deferred income tax assets	92	317	70
<b>Non-current assets</b>	<b>59,882</b>	<b>60,413</b>	<b>58,215</b>
Trade receivables	7,581	2,160	1,643
Deposits, prepayment and other receivables	1,526	1,092	664
Contract assets	5,744	1,469	1,573
Cryptocurrencies	–	165	101
Derivative financial instruments	–	2,984	214
Balances due from agents	–	1,885	1,490
Cash and cash equivalents	61,415	44,254	39,038
Income tax recoverable	1,228	963	1,189
Amount due from a director	–	–	4
<b>Current assets</b>	<b>77,494</b>	<b>54,972</b>	<b>45,916</b>
<b>Total assets</b>	<b>137,376</b>	<b>115,385</b>	<b>104,131</b>
Deferred income tax liabilities	429	357	356
Lease liabilities	66	–	–
Provision for long service payments	–	405	405
<b>Non-current liabilities</b>	<b>495</b>	<b>762</b>	<b>761</b>
Accruals and other payables	3,841	2,812	2,537
Contract liabilities	2,596	338	176
Lease liabilities	438	–	–
Deposits received from clients	–	5,141	1,811
Income tax payable	287	–	–
<b>Current liabilities</b>	<b>7,162</b>	<b>8,291</b>	<b>4,524</b>
<b>Total liabilities</b>	<b>7,657</b>	<b>9,053</b>	<b>5,285</b>
<b>Net assets</b>	<b>129,719</b>	<b>106,332</b>	<b>98,846</b>

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### *Financial position as at 31 March 2024*

The Group's total assets decreased from approximately HK\$137.4 million as at 31 March 2023 to approximately HK\$115.4 million as at 31 March 2024. As advised by the Directors, such decrease in total assets was mainly due to the combined effect of (i) the decrease in cash and cash equivalents from approximately HK\$61.4 million as at 31 March 2023 to approximately HK\$44.3 million as at 31 March 2024; (ii) the decrease in trade receivables from approximately HK\$7.6 million as at 31 March 2023 to approximately HK\$2.2 million as at 31 March 2024; and (iii) the decrease in contract assets from approximately HK\$5.7 million as at 31 March 2023 to approximately HK\$1.5 million as at 31 March 2024; and partially offset by (a) the recognition of the derivative financial instruments of approximately HK\$3.0 million (as at 31 March 2023: nil); and (b) the recognition of the balances due from agents of approximately HK\$1.9 million (as at 31 March 2023: nil). As at 31 March 2024, the Group's total assets mainly comprised cash and cash equivalent of approximately HK\$44.3 million, property and equipment of approximately HK\$29.1 million and intangible assets of approximately HK\$21.0 million.

The Group's total liabilities increased from approximately HK\$7.7 million as at 31 March 2023 to approximately HK\$9.1 million as at 31 March 2024. As advised by the Directors, such increase in total liabilities was mainly due to the combined effect of the recognition of deposits received from clients of approximately HK\$5.1 million as at 31 March 2024 (as at 31 March 2023: nil); and partially offset by (a) the decrease in contract liabilities from approximately HK\$2.6 million as at 31 March 2023 to approximately HK\$0.3 million as at 31 March 2024; (b) the decrease in accruals and other payables from approximately HK\$3.8 million as at 31 March 2023 to approximately HK\$2.8 million as at 31 March 2024; and (c) the decrease in lease liabilities from approximately HK\$0.5 million as at 31 March 2023 to nil as at 31 March 2024. As at 31 March 2024, the Group's total liabilities mainly comprised deposits received from clients of approximately HK\$5.1 million and accruals and other payables of approximately HK\$2.8 million.

The Group's net assets decreased by approximately HK\$23.4 million from approximately HK\$129.7 million as at 31 March 2023 to approximately HK\$106.3 million as at 31 March 2024. According to the Directors, such decrease in net assets was mainly due to the loss-making position of approximately HK\$23.0 million during FY2024.



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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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*Financial position as at 30 September 2024*

The Group's total assets decreased from approximately HK\$115.4 million as at 31 March 2024 to approximately HK\$104.1 million as at 30 September 2024. As advised by the Directors, such decrease in total assets was mainly due to (i) the decrease in cash and cash equivalents from approximately HK\$44.3 million as at 31 March 2024 to approximately HK\$39.0 million as at 30 September 2024; (ii) the decrease in derivative financial instruments from approximately HK\$3.0 million as at 31 March 2024 to approximately HK\$0.2 million as at 30 September 2024; (iii) the decrease in intangible assets from approximately HK\$21.0 million as at 31 March 2024 to approximately HK\$19.6 million as at 30 September 2024; (iv) the decrease in property and equipment from approximately HK\$29.1 million as at 31 March 2024 to approximately HK\$28.2 million as at 30 September 2024; (v) the decrease in trade receivables from approximately HK\$2.2 million as at 31 March 2024 to approximately HK\$1.6 million as at 30 September 2024; and (vi) the decrease in the deposits, prepayment and other receivables from approximately HK\$1.1 million as at 31 March 2024 to approximately HK\$0.7 million as at 30 September 2024. As at 30 September 2024, the Group's total assets mainly comprised cash and cash equivalent of approximately HK\$39.0 million, property and equipment of approximately HK\$28.2 million and intangible assets of approximately HK\$19.6 million.

The Group's total liabilities decreased from approximately HK\$9.1 million as at 31 March 2024 to approximately HK\$5.3 million as at 30 September 2024. As advised by the Directors, such decrease in total liabilities was mainly due to (i) the decrease in deposits received from clients from approximately HK\$5.1 million as at 31 March 2024 to approximately HK\$1.8 million as at 30 September 2024; (ii) the decrease in accruals and other payables from approximately HK\$2.8 million as at 31 March 2024 to approximately HK\$2.5 million as at 30 September 2024; and (iii) the decrease in contract liabilities from approximately HK\$0.3 million as at 31 March 2024 to approximately 0.2 million as at 30 September 2024. As at 30 September 2024, the Group's total liabilities mainly comprised accruals and other payables of approximately HK\$2.5 million and deposits received from clients of approximately HK\$1.8 million.

The Group's net assets decreased by approximately HK\$7.5 million from approximately HK\$106.3 million as at 31 March 2024 to approximately HK\$98.8 million as at 30 September 2024. According to the Directors, such decrease in net assets was mainly due to the loss-making position of approximately HK\$6.7 million during IR2024.



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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### 1.3 Overview and outlook of the Group

As stated in the Interim Report, in line with the Group's long term objective to strengthen the position as a financial technology solution provider and to maintain the Group's competitiveness, the Group has reorganised company resources and allocated part of the resources to explore new business opportunities. The Group is re-establishing new customers in the Asia Pacific region (such as Indonesia) using the GES TX system together with tailor-made customer relationship management functions.

Pursuant to the Interim Report, apart from allocating part of the resources to develop a non-financial information technology solution (a resource planning and management software), the Group acquired Max Online in September 2023 to provide clients with bullion trading services, which has built the new Bullion Trading Segment and has contributed to a considerable portion of the Group's revenue for IR2024. Moreover, the Group established a Singapore subsidiary, Boltz Systems Pte. Ltd. in April 2024 to explore business opportunities in Asia market. This development would allow the Group to keep up with the rapid changes in both the financial and non-financial markets and meet the customers' demand to ensure the Group's business is sustainable in the long run.

In light of this, we have researched and studied the data from Bank of International Settlements (the "BIS") in relation to the exchange-traded derivatives statistics in worldwide and Asia-Pacific Region (the main geographical region of the Group's customers).

#### *Statistics of exchange-traded futures and options*

	2020	2021	2022	2023	2024	Compound annual growth rate
	USD'billion	USD'billion	USD'billion	USD'billion	USD'billion	(%)
Daily average turnover of exchange-traded futures and options in worldwide	6,829	7,386	9,850	11,485	12,788	17.0
Daily average turnover of exchange-traded futures and options in Asia-Pacific Region	186	179	213	254	279	10.7

Source: Website of the BIS (<https://www.bis.org/index.htm>)

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As shown in the above table, (i) the daily average turnover of exchange-traded futures and options in worldwide increased from approximately USD6,829 billion for the year of 2020 to approximately USD12,788 billion for the year of 2024, representing a compound annual growth rate of approximately 17.0%; and (ii) the daily average turnover of exchange-traded futures and options in Asia-Pacific Region also increased from approximately USD186 billion for the year of 2020 to approximately USD279 billion for the year of 2024, representing a compound annual growth rate of approximately 10.7%.

We have also researched and studied the data from the Stock Exchange in relation to the securities and derivatives market traded on the Stock Exchange.

	2020	2021	2022	2023	2024	Compound annual growth rate
	HK\$'billion	HK\$'billion	HK\$'billion	HK\$'billion	HK\$'billion	(%)
Daily average turnover of securities market traded on the Stock Exchange	129.5	166.7	124.9	105.0	131.8	0.4
	Number of contracts	Number of contracts	Number of contracts	Number of contracts	Number of contracts	(%)
Daily average turnover of derivatives market and traded options market traded on the Stock Exchange	1,137,864	1,174,889	1,302,889	1,353,839	1,550,593	8.0

Source: Website of the Stock Exchange (<https://www.hkex.com.hk/>)

As shown in the above table, the daily average turnover of securities market traded on the Stock Exchange fluctuated in the past five years, ranging from the lowest daily average turnover of approximately HK\$105.0 billion for the year of 2023 to the highest daily average turnover of approximately HK\$166.7 billion for the year of 2021. It firstly increased from approximately HK\$129.5 billion for the year of 2020 to approximately HK\$166.7 billion for the year of 2021. Then, it decreased from approximately HK\$166.7 billion for the year of 2021 to approximately HK\$124.9 billion for the year of 2022 and further dropped to approximately HK\$105.0 billion for the year of 2023. After that, it started recovering from approximately HK\$105.0 billion for the year of 2023 to approximately HK\$131.8 billion for the year of 2024. Such fluctuation of the daily average turnover of securities market traded on the Stock Exchange was mainly due to the outbreak of COVID-19 from the year of 2020

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to the year of 2022 and taking time for the recovery of economy in Hong Kong during the year of 2023. Overall, the daily average turnover of securities market traded on the Stock Exchange represents a compound annual growth rate of approximately 0.4%.

The daily average turnover of derivatives market and traded options market traded on the Stock Exchange increased from approximately 1.1 million contracts for the year of 2020 to approximately 1.5 million contracts for the year of 2024, representing a compound annual growth rate of 8.0%.

After the acquisition of Max Online completed on 25 September 2023, the Group started a new business of the Bullion Trading Segment. As disclosed in the Company's announcement dated 20 September 2023, through the acquisition of Max Online, the Group can leverage on its established capabilities in the provision of financial trading solutions and make use of the existing expertise, clientele and network of Max Online to effectively tap into the market of provision of bullion trading services in Hong Kong. We have further researched and studied the data from the Census and Statistics Department of The Government of Hong Kong (the "CSD") in relation to the trading of 99 tael gold traded on the Chinese Gold and Silver Exchange Society.

	2020	2021	2022	2023	2024	Compound annual growth rate
	HK\$'million	HK\$'million	HK\$'million	HK\$'million	HK\$'million	(%)
Daily average turnover of 99 tael gold traded on the Chinese Gold and Silver Exchange Society	476	599	702	738	942	18.6

Source: Website of the CSD (<https://www.censtatd.gov.hk/en/>)

As shown in the above table, the daily average turnover of 99 tael gold traded on the Chinese Gold and Silver Exchange Society increased from approximately HK\$476 million for the year of 2020 to approximately HK\$942 million for the year of 2024, representing a compound annual growth rate of approximately 18.6%.

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Despite the instability of the daily average turnover of securities market traded on the Stock Exchange in the past five years, after considering that (i) the daily average turnover of securities market traded on the Stock Exchange recovered from approximately HK\$105.0 billion for the year of 2023 to approximately HK\$131.8 billion for the year of 2024; (ii) the daily average turnover of derivatives market and traded option market traded on the Stock Exchange was on an increasing trend in the past five years; (iii) the daily average turnover of exchange-traded futures and options in worldwide and Asia-Pacific Region were on general increasing trend in the past five years; and (iv) the daily average turnover of 99 tael gold traded on the Chinese Gold and Silver Society was also on an increasing trend in the past five years, we are of the view that (i) the demand for the Group's financial trading solutions services will remain positive; and (ii) the demand for the Group's bullion trading services will remain positive.

### 2. Information of the Offeror

The Offeror is a company incorporated in the British Virgin Islands with limited liability on 10 February 2025 for the purpose of holding the Shares. As at the Latest Practicable Date, the Offeror was legally, beneficially and wholly owned by Ms. Di who was also the sole director of the Offeror.

Ms. Di, aged 69, is the sole legal and beneficial owner and the sole director of the Offeror. She graduated from the Department of Chemistry of Peking University (北京大學) in the People's Republic of China. She holds a degree of Master of Economics from Chuo University (中央大學) in Japan. Ms. Di has over 30 years of experience in business operations, corporate affairs and client management. She is currently a director of Kawasaki Sanko Kasei Co., Ltd., a company headquartered in Japan, which is principally engaged in plastic materials compounding business. Ms. Di also serves as a director managing the operations of the Hong Kong branch (K S K Hong Kong Limited (川崎三興化成香港有限公司)) and Shenzhen plant (Super Engineering Plastics (Shenzhen) Co., Ltd.\* (日超工程塑料(深圳)有限公司)) of the company.

Ms. Di, leveraging her extensive expertise in business operations, corporate affairs and client management, aims to explore new industry sectors through strategic investments. Also, Ms. Di considers that the Acquisition presents a compelling investment opportunity yield for long term growth of the Company.

By partnering with Ms. Di, the Company will have the opportunity to benefit from her profound experience in business operations and management to further enhance its competitive position in the rapidly evolving industry landscape in which the Group operates. In particular, the Company has been focusing on exploring new business opportunities and diversifying its source of revenue for both financial and non-financial markets. For instance, as set out in the Company's interim report for the six months ended 30 September 2024, the Company has been re-developing the Asia-Pacific market using its financial trading solutions together with tailor-made customer relationship functions, and has established a subsidiary in Singapore in 2024 to explore business opportunities in the Asia market. The Company is also allocating resources to develop non-financial

information technology solution, namely resource planning and management software. Ms. Di's client management experience from multinational corporation headquartered in Japan will assist the Company in establishing and maintaining business relationships, including relationship with business partners in Japan (being the largest overseas market for the Group in terms of revenue contribution for the year ended 31 March 2024) and other overseas regions. Her expertise in stakeholder engagement, corporate governance and operational efficiency will further support the Company's strategic growth initiatives.

The Offeror and its ultimate beneficial owner were Independent Third Parties prior to Completion. Immediately before Completion, none of the Offeror its ultimate beneficial owner, its director and the parties acting in concert with any of them held any Shares. Immediately after Completion and as at the Latest Practicable Date, none of the Offeror, the ultimate beneficial owner and director of the Offeror and the parties acting in concert with any of them held any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company, save for the 300,000,000 Shares acquired by the Offeror through the Acquisition.

### **3. The Offeror's intention on the Group**

Following the close of the Offer, it is the intention of the Offeror that the Group will continue with its existing principal business for long-term purposes. The Offeror does not intend to introduce any major changes to the existing operations and business of the Group immediately after close of the Offer and will neither redeploy nor dispose of any of the assets (including fixed assets) of the Group other than in the ordinary course of business. As at the Latest Practicable Date, (i) the Offeror did not have any intention, understanding, negotiation, arrangement, and agreements (formal or informal, express or implied) to downsize or dispose of any existing business or assets of the Group; and (ii) no investment or business opportunity had been identified nor had the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to (a) the injection of any assets or business into the Group; or (b) the disposal of any assets or business of the Group.

Nevertheless, following the close of the Offer, the Offeror will conduct a detailed review on the existing principal operations and business, and the financial position of the Group for the purpose of formulating business plans and strategies for the Group's long-term business development and will explore other business opportunities for the Group. Subject to the results of the review, and should suitable investment or business opportunities arise, the Offeror may consider whether any assets and/or business acquisitions or disposals by the Group will be appropriate in order to enhance its growth. Any acquisition or disposal of the assets or business of the Group, if any, will be conducted in compliance with the GEM Listing Rules.

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The Offeror intends to nominate new Directors to the Board and such appointments will not take effect earlier than the earliest time permitted under the Takeovers Code. It is currently intended that Ms. Di will be appointed as a Director, and the Offeror is in the course of identifying additional candidates for the Board. Any changes to the Board will be made in compliance with the Takeovers Code and the GEM Listing Rules. Further announcement(s) (including the biographies of the new Directors) will be made immediately after the appointments.

Save for the above, as at the Latest Practicable Date, the Offeror had no plan to make material changes to the employment of any employees or personnel of the Group. However, the Offeror reserves the right to make any changes that they deem necessary or appropriate to the benefit of the Group. Any changes to the members of the Board will be made in compliance with the Takeovers Code and the GEM Listing Rules.

#### **4. Maintaining the listing status of the Company**

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

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

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

The Company will make an application to the Stock Exchange for a temporary waiver from strict compliance with Rule 11.23(7) of the GEM Listing Rules in case less than 25% of the issued share capital of the Company will be held by the public upon the close of the Offer. Appropriate steps will be taken to ensure public float will be restored as soon as possible after the close of the Offer. The steps that the Offeror may take include but not limited to placing down or selling sufficient number of accepted Shares it acquired from the Offer to selected independent third parties or in the market. No arrangements had been confirmed or put in place as at the Latest Practicable Date. Further announcement(s) will be made in accordance with the requirements of the GEM Listing Rules and the Takeovers Code as and when appropriate. Further announcement(s) regarding the restoration of public float will be made by the Company as and when appropriate.

The Offeror intends the Company to remain listed on the Stock Exchange. Ms. Di (as the sole director of the Offeror and a new director to be appointed to the Board (subject to the nomination and appointment procedures of the Company)) has undertaken to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares. Further announcement(s) regarding the restoration of public float will be made by the Company as and when appropriate.

**5. Compulsory acquisition**

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

**6. Our view**

Despite (i) the Group's revenue from the Financial Trading Solution Segment decreased from approximately HK\$13.7 million for IR2023 to approximately HK\$5.6 million for IR2024 which represents the turnaround performance may not be seen immediately; whereas the Group's revenue from the Bullion Trading Segment started contributing since 25 September 2023 which seems to take time for future observation; (ii) Ms. Di, the candidate to be appointed as a Director, has no direct knowledge and experience of the provision of financial trading solutions services and bullion trading services; and (iii) the Offeror and Ms. Di have no clear direction and plan on the future business development of the Group as at the Latest Practicable Date, taking into account that

- (a) the Group's financial performance improved based on the fact that the Group's loss-making position narrowed to approximately HK\$6.7 million for IR2024, as compared to approximately HK\$12.9 million for IR2023;
- (b) the Group's revenue from the Bullion Trading Segment increased from approximately HK\$0.5 million (representing approximately 3.8% of the Group's total revenue) for IR2023 to approximately HK\$3.6 million (representing approximately 39.3% of the Group's total revenue) for IR2024, representing an increase of approximately 563.4%;
- (c) the demand for the Group's financial trading solutions services will remain positive as analysed in the paragraph headed "1.3 Overview and outlook of the Group" above in this letter;
- (d) the demand for the Group's bullion trading services will remain positive as analysed in the paragraph headed "1.3 Overview and outlook of the Group" above in this letter;
- (e) Ms. Di's client management experience from multinational corporation headquartered in Japan will assist the Company in establishing and maintaining business relationships, including relationship with business partners in Japan (being the largest overseas market for the Group in terms of revenue contribution for the year ended 31 March 2024) and other overseas regions;



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- (f) following the close of the Offer, it is the intention of the Offeror that the Group will continue with its existing principal business for long-term purposes. The Offeror does not intend to introduce any major changes to the existing operations and business of the Group immediately after close of the Offer and will neither redeploy nor dispose of any of the assets (including fixed assets) of the Group other than in the ordinary course of business;
- (g) the Offeror intends the Company to remain listed on the Stock Exchange following the close of the Offer. Ms. Di (as the sole director of the Offeror and a new director to be appointed to the Board) has undertaken to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares; and
- (h) the Offeror does not intend to avail itself of any powers of compulsory acquisition of any Shares outstanding after the close of the Offer,

we consider that the Group's financial trading solutions services and bullion trading services will remain positive and there would not be immediate material change in the Group's business operation as a direct result of the Offer.

**Shareholders are reminded to read full content of our letter, including but not limited to the fairness and reasonableness of the Offer Price (as analysed below in this letter) and the Composite Document, when deciding whether to accept the Offer, in light of their own investment criteria and risk appetite.**

### ANALYSIS OF THE OFFER PRICE FOR THE OFFER

#### 7. Comparison of the Offer Price

The Offer Price of HK\$0.15 per Offer Share represents:

- (i) a discount of approximately 71.70% to the closing price of HK\$0.530 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 74.58% to the closing price of HK\$0.590 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 67.53% to the average closing price of HK\$0.462 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a discount of 60.00% to the average closing price of approximately HK\$0.375 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the Last Trading Day;



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- (v) a discount of approximately 47.37% to the average closing price of approximately HK\$0.285 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day;
- (vi) a discount of approximately 43.61% to the audited consolidated net assets per Share of approximately HK\$0.266 as at 31 March 2024, which was calculated based on the audited consolidated net asset value attributable to owners of the Company of approximately HK\$106,332,000 as at 31 March 2024 (the date on which the latest audited financial results of the Group were made up) and 400,000,000 Shares in issue as at the Latest Practicable Date; and
- (vii) a discount of approximately 39.27% to the unaudited consolidated net assets per Share of approximately HK\$0.247 as at 30 September 2024, which was calculated based on the unaudited consolidated net asset value attributable to owners of the Company of approximately HK\$98,846,000 as at 30 September 2024 and 400,000,000 Shares in issue as at the Latest Practicable Date.

On the other hand, (i) the daily closing price of the Share during the period from 11 March 2024, being the twelve-month period prior to the Last Trading Day (i.e. 12 March 2025) (the “**Pre Joint Announcement Review Period**”) range from the highest of HK\$0.590 per Share to the lowest of HK\$0.066 per Share; (ii) the trading of the Share during the period from 13 March 2025 to 18 March 2025 was halted; and (iii) the daily closing price of the Share during the period from 19 March 2025 to the Latest Practicable Date (the “**Post Joint Announcement Review Period**”) range from the highest of HK\$0.670 per Share to the lowest of HK\$0.530 per Share. Shareholders should also note that all the trading days during the Post Joint Announcement Review Period were closed above the net asset value per Share as illustrated in chart 1 below. We consider that the review period as mentioned above is fair and reasonable to illustrate the general trend and movement of recent closing prices of the Shares.

As discussed above, the net asset value per Share as at 31 March 2024 and 30 September 2024 were approximately HK\$0.266 and HK\$0.247 respectively which are higher than the Offer Price.

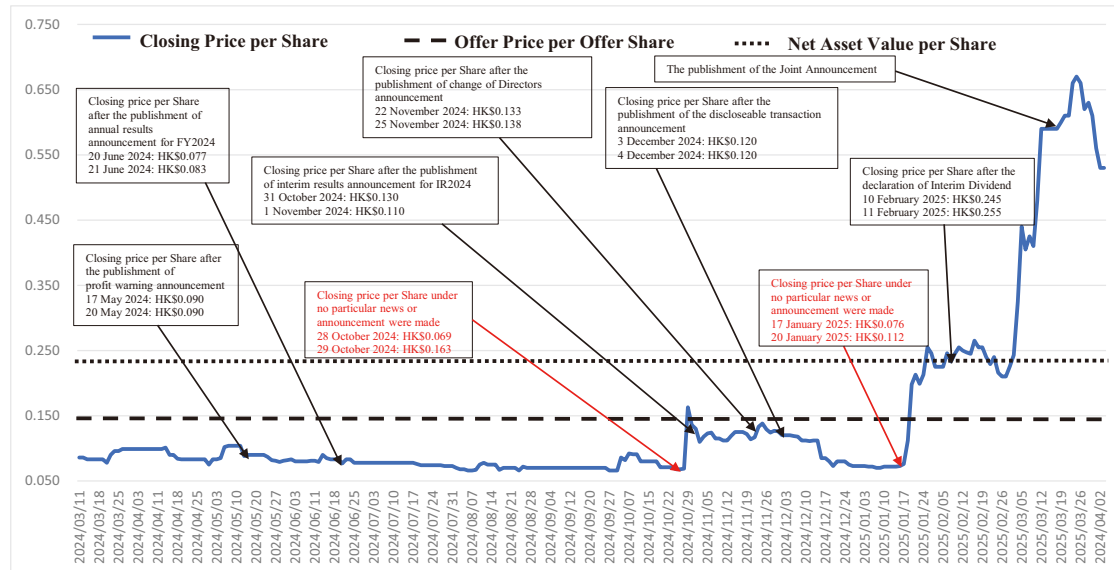
## 8. Historical performance of the Shares

### 8.1 Historical price of the Shares

Set out below is the chart showing the daily closing price of the Shares as quoted on the Stock Exchange during the Pre Joint Announcement Review Period and the Post Joint Announcement Review Period (collectively, the “**Review Periods**”). We consider that the Review Periods are fair, adequate, representative and sufficient to illustrate the general trend and level of movement of recent closing prices of the Shares for conducting a reasonable comparison among the historical closing prices of the Shares and the Offer Price.

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**Chart 1: Movement of the daily closing price of the Share during the Review Periods**



*Note:* The net asset value per Share was calculated based on the unaudited consolidated net asset value attributable to Shareholders as set out in the Interim Report dividend by the total number of the Shares in issue as at the Latest Practicable Date.

*Source:* Website of the Stock Exchange (<https://www.hkex.com.hk>)

As shown in the above chart 1, during the Review Periods, 211 out of 246 trading days during the Pre Joint Announcement Review Period were closed below the Offer Price of HK\$0.15 per Offer Share. During the Pre Joint Announcement Review Period, the closing prices of the Shares range from HK\$0.066 to HK\$0.590, with an average of approximately HK\$0.113. The closing prices of the Shares fluctuated from HK\$0.066 to HK\$0.104 during the period from 11 March 2024 to 28 October 2024. There was a sudden rise in the closing price from HK\$0.069 per Share on 28 October 2024 to HK\$0.163 per Share on 29 October 2024, representing an increase of approximately 136.2%. No particular news or announcement were made by the Company on that day and the Directors are not aware of any reason for such increase of the Share price. After 29 October 2024, the closing price per Share was on a decreasing trend from HK\$0.163 on 29 October 2024 to HK\$0.076 on 17 January 2025. Then, the closing price of Share suddenly rose again from HK\$0.076 on 17 January 2025 to HK\$0.112 on 20 January 2025, representing an increase of approximately 47.4%. No particular news or announcement were made by the Company on that day and the Directors are not aware of any reason for such increase of the Share price. After 20 January 2025, the closing price per Share was on an increasing trend from HK\$0.112 on 20 January 2025 to HK\$0.590 on 12 March 2025, the Last Trading Day before the publication of the Joint Announcement. Except for declaration of the Interim Dividend, no particular news or announcement were made by the Company during that period and the Directors are not aware of any reason for such increase of the Share prices.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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During the Post Joint Announcement Review Period, the Shares closed within the range from HK\$0.530 to HK\$0.670 and closed at HK\$0.530 on the Latest Practicable Date.

We noted that (i) the closing prices of the Shares had been staying well above the Offer Price since 21 January 2025 and up to the Latest Practicable Date; and (ii) the Offer Price represented a significant discount to the closing prices of the Shares of approximately 71.70% to 77.61% from the date of the Joint Announcement to the Latest Practicable Date. Compared with the historical price performance of the Shares together with the consideration of the discount represented by the Offer Price to the unaudited consolidated net assets per Share of approximately HK\$0.247 as at 30 September 2024, we are of the view that the Offer Price is unattractive in such context. Although the Offer Price was higher than the closing price of the Shares for 211 out of 246 trading days during the Pre Joint Announcement Review Period, the closing price of the Shares surged and maintained at prices significantly higher than the Offer Price during the Post Joint Announcement Review Period and the Offer Price represented a significant discount to the closing prices of the Shares of approximately 71.70% to 77.61% from the date of the Joint Announcement to the Latest Practicable Date, which allows Independent Shareholders to realise part or all of their investments in the Shares at prices higher than the Offer Price if they wish so.

We also noted that the closing prices of the Shares were not entirely responsive to the business development or financial performance of the Group during the Review Periods, as indicated by the closing price of the Shares on the dates immediately following announcements made by the Company of the Group's business development, profit warning and/or financial results. As shown in the chart 1 above, in May and June 2024, closing prices of the Shares remained steady or increased slightly after the profit warning announcement and the annual results announcements made by the Company respectively. In October, November and December 2024, announcements regarding the interim results of the Company, change of Directors and a discloseable transaction in relation to disposal of exchange traded funds were made respectively. Nevertheless, closing prices of the Shares decreased slightly, increased slightly or remained steady respectively. In February 2025, closing price of the Shares remained steady after the declaration of the Interim Dividend announcement made by the Company.

**Shareholders should note that the information set out above is not an indicator of the future trading price performance of the Shares, and that such significant premium of the trading price of the Shares over the Offer Price may or may not sustain during the Offer Period and after the close of the Offer.**

**Shareholders who wish to accept the Offer or realise their investments in the Group are reminded that they should carefully and closely monitor the trading price of the Shares during the Offer Period.**

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### 8.2 *Historical liquidity of the Shares*

The following table sets out the average daily trading volume (the “ADTV”) of Shares for each month or period and the percentages of such ADTV to the number of total issued Shares and the Shares held by the public Shareholders during the Review Periods:

**Table 1: Trading liquidity of Shares**

			Percentage of ADTV over the issued Shares of the Company held by the public Shareholders as at period/ month end (approximate %) (Note 2)
	Number of trading days	ADTV during the period/ month (Shares)	Percentage of ADTV over the issued Shares of the Company as at period/ month end (approximate %) (Note 1)
<b>2024</b>			
From 11 March 2024 to 28 March 2024	14	258,286	0.0646
April	20	27,400	0.0069
May	21	159,429	0.0399
June	19	124,000	0.0310
July	22	58,546	0.0146
August	22	97,273	0.0243
September	19	632	0.0002
October	21	2,563,238	0.6408
November	21	234,095	0.0585
December	20	585,400	0.1464
<b>2025</b>			
January	19	2,130,947	0.5327
February	20	1,873,200	0.4683
From 3 March 2025 to 12 March 2025	8	4,167,000	1.0418
From 13 March 2025 to 18 March 2025 (Note 3)	–	–	–
From 19 March 2025 to 31 March 2025	9	4,000,444	1.0001
From 1 April 2025 to the Latest Practicable Date	3	2,594,667	0.6487

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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*Notes:*

1. It is calculated by dividing the ADTV for the month/period by the total number of Shares in issue at the end of month/period;
2. It is calculated by dividing the ADTV for the month/period by the total number of Shares in issue held by the public Shareholders at the end of month/period; and
3. Trading of Shares was halted during the period from 13 March 2025 to 18 March 2025 and pending the release of the Joint Announcement.

*Source:* Website of the Stock Exchange (<https://www.hkex.com.hk>)

As illustrated in the table 1 above, the ADTV of the Shares during the Pre Joint Announcement Review Period ranged from approximately 632 Shares to approximately 4,167,000 Shares, representing (i) from approximately 0.0002% to approximately 1.0418% of the total number of the Shares in issue; or (ii) from approximately 0.0006% to approximately 4.1670% of the total number of Shares held by the public.

During the Post Joint Announcement Review Period, the ADTV of the Shares during the period from 19 March 2025 to the Latest Practicable Date was approximately 3,649,000 Shares, representing (i) approximately 0.9123% of the total number of the Shares in issue; or (ii) approximately 3.6490% of the total number of Shares held by the public, respectively. The ADTV of the Shares during the Post Joint Announcement Review Period was close to the high-end range of the ADTV of the Shares during the Pre Joint Announcement Review Period. We have discussed with the Directors regarding the increase in trading volume during the Post Joint Announcement Review Period and are advised that, save for the publication of the Joint Announcement, they are not aware of any particular reason that led to the increase in the trading volume of the Shares.

The historical trading volume of the Shares during the Pre Joint Announcement Review Period is relatively thin as compared to the Post Joint Announcement Review Period. Given the Shares are illiquid, the disposal of a significant number of Shares held by the Shareholders in the open market would likely to trigger price slump of the Shares.

Although the ADTV of the Shares during the Pre Joint Announcement Review Period is thin, representing (i) the range from approximately 0.0002% to 1.0418% of the total number of the Shares in issue; or (ii) from approximately 0.0006% to approximately 4.1670% of the total number of Shares held by the public, given the increase in trading volume of the Shares during the Post Joint Announcement Review Period and the current Share price as at the Latest Practicable Date is substantially higher than the Offer Price, the Independent Shareholders who would like to realise part or all of their investments in the Shares may, instead of accepting the Offer, selling their Shares in the open market.

**Shareholders should note that the information set out above is not an indicator of the future trading volume of the Shares, and that such high liquidity of Shares may or may not sustain during the Offer Period and after the close of the Offer.**

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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Shareholders who wish to accept the Offer or realise their investments in the Group are reminded that they should carefully and closely monitor the trading volume of the Shares during the Offer Period.

### 8.3 *Our view*

Having considered (i) the closing prices of the Shares had been staying well above the Offer Price since 21 January 2025 and up to the Latest Practicable Date; (ii) the Offer Price represented a significant discount to the closing prices of the Shares of approximately 71.70% to 77.61% during the Offer Period from the date of the Joint Announcement and up to the Latest Practicable Date; (iii) the discount represented by the Offer Price to the unaudited consolidated net assets per Share of approximately HK\$0.247 as at 30 September 2024; and (iv) the increase in trading volume of the Shares during the Post Joint Announcement Review Period, we are of the view that the Offer Price is not fair and not reasonable.

We would like to remind Shareholders that our analysis set out above is not an indicator of the future performance of the Shares, and that the significant premium of the trading price of the Shares over the Offer Price and the high liquidity of the Shares after the publication of the Joint Announcement may be sustained or not be sustained during the Offer Period and after the close of the Offer. Should the Group's future business development deviate from the Offeror's intention as mentioned in the paragraph headed "3. The Offeror's intention on the Group" above in this letter, such surge in closing price and trading volume of the Shares during the Post Joint Announcement Review Period may not be sustained after the close of the Offer.

Shareholders who wish to realise their investments in the Group are reminded that they should carefully and closely monitor the trading price and trading volume of the Shares during the Offer Period.

## 9. Comparable analysis with other listed companies

As discussed in the paragraph headed "1. Background and financial information of the Group" above in this letter, the Group principally engages in (i) development and provision of financial trading solutions; (ii) development and supply of resource allocation, planning, scheduling and management of software and services; and (iii) provision of bullion trading services. Based on the Offer Price of HK\$0.15 per Offer Share and the total number of issued Shares of 400,000,000 as at the Latest Practicable Date, the Company is valued at HK\$60.0 million. In this respect, in order to evaluate the fairness and reasonableness of the Offer Price, we have conducted a comparable company analysis based on the following selection criteria to include companies that:

- (i) are listed on the Stock Exchange and are not being suspension of trading as at the Last Trading Day;
- (ii) are principally engaged in provision of financial trading solution services;
- (iii) generate at least 50% of their respective total revenue contributed from the provision of financial trading solution services in their latest financial year

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which is similar to the Group's total revenue principally generated from the Financial Trading Solution Segment (approximately HK\$5.6 million for IR2024, representing approximately 60.7% of the Group's total revenue); and

- (iv) have market capitalisation at or below HK\$500 million as at the Last Trading Day.

Since (i) the theoretical market capitalisation of the Company was only HK\$60.0 million with reference to the Offer Price; and (ii) the market capitalisation of the Company was only HK\$236.0 million as at the Last Trading Day, we would limit the selection for comparison with small-sized listed companies of market capitalisation at or below HK\$500 million in search for broader comparables. Based on the aforementioned criteria, we have identified an exhaustive list of one company listed on the Stock Exchange which is principally engaged in provision of financial trading solution services (the **"Comparable Company"**).

For comparison purpose, we have considered the price-to-earnings ratio (the **"P/E Ratio"**), price-to-book ratio (the **"P/B Ratio"**) and the price-to-sales ratio (the **"P/S Ratio"**) which are the most commonly adopted valuation benchmark in the course of valuation of companies since the data for calculating these ratios can be obtained directly from publicly available information and reflect the value of the companies determined by the open market. However, given that the Company recorded a loss-making position for FY2024, we are unable to conduct the comparison on P/E Ratio. We also considered the use of the P/B Ratio and the P/S Ratio in our market comparable analysis as reference, details of which are set out below:

**Table 2: Analysis of the Comparable Company**

Name of company (stock code)	Principal business	Market capitalisation (Note 1) HK\$'000	Revenue for the latest financial year	Loss for the latest financial year	Net assets for the latest financial year/ period	P/B Ratio (Note 2)	P/S Ratio (Note 3)
			HK\$'000	HK\$'000	HK\$'000		
Finsoft Financial Investment Holdings Limited (8018)	Principally engaged in the provision of financial trading software solutions, provision of other information technology and internet financial platforms services, money lending business and assets investments in Hong Kong.	24,203	49,055	(12,338)	51,709	0.47	0.49



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		Implied market capitalisation (Note 1) HK\$'000	Revenue for the latest financial year HK\$'000	Loss for the latest financial year HK\$'000	Net assets for the latest financial year/ period HK\$'000	Implied P/B Ratio (Note 2)	Implied P/S Ratio (Note 3)
The Company (8635)	Principally engages in (i) development and provision of financial trading solutions; (ii) development and supply of resource allocation, planning, scheduling and management of software and services; and (iii) provision of bullion trading services.	60,000	22,791	(22,976)	98,846	0.61	2.63

*Notes:*

1. The market capitalisation of the Comparable Company is calculated by multiplying its closing price as at the Last Trading Day by the numbers of shares. The implied market capitalisation of the Company is calculated by multiplying the Offer Price by the number of Shares;
2. The P/B Ratio of the Comparable Company is calculated by dividing its market capitalisation as at the Last Trading Day by its consolidated net asset value according to its latest financial year. The implied P/B Ratio of the Company (the “**Implied P/B Ratio**”) is calculated by dividing its market capitalisation based on the Offer Price by the consolidated net asset value of approximately HK\$98.8 million as at 30 September 2024; and
3. The P/S Ratio of the Comparable Company is calculated by dividing its market capitalisation as at the Last Trading Day by its revenue for the latest financial year. The implied P/S Ratio of the Company (the “**Implied P/S Ratio**”) is calculated by dividing its market capitalisation based on the Offer Price by the revenue of the Group of approximately HK\$22.8 million for FY2024.

*Source: Website of the Stock Exchange (<https://www.hkex.com.hk>)*

As illustrated from the table 2 above, we noted that (i) the P/B Ratio of the Comparable Company is 0.47 times; and (ii) the P/S Ratio of the Comparable Company is 0.49 times. The Implied P/B Ratio of approximately 0.61 times is above the P/B Ratio of the Comparable Company. The Implied P/S Ratio of approximately 2.63 times is above the P/S Ratio of the Comparable Company.

In view of the facts that (i) the sample size is too small with only one Comparable Company, representing a very limited sample for a representative comparison; and (ii) the P/S Ratio does not take cost and hence profitability of the company into account, we consider that the P/B Ratio and the P/S Ratio of the Comparable Company may not serve as a representative indication regarding the Offer Price and should only serve as a reference only.



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While we have also attempted to compare the terms of the Offer with other general offer transactions announced by other listed companies, there were no general offer transactions announced by the companies, that (a) are listed on the Stock Exchange; (b) with at least 50% of their respective total revenue contributed from the provision of financial trading solution services in their latest financial year which is similar to the Group's total revenue principally generated from the Financial Trading Solution Segment (approximately HK\$5.6 million for IR2024, representing approximately 60.7% of the Group's total revenue); and (c) have market capitalisation at or below HK\$500 million as at the Last Trading Day, within one year prior to the Last Trading Day. We consider an offer price comparable analysis using other general offer transactions would not be meaningful without taking into account the relevant comparable business segment. As such, we are of the view that such analysis method is not appropriate to assess the fairness and reasonableness of the Offer Price.

### RECOMMENDATION

Having considered the principal factors and reasons as discussed above, in particular:

- (i) As discussed in the paragraph headed "1. Background and financial information of the Group", the prospect of (a) the Group's Financial Trading Solution Segment will remain positive given that securities and derivatives market in worldwide, Asia-Pacific Region and Hong Kong remain positive; and (b) the Group's Bullion Trading Segment will also remain positive given that bullion market in Hong Kong remains positive;
- (ii) The financial performance the Group had improved based on the fact that (a) the Group's loss-making position narrowed to approximately HK\$6.7 million for IR2024, as compared to approximately HK\$12.9 million for IR2023; and (b) the introduction of the Bullion Trading Segment since 25 September 2023 had contributed the revenue of approximately HK\$3.2 million and HK\$3.6 million for FY2024 and IR2024 respectively;
- (iii) the closing prices of the Shares had been staying well above the Offer Price since 21 January 2025 and up to the Latest Practicable Date;
- (iv) the Offer Price represented a significant discount to the closing prices of the Shares of approximately 71.70% to 77.61% from the date of the Joint Announcement and up to the Latest Practicable Date;
- (v) the discount of approximately 39.27% represented by the Offer Price to the unaudited consolidated net assets per Share of approximately HK\$0.247 as at 30 September 2024; and

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- (vi) the increase in trading volume during the Post Joint Announcement Review Period,

we are of the opinion that, (i) **THE OFFER IS NOT FAIR AND NOT REASONABLE** so far as the Independent Shareholders are concerned; and (ii) the Independent Shareholders who would like to realise part or all of their investments in the Shares, instead of accepting the Offer, selling their Shares in the open market if they wish so. Accordingly, we advise the Independent Board Committee to recommend, and we ourselves recommend, the Independent Shareholders **NOT TO ACCEPT THE OFFER**.

Shareholders are strongly advised that the decision not to accept the Offer, hold their investments in the Shares or realise part or all of their investments in the Shares is subject to individual circumstances and investment objectives. As different Shareholders would have different investment criteria, objectives or risk appetite and profiles, we recommend any Shareholders who may require advice in relation to any aspect of the Composite Document, or as to the action to be taken, to consult a licensed securities broker, bank manager, solicitor, professional accountant, tax adviser or other professional adviser.

Shareholders are also reminded to read carefully the procedures for accepting the Offer as detailed in the Composite Document, the appendices of the Composite Document and the relevant Form of Acceptance, if they wish to accept the Offer.

Yours faithfully,  
For and on behalf of  
**Dakin Capital Limited**  
**Tam Kin Fong**  
*Managing Director*

*Note:* Mr. Tam Kin Fong is a responsible officer of Dakin Capital Limited, which is licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has been active in the field of corporate finance advisory for over 20 years, and has been involved in and completed various corporate finance advisory transactions.

\* *for identification purpose only*

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

- (a) To accept the Offer, you should complete and sign the accompanying Form of Acceptance in accordance with the instructions printed thereon, which form part of the terms of the Offer.
- (b) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect hereof) in respect of your Shares is/are in your name, and you wish to accept the Offer in respect of your Shares (whether in full or in part), you must send the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for the number of Shares in respect of which you intend to accept the Offer, by post or by hand, to the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, marked "Novacon Technology Group Limited – General Offer" on the envelope, as soon as possible and in any event so as to reach the Registrar by no later than 4:00 p.m. on the Closing Date or such later time and/or date as the Offeror may determine and the Offeror and the Company may jointly announce with the consent of the Executive in accordance with the Takeovers Code.
- (c) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in the name of a nominee company or a name other than your own, and you wish to accept the Offer in respect of your Shares (whether in full or in part), you must either:
  - (i) lodge your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares with the nominee company, or other nominee, with instructions authorising it to accept the Offer on your behalf and requesting it to deliver the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares to the Registrar by no later than 4:00 p.m. on the Closing Date; or
  - (ii) arrange for the Shares to be registered in your name by the Company through the Registrar, and deliver the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any

satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares to the Registrar by no later than 4:00 p.m. on the Closing Date; or

- (iii) if your Shares have been lodged with your licensed securities dealer/registered institution in securities/custodian bank through CCASS, instruct your licensed securities dealer/registered institution in securities/custodian bank to authorise HKSCC Nominees Limited to accept the Offer on your behalf on or before the deadline set by HKSCC Nominees Limited. In order to meet the deadline set by HKSCC Nominees Limited, you should check with your licensed securities dealer/registered institution in securities/custodian bank for the timing on the processing of your instruction, and submit your instruction to your licensed securities dealer/registered institution in securities/custodian bank as required by them; or
  - (iv) if your Shares have been lodged with your investor participant's account maintained with CCASS, give your instruction via the CCASS Phone System or CCASS Internet System on or before the deadline set by HKSCC Nominees Limited.
- (d) If the share certificate(s) and/or transfer receipts and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are not readily available and/or is/are lost, as the case may be, and you wish to accept the Offer in respect of your Shares, the Form of Acceptance should nevertheless be completed and signed and delivered to the Registrar together with a letter stating that you have lost one or more of your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares or that it is/they are not readily available. If you find such document(s) or if it/they become(s) available, it/they should be forwarded to the Registrar as soon as possible thereafter. If you have lost your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title, you should also write to the Registrar a letter of indemnity which, when completed in accordance with the instructions given, should be delivered to the Registrar. The Offeror shall have the absolute discretion to decide whether any Shares in respect of which the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title is/are not readily available and/or is/are lost will be taken up by the Offeror.
- (e) If you have lodged transfer(s) of any of your Shares for registration in your name and have not yet received your share certificate(s), and you wish to accept the Offer in respect of your Shares, you should nevertheless complete and sign the Form of Acceptance and deliver it to the Registrar together with the transfer receipt(s) duly signed by yourself. Such action will constitute an irrevocable authority to the Offeror and/or Goldlink Securities and/or their

respective agent(s) to collect from the Company or the Registrar on your behalf the relevant share certificate(s) when issued and to deliver such share certificate(s) to the Registrar on your behalf and to authorise and instruct the Registrar to hold such share certificate(s), subject to the terms and conditions of the Offer, as if it was/they were delivered to the Registrar with the Form of Acceptance.

- (f) Acceptance of the Offer will be treated as valid only if the duly completed and signed Form of Acceptance is received by the Registrar by no later than 4:00 p.m. on the Closing Date (or such later time and/or date as the Offeror may determine and the Offeror and the Company may jointly announce with the consent of the Executive in accordance with the Takeovers Code) and the Registrar has recorded that the Form of Acceptance and any relevant documents as required by Note 1 to Rule 30.2 of the Takeovers Code have been so received, and is:
  - (i) accompanied by the relevant share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares and, if that/those share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) is/are not in your name, such other documents (e.g. a duly stamped transfer of the relevant Share(s) in blank or in favour of the acceptor executed by the registered holder) in order to establish your right to become the registered holder of the relevant Shares; or
  - (ii) from a registered Shareholder or his/her personal representative (but only up to the amount of the registered holding and only to the extent that the acceptance relates to the Shares which are not taken into account under another sub-paragraph of this paragraph (f)); or
  - (iii) certified by the Registrar or the Stock Exchange.
- (g) If the Form of Acceptance is executed by a person other than the registered Shareholders, appropriate documentary evidence of authority (e.g. grant of probate or certified copy of a power of attorney) to the satisfaction of the Registrar must be produced.
- (h) In Hong Kong, seller's ad valorem stamp duty payable by the Independent Shareholders who accept the Offer and calculated at a rate of 0.1% of the market value of the Offer Shares or consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is the higher, will be deducted from the amount payable by the Offeror to the relevant Shareholders on the acceptance of the Offer. The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the Independent Shareholders who accept the Offer and will pay the buyer's ad valorem stamp

duty in connection with the acceptance of the Offer and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

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

## **2. SETTLEMENT OF THE OFFER**

- (a) Provided that a valid Form of Acceptance and the relevant certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the relevant Shares are complete and in good order in all respects and have been received by the Registrar before the close of the Offer, a cheque for the amount (rounding up to the nearest cent) due to each of the Independent Shareholders who accepts the Offer less seller's ad valorem stamp duty in respect of the Shares tendered by him/her/it under the Offer will be despatched to such Independent Shareholder by ordinary post at his/her/its own risk as soon as possible but in any event no later than seven (7) Business Days after the date of receipt by the Registrar of the duly completed acceptances of the Offer and all relevant documents of title which render such acceptance complete, valid and in compliance with Note 1 to Rule 30.2 of the Takeovers Code.
- (b) Settlement of the consideration to which any accepting Independent Shareholder is entitled under the Offer will be implemented in full in accordance with the terms of the Offer (save with respect to the payment of seller's ad valorem stamp duty), without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such accepting Independent Shareholder.
- (c) Cheque(s) not presented for payment within six months from the date of issue of the relevant cheques will not be honoured and be of no further effect, and in such circumstances cheque holders should contact the Offeror for payment.

## **3. ACCEPTANCE PERIOD AND REVISIONS**

- (a) In order to be valid for the Offer, the Form of Acceptance must be received by the Registrar in accordance with the instructions printed thereon by 4:00 p.m. on the Closing Date, unless the Offer is extended or revised with the consent of the Executive.
- (b) The Offeror and the Company will jointly publish an announcement on the Stock Exchange's website no later than 7:00 p.m. on the Closing Date stating the results of the Offer and whether the Offer has been extended, revised or has expired.

- (c) If the Offer is extended or revised, the Offeror and the Company will jointly publish an announcement on the Stock Exchange's website, and the announcement of such extension or revision will state the next closing date or that the Offer will remain open until further notice. In the latter case, at least fourteen (14) days' notice in writing will be given before the Offer is closed to the Independent Shareholders who have not accepted the Offer.
- (d) If, in the course of the Offer, the Offeror revises the terms of the Offer, all Independent Shareholders, whether or not they have already accepted the Offer, will be entitled to accept the revised Offer under the revised terms. The revised Offer will be kept open for at least fourteen (14) days after the date of the revised Offer document.
- (e) If the Closing Date is extended, any reference in this Composite Document and in the Form of Acceptance to the Closing Date shall, except where the context otherwise requires, be deemed to refer to the closing date of the Offer as so extended.

#### 4. NOMINEE REGISTRATION

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

#### 5. ANNOUNCEMENTS

- (a) By 6:00 p.m. (or such later time as the Executive may in exceptional circumstances permit) on the Closing Date, the Offeror must inform the Executive and the Stock Exchange of its decision in relation to the revision, extension or expiry of the Offer. The Offeror must post an announcement in accordance with the requirements of the GEM Listing Rules on the Stock Exchange's website by 7:00 p.m. on the Closing Date stating, amongst other information required under Rule 19.1 of the Takeovers Code, whether the Offer has been revised, extended, or has expired. The announcement will state the total number of Shares and rights over Shares:
  - (i) for which acceptances of the Offer have been received;
  - (ii) held, controlled or directed by the Offeror and/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 and/or parties acting in concert with it.

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

The announcement must also specify the percentages of the issued share capital of the Company and the percentages of voting rights of the Company represented by these numbers.

- (b) In computing the total number of Shares represented by acceptances as of the Closing Date, only valid acceptances that are in all respects complete, in good order and fulfill the acceptance conditions set out in this Appendix, and which have been received by the Registrar no later than 4:00 p.m. on the Closing Date, unless the Offer is extended or revised with the consent of the Executive, shall be included.
- (c) As required under the Takeovers Code, all announcements in relation to the Offer will be made in accordance with the requirements of the Takeovers Code and the GEM Listing Rules, where appropriate.

## 6. RIGHT OF WITHDRAWAL

- (a) Acceptance of the Offer tendered by the Independent Shareholders shall be irrevocable and cannot be withdrawn, except in the circumstances set out in the sub-paragraph (b) below.
- (b) In the circumstances set out in Rule 19.2 of the Takeovers Code (which is to the effect that if the Offeror is unable to comply with any of the requirements of making announcements relating to the Offer as described under the paragraph headed “5. Announcements” above), the Executive may require that acceptors of the Offer be granted a right of withdrawal, on terms acceptable to the Executive, until such requirements can be met.

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



**7. OVERSEAS SHAREHOLDERS**

The Offeror intends to make the Offer available to all Independent Shareholders, including the Overseas Shareholders. As the Offer to persons with a registered address in a jurisdiction outside Hong Kong may be affected by the laws of the relevant overseas jurisdictions, the Overseas Shareholders and beneficial owners of the Shares who are citizens, residents or nationals of a jurisdiction outside Hong Kong should inform themselves about and observe any applicable legal or regulatory requirements and, where necessary, seek legal advice in respect of the Offer. It is the responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer, including but not limited to the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required or the compliance with other necessary formalities, legal and/or regulatory requirements and the payment of any issue, transfer, cancellation or other taxes and duties due by such Overseas Shareholders in respect of the acceptance of the Offer in such jurisdictions.

The Offeror and the parties acting in concert with it, the Company, Goldlink Capital, Messis Capital, Goldlink Securities, the Independent Financial Adviser, the Registrar or any of their respective ultimate beneficial owners, directors, officers, agents, advisers and associates and any other person involved in the Offer shall be entitled to be fully indemnified and held harmless by the Overseas Shareholders for any taxes or duties as such persons may be required to pay.

Acceptance of the Offer by any Overseas Shareholder will be deemed to constitute a representation and warranty from such Overseas Shareholder to the Offeror that all applicable laws and requirements have been complied with and such Overseas Shareholder is permitted under all applicable laws and regulations to receive and accept the Offer, and any revision thereof, and such acceptance shall be valid and binding in accordance with all applicable laws and regulations. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above representation and warranty. The Overseas Shareholders should consult their professional advisers if in doubt.

**8. TAXATION ADVICE**

Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror and the parties acting in concert with it, the Company, Goldlink Capital, Messis Capital, Goldlink Securities, the Independent Financial Adviser and (as the case may be) their respective ultimate beneficial owners, directors, officers, agents or associates or any other person involved in the Offer accept responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

## 9. GENERAL

- (a) All communications, notices, Form(s) of Acceptance, share certificate(s), transfer receipt(s), other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and remittances to settle the consideration payable under the Offer to be delivered by or sent to or from the Independent Shareholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk, and none of the Company, the Offeror and the parties acting in concert with it, Goldlink Capital, Messis Capital, Goldlink Securities, the Independent Financial Adviser and any of their respective directors nor the Registrar or other parties involved in the Offer or any of their respective agents accept any liability for any loss in postage, delay in transmission or any other liabilities that may arise as a result thereof.
- (b) The provisions set out in the Form of Acceptance form part of the terms and conditions of the Offer.
- (c) The accidental omission to despatch this Composite Document and/or Form of Acceptance or any of them to any person to whom the Offer is made will not invalidate the Offer in any way.
- (d) The Offer is, and all acceptances will be, governed by and construed in accordance with the laws of Hong Kong.
- (e) Due execution of the Form of Acceptance will constitute an authority to the Offeror, Goldlink Capital, Messis Capital, Goldlink Securities and/or such person or persons as the Offeror may direct to complete, amend and execute any document on behalf of the person or persons accepting the Offer and to do any other act that may be necessary or expedient for the purposes of vesting in the Offeror, or such person or persons as they may direct, the Shares in respect of which such person or persons has/have accepted the Offer.
- (f) Acceptance of the Offer by any person or persons will be deemed to constitute a representation and warranty by such person or persons to the Offeror and Goldlink Securities that the Offer Shares are sold to the Offeror free from all Encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of this Composite Document. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above representation and warranty.

- (g) Acceptance of the Offer by any nominee will be deemed to constitute a warranty by such nominee to the Offeror that the number of Shares in respect of which as indicated in the Form of Acceptance is the aggregate number of Shares held by such nominee for such beneficial owner who is accepting the Offer.
- (h) Any Independent Shareholders accepting the Offer will be responsible for payment of any other transfer or cancellation or other taxes or duties payable in respect of the relevant jurisdiction due by such persons.
- (i) Unless otherwise expressly stated in this Composite Document and/or the Form of Acceptance, no person other than the Offeror and the accepting Independent Shareholders may enforce any terms of the Offer that will arise out of complete and valid acceptances under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong).
- (j) Reference to the Offer in this Composite Document and in the Form of Acceptance shall include any extension and/or revision thereof.
- (k) All acceptance, instructions, authorities and undertakings given by the Independent Shareholders in the Form of Acceptance shall be irrevocable except as permitted under the Takeovers Code.
- (l) The English text of this Composite Document and the Form of Acceptance shall prevail over their respective Chinese text for the purpose of interpretation in case of inconsistency.
- (m) In making their decisions, the Independent Shareholders must rely on their own examination of the Offeror, the Group and the terms of the Offer, including the merits and risks involved. The contents of this Composite Document, including any general advice or recommendation contained herein together with the Form of Acceptance, shall not be construed as any legal or business advice on the part of the Offeror and parties acting in concert with it, the Company, Goldlink Capital, Messis Capital, Goldlink Securities, the Independent Financial Adviser and the Registrar or any of their respective ultimate beneficial owners, directors, officers, agents or associates or any other persons involved in the Offer. The Independent Shareholders should consult their own professional advisers for professional advice.
- (n) The Offer is made in accordance with the Takeovers Code.

## 1. SUMMARY OF THE FINANCIAL INFORMATION OF THE GROUP

Set out below is a summary of the audited financial information of the Group for the three financial years ended 31 March 2022, 2023 and 2024 and the six months ended 30 September 2023 and 2024 as extracted from the relevant annual reports and interim report of the Company:

	For the year ended 31 March			For the six months ended 30 September	
	2024	2023	2022	2024	2023
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Audited)	(Audited)	(Audited)	(Unaudited)	(Unaudited)
<b>Revenue</b>	22,791	52,577	50,035	9,209	14,223
Other net income	2,841	1,826	363	1,382	563
<b>Expenses</b>					
Cost of sales of computer hardware and software	–	–	(7)	–	–
License and subscription cost	(1,343)	(1,822)	(1,803)	(536)	(734)
Internet services cost	(1,969)	(3,436)	(2,926)	(617)	(1,365)
Employee benefit expenses	(25,924)	(22,790)	(19,916)	(8,859)	(18,643)
Depreciation of property and equipment	(1,877)	(1,966)	(2,450)	(894)	(934)
Depreciation of right-of-use assets	(392)	(369)	–	–	(216)
Amortisation of intangible assets	(6,268)	(6,045)	(4,626)	(3,061)	(3,036)
Reversal of impairment losses/(impairment losses) on financial and contract assets	422	(4,619)	–	–	(1,758)
Bad debts written off	(4,964)	–	–	–	–
Impairment loss on intangible assets	(770)	–	–	–	–
Other expenses	(5,811)	(6,408)	(4,689)	(3,117)	(2,647)
Finance costs	(8)	(16)	(26)	–	(6)
<b>(Loss)/profit before income tax</b>	(23,272)	6,932	13,955	(6,493)	(14,553)
Income tax credit/(expense)	296	(1,221)	(2,734)	(247)	1,624
<b>(Loss)/profit for the year/period</b>	(22,976)	5,711	11,221	(6,740)	(12,929)
<b>Total comprehensive (loss)/income attributable to owners of the Company for the year/period</b>	(22,987)	5,710	11,221	(6,686)	(12,944)
<b>(Loss)/earnings per share attributable to owners of the Company</b>					
Basic (expressed in HK cents per share)	(5.74)	1.43	2.81	(1.69)	(3.23)
Diluted (expressed in HK cents per share)	(5.74)	1.43	2.80	(1.69)	(3.22)

## Assets and liabilities

	As at 31 March			As at 30 September
	2024	2023	2022	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Audited)	(Audited)	(Audited)	(Unaudited)
<b>NON-CURRENT ASSETS</b>	60,413	59,882	57,548	58,215
<b>CURRENT ASSETS</b>	54,972	77,494	72,081	45,916
<b>NON-CURRENT LIABILITIES</b>	(762)	(495)	(449)	(761)
<b>CURRENT LIABILITIES</b>	(8,291)	(7,162)	(4,379)	(4,524)
<b>TOTAL EQUITY</b>	106,332	129,719	124,801	98,846

The Board declared and paid (i) final dividends of HK\$0.002, HK\$0.001 and HK\$0.002 per Share for each of the years ended 31 March 2022, 2023 and 2024, respectively; and (ii) interim dividend of HK\$0.0625 per Share during the year ended 31 March 2025. Save as disclosed, no dividend was paid or proposed during the years ended 31 March 2022, 2023 and 2024 and six months ended 30 September 2024.

The consolidated financial statements of the Group for each of the years ended 31 March 2022, 2023 and 2024 were audited by Baker Tilly Hong Kong Limited. The consolidated financial statements of the Group for the years ended 31 March 2022, 2023 and 2024 did not contain any qualified or modified opinion, nor any emphasis of matter or material uncertainty related to going concern.

Save as disclosed above, there were no items of any income or expense which are material in respect of the consolidated financial results of the Company for each of the years ended 31 March 2022, 2023 and 2024.

## 2. CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP

The Company is required to set out or refer to in this Composite Document the consolidated statements of profit or loss, the consolidated statement of financial position, consolidated statement of cash flows and any other primary statement as shown in the last published audited accounts, together with the notes to the relevant published accounts which are of major relevance to the appreciation of the above financial information.

The unaudited consolidated financial statements of the Group for the six months ended 30 September 2024 (the “**2024 Interim Financial Statements**”) have been set out from page 3 to page 23 in the interim report of the Company for the six months ended 30 September 2024 (the “**2024 Interim Report**”), which was published on 7 November 2024 on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.novacontechgroup.com/>), and is accessible via the following hyperlink:

<<https://www1.hkexnews.hk/listedco/listconews/gem/2024/1107/2024110700400.pdf>>

The audited consolidated financial statements of the Group for the year ended 31 March 2024 (the “**2024 Financial Statements**”) have been set out from page 67 to page 127 in the annual report of the Company for the year ended 31 March 2024 (the “**2024 Annual Report**”), which was published on 27 June 2024 on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.novacontechgroup.com/>), and is accessible via the following hyperlink:

<<https://www1.hkexnews.hk/listedco/listconews/gem/2024/0627/2024062700447.pdf>>

The audited consolidated financial statements of the Group for the year ended 31 March 2023 (the “**2023 Financial Statements**”) have been set out from page 67 to page 117 in the annual report of the Company for the year ended 31 March 2023 (the “**2023 Annual Report**”), which was published on 27 June 2023 on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.novacontechgroup.com/>), and is accessible via the following hyperlink:

<<https://www1.hkexnews.hk/listedco/listconews/gem/2023/0627/2023062700374.pdf>>

The audited consolidated financial statements of the Group for the year ended 31 March 2022 (the “**2022 Financial Statements**”) have been set out from page 62 to page 109 in the annual report of the Company for the year ended 31 March 2022 (the “**2022 Annual Report**”), which was published on 27 June 2022 on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.novacontechgroup.com/>), and is accessible via the following hyperlink:

<<https://www.hkexnews.hk/listedco/listconews/gem/2022/0627/2022062700592.pdf>>

The 2024 Financial Statements, the 2023 Financial Statements, the 2022 Financial Statements and the 2024 Interim Financial Statements (but not any other parts of the 2024 Annual Report, the 2023 Annual Report, the 2022 Annual Report or the 2024 Interim Report in which they respectively appear) are incorporated by reference into this Composite Document and form part of this Composite Document.

### 3. INDEBTEDNESS STATEMENT

Apart from the intra-group liabilities and normal accounts payable, the Directors confirm that, the Group did not, as at the close of business on 28 February 2025, being the latest practicable date for the purpose of the statement of indebtedness prior to the printing of this Composite Document, have any loan capital issued and outstanding or agreed to be issued, loans or other similar indebtedness, liabilities under acceptance (other than normal trade bills) or acceptance credits, term loans, other borrowings, bank overdraft, debentures, mortgages, charges, finance lease or hire purchase commitments, guarantees or other material contingent liabilities.

The Directors confirm there had been no material changes in indebtedness or contingent liabilities of the Group since 28 February 2025 and up to and including the Latest Practicable Date.

#### 4. MATERIAL CHANGE

The Directors confirm that, save and except as disclosed below, there has been no material change in the financial or trading position or outlook of the Group since 31 March 2024 (being the date which the latest published audited consolidated financial statements of the Group were made up), up to and including the Latest Practicable Date.

- (i) as disclosed in the interim report of the Company for the six months ended 30 September 2024 (the “**Interim Report 2024**”), the revenue of the Group decreased from approximately HK\$14.2 million for the six months ended 30 September 2023 (“**IR2023**”) to approximately HK\$9.2 million for the six months ended 30 September 2024 (“**IR2024**”), representing a decrease of approximately 35.2%. Such decrease in the Group’s revenue was mainly due to the significant drop in revenue from initial set up and customisation services in the financial trading solution and other information technology services segment (the “**Financial Trading Solution Segment**”) by approximately 92.9% from approximately HK\$7.0 million for IR2023 to approximately HK\$0.5 million for IR2024. Such decrease in the revenue derived from initial set up and customisation services was primarily due to the completion of a major project during IR2024 and other projects were still at initial stage. The revenue from licensing and maintenance services in the Financial Trading Solution Segment also decreased from approximately HK\$6.7 million for IR2023 to approximately HK\$5.1 million for IR2024, representing a decrease of approximately 24.3%. Such decrease in the revenue derived from licensing and maintenance services was mainly due to the decrease in services provided to existing customers. The above decrease in revenue derived from the Financial Trading Solution Segment was partially offset by the revenue derived from the commission and dealing income from bullion trading services segment (the “**Bullion Trading Segment**”), representing an increase in revenue of the Bullion Trading Segment from approximately HK\$0.5 million for IR2023 to approximately HK\$3.6 million for IR2024;
- (ii) as disclosed in the Interim Report 2024, the Group’s other net income increased from approximately HK\$0.6 million for IR2023 to approximately HK\$1.4 million for IR2024, representing an increase of approximately 145.5%. Such increase in other net income was mainly attributable to the combined effect of (a) the increase in change in fair value of financial assets at fair value through profit or loss from approximately HK\$10,000 for IR2023 to approximately HK\$0.4 million for IR2024; and (b) the recognition of other interest income, net of approximately HK\$0.2 million for IR2024 (IR2023: other interest expenses, net of approximately HK\$0.2 million); and partially offset by the decrease in interest income on time deposits from approximately HK\$0.7 million for IR2023 to approximately HK\$0.6 million for IR2024;



- (iii) as disclosed in the Interim Report 2024, for IR2024, the Group's internet services cost was approximately HK\$0.6 million, representing a decrease of approximately 54.8% compared to the internet services cost of approximately HK\$1.4 million for IR2023. Such decrease in internet services cost was primarily because of the reduced subscription of services by the Group during IR2024 as part of its cost control measures;
- (iv) as disclosed in the Interim Report 2024, the Group's employee benefit expenses decreased from approximately HK\$18.6 million for IR2023 to approximately HK\$8.9 million for IR2024, representing a decrease of approximately 52.5%. Such decrease in employee benefit expenses was mainly due to no one-off staff bonus was incurred during IR2024 (IR2023: approximately HK\$7.5 million) and a reduction in staff cost of approximately HK\$2.0 million due to restructuring as part of the Group's cost control measures;
- (v) as disclosed in the Interim Report 2024, the Group recorded loss before income tax of approximately HK\$6.5 million for IR2024 (IR2023: loss before income tax of approximately HK\$14.6 million). Such improvement was mainly attributable to the increase in other net income, decrease in internet services cost and employee benefit expenses and no impairment losses on financial and contract assets. It has been partially offset by the decrease in revenue as mentioned above (i) in this paragraph;
- (vi) as disclosed in the Interim Report 2024, the Group's income tax expenses for IR2024 were approximately HK\$0.2 million (IR2023: income tax credit of approximately HK\$1.6 million). Such substantial reversal was mainly due to no deferred income tax assets in respect of losses was recognised as at 30 September 2024 of approximately HK\$1.7 million. If the deferred income tax assets in respect of losses were recognised, no income tax expenses were paid;
- (vii) as disclosed in the Interim Report 2024, the Group's loss for the period of IR2024 amounted to approximately HK\$6.7 million (IR2023: loss for the period of approximately HK\$12.9 million). Such improvement was mainly due to the above mentioned reasons of (v) in this paragraph under loss before income tax;
- (viii) as disclosed in the Interim Report 2024, the Group's derivative financial instruments decreased from approximately HK\$3.0 million as at 31 March 2024 to approximately HK\$0.2 million as at 30 September 2024, representing a decrease of approximately 92.8%. The derivative financial instruments are the hedging instruments against the Group's exposure to price fluctuation in bullion products from client orders of the Bullion Trading Segment. Such decrease in derivatives financial instruments represented the decrease in client's derivatives financial instruments position in the Bullion Trading Segment;



- (ix) as disclosed in the Interim Report 2024, the Group's deposits received from clients decreased from approximately HK\$5.1 million as at 31 March 2024 to approximately HK\$1.8 million as at 30 September 2024, representing a decrease of approximately 64.8%. The deposits received from clients are the client net equity remained in the Bullion Trading Segment. Such decrease in deposits received from clients represented the clients' loss on the bullion trading for IR2024;
- (x) as disclosed in the Company's announcement dated 3 December 2024, the Company, through its wholly-owned subsidiary, Global eSolutions (HK) Limited, disposed on the open market certain exchange traded funds at an aggregate consideration of approximately USD1.17 million (equivalent to approximately HK\$9.06 million) (exclusive of transaction costs), which is receivable in cash on settlement; and
- (xi) as disclosed in the Company's announcement dated 10 February 2025, the Board has resolved to declare an interim dividend of HK\$0.0625 per Share (the "**Interim Dividend**"), which amounts to HK\$25 million in total and would be payable out of the retained earnings of the Company. The Interim Dividend has been paid on 17 March 2025 to the Shareholders whose names appear on the register of members of the Company at the close of business on 24 February 2025.

## 1. RESPONSIBILITY STATEMENTS

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than those relating to the Offeror and parties acting in concert with it) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than those expressed by the sole director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statements in this Composite Document misleading.

## 2. SHARE CAPITAL

The authorised and issued share capital of the Company of HK\$0.01 each as at 31 March 2024 and the Latest Practicable Date were as follows:

### (i) As at 31 March 2024

<i>Authorised</i>	<i>HK\$</i>
10,000,000,000 Shares	100,000,000
<i>Issued</i>	
400,000,000 Shares	4,000,000

### (ii) As at Latest Practicable Date

<i>Authorised</i>	<i>HK\$</i>
10,000,000,000 Shares	100,000,000
<i>Issued and fully paid up</i>	
400,000,000 Shares	4,000,000

As at the Latest Practicable Date, save for 400,000,000 Shares in issue, the Company did not have other class of securities, outstanding options, derivatives, warrants or other securities which are convertible or exchangeable into Shares and had not entered into any agreement for the issue of such shares, options, derivatives, warrants or securities of the Company as at the Latest Practicable Date.

All issued Shares rank *pari passu* in all respects with each other, including, in particular, as to dividends, voting rights and return of capital.

As at the Latest Practicable Date, the Company had not issued any Shares since 31 March 2024, the date to which the latest audited financial statements of the Group were made up.

The issued Shares are listed on the Stock Exchange. None of the securities of the Company is listed or dealt in, and no listing or permission to deal in the securities of the Company is being or is proposed to be sought on any other stock exchange.

### 3. MARKET PRICES

The table below sets out the closing prices of the Shares quoted on the Stock Exchange on (1) the last day on which trading took place in each of the calendar months during the Relevant Period, (2) the Last Trading Day, and (3) the Latest Practicable Date:

<b>Date</b>	<b>Closing price of each Share (HK\$)</b>
30 September 2024	0.066
31 October 2024	0.130
29 November 2024	0.126
31 December 2024	0.073
28 January 2025	0.246
28 February 2025	0.226
12 March 2025 (Last Trading Day)	0.590
31 March 2025	0.610
3 April 2025 (Latest Practicable Date)	0.530

During the Relevant Period, the highest and the lowest closing prices of the Shares as quoted on the Stock Exchange were HK\$0.67 per Share on 25 March 2025 and HK\$0.066 per Share during the period from 27 September 2024 to 2 October 2024.

### 4. DISCLOSURE OF INTERESTS

#### **Directors' and chief executives' interests in the securities of the Company and its associated companies**

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

**Disclosure of interests of substantial Shareholders**

As at the Latest Practicable Date, the following persons (not being a Director or chief executive of the Company) had an interest or a short position in the Shares or the underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO or as otherwise notified to the Company and the Stock Exchange:

Name	Capacity/Nature of interest	Number of Shares held	Percentage of shareholding
The Offeror	Beneficial owner	300,000,000	75%
Ms. Di Xiaoguang	Interest of controlled corporation ( <i>Note</i> )	300,000,000	75%

*Note:* The Offeror is legally, beneficially and wholly owned by Ms. Di, who is deemed to be interested in the 300,000,000 Shares held by the Offeror under the SFO. Ms. Di is the sole director of the Offeror.

Save as disclosed herein, as at the Latest Practicable Date, the Directors were not aware of any interests or short positions in the Shares or the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept under section 336 of the SFO or as otherwise notified to the Company and the Stock Exchange.

**5. ADDITIONAL DISCLOSURE OF INTERESTS**

- (a) As at the Latest Practicable Date, none of the Directors was interested within the meaning of Part XV of the SFO in the Shares or any warrants, options, convertible securities or derivatives in respect of any Shares.
- (b) As at the Latest Practicable Date, none of the Directors held any beneficial shareholdings in the Company which would otherwise entitle them to accept or reject the Offer.
- (c) During the Relevant Period and as at the Latest Practicable Date, none of the subsidiaries of the Company, pension funds of the Company or of a subsidiary of the Company, or any person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of “acting in concert” in the Takeovers Code or who is an associate of the Company by virtue of class (2) of the definition of “associate” under the Takeovers Code (but excluding any exempt principal trader and exempt fund managers), had owned or controlled or dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares.

- (d) During the Offer Period and up to the Latest Practicable Date, save for the Sale and Purchase Agreement, there was no person who had arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code which existed between the Company, or any person who is presumed to be acting in concert with the Company by virtue of classes (1), (2), (3) and (5) of the definition of “acting in concert” under the Takeovers Code or who is an associate of the Company by virtue of classes (2), (3) or (4) of the definition of “associate” under the Takeovers Code, and no such person had owned, controlled or dealt for value in any Shares or any other convertible securities, warrants, options or derivatives in respect of the Shares.
- (e) During the Offer Period and up to the Latest Practicable Date, no Shares or any other convertible securities, warrants, options or derivatives in respect of the Shares were managed on a discretionary basis by fund managers (other than exempt fund managers) connected with the Company and no such person had dealt for value in any Shares or any other convertible securities, warrants, options or derivatives in respect of the Shares.
- (f) As at the Latest Practicable Date, none of the Company or the Directors had borrowed or lent any Shares or any convertible securities, warrants, options or derivatives or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in respect of any Shares.
- (g) During the Relevant Period, save for the Sale Shares, none of the Directors had dealt for value in any Shares, convertible securities, warrants, options, or derivatives in respect of the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

## 6. SHAREHOLDING AND DEALINGS IN SHARES OF THE OFFEROR

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

## 7. ARRANGEMENTS AFFECTING AND RELATING TO DIRECTORS

As at the Latest Practicable Date:

- (a) no benefit (other than statutory compensation) was or would be given to any Director as compensation for loss of office or otherwise in connection with the Offer;
- (b) there was no agreement or arrangement between any Director and any other person which was conditional on or dependent upon the outcome of the Offer or otherwise connected with the Offer;

- (c) save for the Sale and Purchase Agreement, no material contracts had been entered into by the Offeror in which any Director had a material personal interest; and
- (d) save for the Sale and Purchase Agreement, there was no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (1) any Shareholder and (2) the Company, its subsidiaries or associated companies.

## 8. LITIGATION

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

## 9. MATERIAL CONTRACTS

The following material contracts, not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Company or any of its subsidiaries, have been entered into by members of the Group within two years immediately preceding the date of the Joint Announcement and up to and including the Latest Practicable Date and are or may be material:

- (a) the sale and purchase agreement dated 20 September 2023 entered into between GMO Financial Holdings, Inc. as the vendor and Max Bullions Limited (an indirect wholly-owned subsidiary of the Company) as the purchaser in relation to the acquisition of 2,000,000 shares of GMO-Z.com Bullion HK Limited at the consideration of US\$216,000; and
- (b) the sale and purchase agreement dated 29 March 2023 entered into between Team Excel Holdings Limited as the vendor and Motion Cast Limited (a wholly-owned subsidiary of the Company) as the purchaser in relation to the acquisition of 60 shares of Sino Heritage Global Limited at the consideration of HK\$6,000,000 (which was lapsed on 29 April 2023).

Save as disclosed above, no contracts (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Group) were entered into by the members of the Group within two years before the date of the Joint Announcement and up to and including the Latest Practicable Date which are or may be material.

**10. EXPERT AND CONSENT**

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

<b>Name</b>	<b>Qualifications</b>
Dakin Capital Limited	a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

Dakin Capital Limited has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion herein of its letter, advice, and references to its name, logo and/or its qualification in the form and context in which it is included.

**11. DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, the Company had entered into the following service agreements and letters of appointment with the Directors:

<b>Name</b>	<b>Position</b>	<b>Term</b>	<b>Amount of remuneration</b>	<b>Variable remuneration</b>
Chung Chau Kan	Executive Director	a term of 1 year commencing from 2 May 2024 to 1 May 2025	HK\$1,241,700 per annum, discretionary bonus as may be decided by the Board	N/A
Wong Wing Hoi	Executive Director	a term of 1 year commencing from 2 May 2024 to 1 May 2025	HK\$1,104,810 per annum, discretionary bonus as may be decided by the Board	N/A
Wei Ming	Non-executive Director	a term of 3 years commencing from 2 May 2022 to 1 May 2025	HK\$Nil per annum	N/A
Moo Kai Pong	Independent non-executive Director	a term of 3 years commencing from 2 May 2022 to 1 May 2025	HK\$130,200 per annum	N/A

Name	Position	Term	Amount of remuneration	Variable remuneration
Lo Chi Wang	Independent non-executive Director	a term of 3 years commencing from 2 May 2022 to 1 May 2025	HK\$130,200 per annum	N/A
Ho Sze Man Kristie	Independent non-executive Director	a term of 3 years commencing from 22 November 2024 to 21 November 2027	HK\$130,200 per annum	N/A

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

## 12. MISCELLANEOUS

- (a) The registered office of the Company is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.
- (b) The head office and principal place of business in Hong Kong is situated at Office E, 17th Floor, EGL Tower, No. 83 Hung To Road, Kwun Tong, Kowloon, Hong Kong.
- (c) As at the Latest Practicable Date, the Board comprised Mr. Chung Chau Kan and Mr. Wong Wing Hoi as executive Directors; Mr. Wei Ming as non-executive Director and Mr. Moo Kai Pong, Mr. Lo Chi Wang and Ms. Ho Sze Man Kristie as independent non-executive Directors.
- (d) The registered office of Dakin Capital Limited is situated at Suite 3111A, 31/F, Tower 2, Lippo Centre, 89 Queensway, Hong Kong.
- (e) The English text of this Composite Document and the accompanying Form of Acceptance shall prevail over their respective Chinese text in case of inconsistency.



**13. DOCUMENTS ON DISPLAY**

Copies of the following documents are published on the websites of the SFC (<http://www.sfc.hk>) and the Company (<http://www.novacontechgroup.com/>), from the date of this Composite Document up to and including the Closing Date:

- (a) the amended and restated memorandum and articles of association of the Company;
- (b) the 2022 Annual Report, the 2023 Annual Report, the 2024 Annual Report and the 2024 Interim Report;
- (c) the “Letter from the Board”, the text of which is set out on pages 21 to 27 of this Composite Document;
- (d) the “Letter from the Independent Board Committee”, the text of which is set out on pages 28 to 29 of this Composite Document;
- (e) the “Letter from the Independent Financial Adviser”, the text of which is set out on pages IFA-1 to IFA-34 of this Composite Document;
- (f) the service agreements and letters of appointment with the Directors referred to in the section headed “Directors’ service contracts” in this Appendix;
- (g) the written consent referred to in the paragraph headed “Expert and consent” in this Appendix; and
- (h) the material contracts referred to in the paragraph headed “Material contracts” in this Appendix.

## 1. RESPONSIBILITY STATEMENT

This Composite Document includes particulars given in compliance with the Takeovers Code for the purpose of giving information with regard to the Offer, the Offeror and the Group.

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

## 2. DISCLOSURE OF INTERESTS IN SHARES

As at the Latest Practicable Date, details of interests in the Shares, underlying Shares, debentures or other relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company owned, controlled or directed by the Offeror, its ultimate beneficial owner, parties acting in concert with any of them and the sole director of the Offeror were as follows:

Name of Shareholder	Capacity	Percentage of interest in the	
		Number of Shares	Company's share capital
Ever Persist Holdings Limited (i.e. the Offeror)	Beneficial owner	300,000,000	75%
Ms. Di Xiaoguang	Interest of controlled corporation ( <i>Note</i> )	300,000,000	75%
<b>Total</b>		<b>300,000,000</b>	<b>75%</b>

*Note:* The Offeror is legally, beneficially and wholly owned by Ms. Di, who is deemed to be interested in the 300,000,000 Shares held by the Offeror under the SFO. Ms. Di is the sole director of the Offeror.

Save as disclosed above, as at the Latest Practicable Date, none of the Offeror, its ultimate beneficial owner, parties acting in concert with any of them and the sole director of the Offeror owned, controlled, directed, or had any other interest in the relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company.

### 3. DEALING AND INTERESTS IN THE COMPANY'S SECURITIES AND OTHER ARRANGEMENTS

Save for the Acquisition of an aggregate of 300,000,000 Shares by the Offeror from the Selling Shareholders at HK\$0.15 per Share, none of the Offeror, its ultimate beneficial owner (i.e. Ms. Di) nor the parties acting in concert with any of them had dealt for value in nor owned, controlled or directed any Shares, options, derivatives, warrants or other securities convertible into Shares during the Relevant Period.

As at the Latest Practicable Date:

- (i) save for the 300,000,000 Shares held by the Offeror upon Completion, none of the Offeror, its ultimate beneficial owner and/or parties acting in concert with any of them and the sole director of the Offeror held, owned or had control or direction over any voting rights or rights over the Shares or convertible securities, options, warrants or derivatives in respect of such securities of the Company;
- (ii) there was no outstanding derivative in respect of the securities in the Company which was owned, controlled or directed by, or had been entered into by the Offeror, its ultimate beneficial owner and/or any person acting in concert with any of them;
- (iii) save for the Sale and Purchase Agreement, none of the Offeror, its ultimate beneficial owner and/or any person acting in concert with any of them had any arrangement (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with any person in relation to the share of the Offeror or the Shares;
- (iv) save for the Sale and Purchase Agreement, there was no arrangement (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code which existed between the Offeror, its ultimate beneficial owner and/or any person acting in concert with any of them and/or any other associate of the Offeror, and any other person;
- (v) save for the Sale and Purchase Agreement, there was no agreement or arrangement to which the Offeror was 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 Offer;
- (vi) none of the Offeror, its ultimate beneficial owner and/or parties acting in concert with any of them had received any irrevocable commitment(s) to accept or reject the Offer;
- (vii) none of the Offeror, its ultimate beneficial owner and/or parties acting in concert with any of them had borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;

- (viii) there was no agreement, arrangement or understanding that any securities acquired in pursuance of the Offer would be transferred, charged or pledged to any other persons;
- (ix) save for the Sale and Purchase Agreement, there was no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Offeror, its ultimate beneficial owner and/or parties acting in concert with any of them on the one hand, and the Selling Shareholders and/or parties acting in concert with any of them on the other hand;
- (x) save for the Sale and Purchase Agreement, there was no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeover Code) between (1) any Shareholder on one hand; and (2) the Offeror, its ultimate beneficial owner and/or any party acting in concert with any of them on the other hand;
- (xi) save for the Consideration paid by the Offeror to the Selling Shareholders pursuant to the Sale and Purchase Agreement, there was no other consideration, compensation or benefit in whatever form paid or to be paid by the Offeror, its ultimate beneficial owner or any parties acting in concert with any of them to the Selling Shareholders or any party acting in concert with any one of them in connection with the sale and purchase of the Sale Shares;
- (xii) save for the Sale and Purchase Agreement, there was no agreement, arrangement or understanding (including any compensation arrangement) between the Offeror, its ultimate beneficial owner or any person acting in concert with any of them and any of the Directors, recent Directors, Shareholders or recent Shareholders having any connection with or dependence upon the Offer;
- (xiii) no benefit (other than statutory compensation) was or would be given to any Director as compensation for loss of office or otherwise in connection with the Offer;
- (xiv) no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company was managed on a discretionary basis by any fund managers or principal traders connected with the Offeror or any person acting in concert with it, and no such person had dealt in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company during the Relevant Period; and
- (xv) there were no conditions to which the Offer is subject to.

#### 4. QUALIFICATIONS AND CONSENTS OF EXPERTS

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

<b>Name</b>	<b>Qualification</b>
Goldlink Capital (Corporate Finance) Limited	a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO
Messis Capital Limited	a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Goldlink Securities Limited	a corporation licensed to carry out Type 1 (dealing in securities) regulated activity under the SFO

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

#### 5. MARKET PRICES

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

<b>Date</b>	<b>Closing price per Share (HK\$)</b>
30 September 2024	0.066
31 October 2024	0.130
29 November 2024	0.126
31 December 2024	0.073
28 January 2025	0.246
28 February 2025	0.226
12 March 2025 (Last Trading Day)	0.590
31 March 2025	0.610
3 April 2025 (Latest Practicable Date)	0.530

During the Relevant Period:

- a. the highest closing price of the Shares quoted on the Stock Exchange was HK\$0.67 per Share on 25 March 2025; and

- b. the lowest closing price of the Shares quoted on the Stock Exchange was HK\$0.066 per Share during the period from 27 September 2024 to 2 October 2024.

## 6. MISCELLANEOUS

- a. The registered office of the Offeror is Aegis Chambers, 1st Floor, Ellen Skelton Building, 3076 Sir Francis Drake's Highway, Road Town, Tortola VG1110, British Virgin Islands.
- b. The correspondence address of the Offeror and Ms. Di, being the sole ultimate beneficial owner of the Offeror, the sole director of the Offeror and a principal member of the Offeror's concert group is 7/F, Suites 703-4, Tower 2, The Gateway, 25 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong.
- c. The main business address of Goldlink Capital is 28/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong.
- d. The main business address of Messis Capital is Room 1303, 13/F, OfficePlus @Wan Chai, No.303 Hennessy Road, Wanchai, Hong Kong.
- e. The main business address of Goldlink Securities is Rooms 1805-6, 18/F, Alliance Building, 133 Connaught Road Central, Sheung Wan, Hong Kong.
- f. The Offeror is a company incorporated in the British Virgin Islands with limited liability on 10 February 2025.
- g. In case of inconsistency, the English text of this Composite Document and the Form of Acceptance shall prevail over their respective Chinese texts.

## 7. DOCUMENTS ON DISPLAY

Copies of the following documents are available for inspection on the websites of the SFC ([www.sfc.hk](http://www.sfc.hk)) and the Company ([www.novacontechgroup.com](http://www.novacontechgroup.com)) from the date of this Composite Document up to and including the Closing Date:

- a. the memorandum of association and articles of association of the Offeror;
- b. the "Letter from Goldlink Securities", the text of which is set out on pages 10 to 20 of this Composite Document;
- c. the written consents as referred to in the section headed "4. Qualifications and Consents of Experts" in this Appendix IV; and
- d. the Sale and Purchase Agreement.